

FOREIGN POLICY OF NEPAL
(1951 - 1966)

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A Thesis Submitted for Ph. D. Degree of the University of Rajasthan

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1971

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P R E F A C E

From the slumber of more than a century under the patronage and protection of the British empire in India, Nepal woke up in the late forties to see and feel the world around her. The end of the slumber was due partly, to the winding up of the British umbrella in 1947 and partly to the post-II World War international politics which would not leave her to herself, even if she so desired. Her location between India and China which came to acquire strategic value, dragged her into the currents of international politics. One offshoot of Nepal's newly acquired significance was that she started evoking academic and scholarly interest. The interest was motivated by the political and strategic considerations as also the intellectual quest. The world became increasingly^{ly} inquisitive about the land and the people and wanted to reveal the mysteries of the snow-clad Himalayan kingdom.

Nepal has now been participating actively in the international politics for nearly last two decades. Through this participation, she has come to evolve and project a particular image and pattern of behaviour of herself. This provides a fascinating case for studying behaviour of the Small Powers in international politics. Very little has been done by the theorists and scholars in clearing the conceptual cobwebs and unlocking the intricacies of this behaviour towards understanding it. The field, therefore, offers a challenge and a prospect.

Nepal's foreign policy behaviour and international image have been of particular interest in India and for the Indians owing to the existence of closer affinities, extensive intercourse and

common stakes between the two countries. A proper understanding of each other is, therefore, essential between them.

The present study of Nepal's foreign policy behaviour has been prompted by above mentioned consideration. No conscious attempt was made to follow a particular approach of understanding international politics because none of them is perfect. However, the bias in favour of the traditional^{al} approach of Power Theory has crept in. It is so because the other approaches like the Decision Making Theory, the System Theory, the Communication Theory etc. have very little to help in this context. Besides, the proper research tools and methods, and the factual data needed for the application of these approaches are not available. Nevertheless, while analysing Nepal's foreign policy behaviour as a small, autonomous power unit, the role of political institutions in the evolution and conduct of this behaviour has been studied and the importance of 'systematic' characteristics of the international political order have not been ignored. This mixed application of the approaches has resulted in some repetitions but they involve facts and not analysis.

The ^{non-}availability of reliable factual information always presents a problem in foreign policy studies owing^{to} the secretive nature of the relevant facts. The problem was much bigger in case of Nepal - a country which is over jealous of her independence and highly suspicious of the foreigners. Besides, the sources of official and public information there are still inadequate and unsystematic. Even the deliberations of the National Legislature are closed to the public. Such deliberations of a short period

(of Parliament, 1959-60) during which, they were not closed to the public, have been made so now by the present regime.

In the collection of facts for the present study, the author has depended upon the official sources and the press, ^{for the} relevant Treaties, Agreements, Joint Communiques, Memorandums, Exchange of letters and the speeches and statements of the decision makers. Besides, the author visited Nepal during February to July 1968 to have a feel of the country, consult various libraries there and visit government departments as well as foreign embassies in Kathmandu. During the visit, diverse groups of people including political leaders, former Ministers, civil servants, intellectuals, and newspaper editors were interviewed. These interviews were extremely useful in filling the factual gaps as also in understanding and interpreting events and developing a proper perspective and insight towards them.

For the completion of this study I am greatly indebted to Prof. S.P. Varma for his painstaking guidance and supervision. Even during earlier period, when he was not my formal supervisor, he made his guidance readily available and showed great interest in the progress of my work. His sympathetic concern throughout my research career so far, extended beyond academic supervision and was always a source of moral and material support without which I would not have been able to sustain myself in the field.

I am equally grateful to Dr. K.P. Karunakaran, Senior Research Fellow at the Institute of Advanced Studies, Simla. I started my work under his supervision and but for the difficulties of distance and regular communication - owing to his shifting from

Delhi to Simla, then to Kerala and then again to Simla - would have completed it^{as such}. Having had the privilege of his keen interest and friendly approach, I dare say that it is a rare pleasure to work under him.

I would like to express my deep sense of gratitude to Prof. Aloo J. Dastur of Bombay University. To her goes the credit of bringing me from a remote village school in Rajasthan to the hub of academic field. She did not only induct me into the research activity but also kept inspiring and encouraging regularly afterwards, from wherever she was.

My acknowledgements are also due to:

The Nepalese leaders: Sh. B.P. Koirala, Sh. Subarna Shumshere, Sh. M.P. Koirala, Sh. S.P. Upadhyaya, Sh. D.R. Regmi, Sh. Tanka Prasad Acharya, Sh. Rishikesh Shah, Sh. K.I. Singh, Sh. Bharat Shumshere, Sh. Kesar Jung Raimajhi, Sh. Kirti Nidhi Bisht, Dr. Tulsi Giri, Sh. Yogendra Man Sherchan, Sh. G.P. Koirala and others who very kindly allowed me long interviews;

Sh. Y.N. Khanal (Secretary) and his colleagues in the Ministry of Foreign Affairs, the Ministry of Economic Planning, the Rastriya Panchayat Secretariat, the Department of Publicity and various other H.M. Government offices and libraries where I was allowed access to whatever material possible;

Mr. M.C. Regmi, Mr. Chittaranjan Nepali, Mr. Gopal Das Shreshtha and others who helped me in the collection of material and meeting the people towards that end in Kathmandu;

Sh. Girija Kumar, Librarian, ICWA Library, Sapru House, New Delhi, and his very efficient and helpful staff members,

particularly Mr. Ansari, Mrs. Andrade, Mrs. Chhaya Devi and Mr. Chintamani;

Prof. Bimal Prasad, Dr. (Mrs.) Urmila Phadnis, Dr. Anirudha Gupta and Dr. L.S. Baral of the School of International Studies, Jawaharlal Nehru University, New Delhi, for their guidance and help;

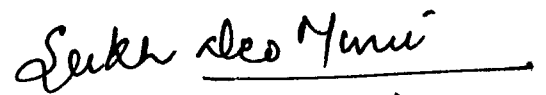
The warden and authorities of the SIS Hostel, Sapru House, New Delhi, for accommodating me from time to time and thus facilitating my work at the ICWA Library;

Km. Anuradha Trivedi, Mr. M.A. Saleem Khan and other friends at SIS Hostel, Sapru House, New Delhi, for their inspiration as well as moral and material support which kept me moving on;

Prof. Iqbal Narain and Dr. C.P. Bhambari of the Department of Political Science, University of Rajasthan, Jaipur, whom I always found kind and helpful.

Mr. P.C. Mathur and my other colleagues at the South Asia Studies Centre, University of Rajasthan, Jaipur, for their co-operation and encouragement.

The University of Rajasthan and its South Asia Studies Centre for providing me with financial assistance in the form of fellowship awards.


(Sukh Deo Muni)

JAIPUR
February 1971

Chapter I

THE BACKGROUND

Foreign policy thinking in Nepal, a country located between the two major powers of Asia, has been influenced by her geographical discomfiture more than any other single factor. The northern border of the Kingdom runs along Tibet, through the snowy Himalayas and in the west, south, and east, it is flanked by the UP, Bihar and Bengal states of the Indian Union, respectively. Sikkim, an Indian protectorate, makes a common border with her northern east, whereas her southern east is separated from West Pakistan by a narrow strip of Indian territory. Thus surrounded, Nepal is an 'elongated rectangle' shaped, landlocked country. The length of this rectangle is about 500 miles west to east and its breadth varies between 80 to 150 miles, yielding a total area of about 54,069 miles. (1)

The geo-political confines of the present-day Nepal are the outcome of a process of annexation and cession, initiated in the later half of the eighteenth century by King Prithvi Narayan Shah who launched a vigorous campaign for the political unification of Nepal through territorial expansion. By 1769 he had brought the whole of the Kathmandu Valley under his control, and assumed

1. Upendra Man Palla, A Brief Geography of Nepal, Department of Publicity, Ministry of Information and Broadcasting, His Majesty's Government, NEPAL, June 1967, p.1. Also see: Pradyumna P. Karna, Nepal: A Cultural and Physical Geography, University of Kentucky Press, Lexington, 1930, p. 1.

the title of King of Nepal. (2) After Prithvi Narayan's death in 1774, his plans were carried further by his successors, mainly by his younger son, Bahadur Shah. Bahadur Shah inherited from his father, not only the perception of a greater Nepal, but also courage and statesmanship to make it a reality. Accordingly, he extended Nepal's sway as far as Hunan towards the west and up to Sikkim in the east. Pushed with success, Bahadur Shah moved towards the north during 1788-89, where he came in conflict with Tibet, which led him into conflict with China in 1791-92. It will be seen in the subsequent pages that this encounter checked Nepal's expansion in that direction. Soon after this debacle, Bahadur Shah's political career also came to an end.

After the lapse of about a decade, following Bahadur Shah's fall in 1785, Nepal had a strong Prime Minister in Bhim Sen Thapa. He came to power in 1804. (3) Under him Nepal moved towards the south till stopped by the British in 1816. (4) An

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2. For the details of Prithvi Narayan's military expeditions see: Baburan Acharya, Nepal ko Samgrahant Vistaran (A brief description of Nepal), Kathmandu, 1936, pp. 10-66; Lalchandra Sharan, Nepal ko Itihasik Ron Rokh (Historical Outline of Nepal), Banaras, 1936, pp. 213-222; Dandhara Dasgupta, Nepal ko Itihasik Vistaran (Historical analysis of Nepal), Banaras, 1939, pp. 170-80; Surya Vikram Gyawali, Prithvi Narayan Shah 1742-1774, Darjeeling, 1936; Father Giuseppe, "Account of Nepal", Asiatic Researches, vol. II, p. 316.
 3. For the Nepalese politics leading to Bhim Sen Thapa's rise to power see: Sharma, n. 2, pp. 243-52; Acharya, n. 2, pp. 102-110.
 4. For Bhim Sen's military preparations and campaigns, see: Chittaranjan Nepali, Bhim Sen Thapa ko Itihasik Ron (Bhim Sen Thapa and Nepal of his time), Kathmandu, 1936, pp. 102-26; Surya Vikram Gyawali, Asar Singh Thapa, Darjeeling, 1951.

a result of the Anglo-Nepalese war during 1814-16, Nepal's western, southern and the eastern boundaries were defined as such and what followed afterwards, were only minor adjustments.

FOREIGN POLICY OF THE SHAH RULERS
(1742-1846)

Besides initiating the unification and consolidation of Nepal, King Prithvi Narayan also laid down the basic tenets of her foreign policy. Highlighting the principal determinants of this policy he said:

This kingdom (Nepal) is like a tarul (a root vegetable) between two stones. Great friendship should be maintained with the Chinese emperor. Friendship should also be maintained with the Emperor of the southern seas (the British), but he is very clever. He has kept India suppressed. He is entrenching himself in the plains. ... Do not engage in an offensive attack, fighting should be done on a defensive basis. ... If it is found difficult to resist in the fight, then even means of persuasion, tact, and deceit should be employed. (5)

It emerges out of this statement that, aware of her weakness, Nepal was apprehensive of the growing British power in India. The apprehensions were evident in Prithvi Narayan's reluctance towards the revival of trade relations between India and Nepal. (6)

5. Naraharinath Yogi and Baburam Acharya (ed.), Rastranata Sri 5 Bada Maharaja Prithvinarayan Shah Dev ko Diviya Upadesh (Divine Counsel of father of the nation His Majesty King Prithvi Narayan Shah Dev), Kathmandu, 1953, pp. 15-16.

6. The British sent a mission under James Logan in 1769 to persuade Prithvi Narayan to revive customary commercial relations between India and Nepal. The mission was not received well in Kathmandu. "Logan's Memorandum on Trans-

(contd. on next page)

He looked down upon the western way of life as a social and religious perversion. He expelled Christian Missionaries who had earlier enjoyed the patronage of his predecessors in Kathmandu. (7) He and his successor were averse to the idea of having a British Resident in Kathmandu. Whenever they had to have one, the latter was kept under a strict vigil and his movements were severely restricted. (8)

Nepal, Tibet and China: 1700-22

Nepal's economic interests in Tibet brought her into conflict with China. Some difficulties had arisen during Prithvi Narayan's regime in the extensive trade and economic relations existing since long between Nepal and Tibet. The difficulties related to the currency and the condition of the Nepalese traders. (9) Besides these difficulties, the wealth

6. (contd. from back page)

Himalayan Trade of Bengal and Gurkha conquest of Nepal", quoted in H.L. Chatterjee, Nepal's Role in India, Allahabad, 1920.

In a letter to the Dalai Lama of Tibet, Prithvi Narayan asked for his co-operation in forbidding the East India Company to have direct trade relations with Tibet. Percival London, Nepal, vol. I, London, 1927, p. 67; also see SAVA Indica, No. 8, pp. 10-12.

7. Sharma, n. 2, p. 230.

8. Under the treaty of 1801, Capt. Erskine went to Kathmandu as the first British Resident, in February 1802. But in view of the most unfriendly and unco-operative treatment of the Court of Nepal, he could stay there only for one year. London, n. 6, p. 73.

9. Col. Kirkpatrick, An Account of the Kingdom of Nepal, London, 1811. Mr. Yvan's account of Nepal-China war in 1822, translated by H.S. Brunnet, Peking, 1923, quoted by London, n. 6, vol. II, Appendix XII, pp. 276-281.

of the Tibetan monasteries offered an incentive (10) and the militant and expansionist mood of the Gurkhas acted as stimulant for Nepal to launch an attack on Tibet in 1700.

Tibet was defeated and a treaty was signed between the two states on 2 June 1709. Under its provisions, besides agreeing to continue Nepalese currency and fix up an exchange rate between the new and the old coins, Tibet agreed to pay Nepal Rs. 80,000 in annual tributes and allowed the latter to maintain its representative in Lhasa. (11) However, Tibet did not honour these commitments in practice except for the year following the conclusion of the Treaty.

Nepal, having felt deceived, renewed hostilities. Tibet appealed to the Chinese Emperor for help. Encouraged by her suzerain rights and religious, economic and social interests in Tibet, China intervened and forced Nepal to yield. (12) Nepal requested the British for help but in vain. (13) Under the Chinese good offices, Nepal and Tibet signed a treaty in late 1702. According to it, like Tibet, Nepal also accepted Chinese suzerainty and agreed to send a quinquennial tributary mission to

10. Kirkpatrick, *ibid.*, Appendix IIIA, p. 345.

11. Leo E. Rose, The Role of Nepal and Tibet in Sino-Indian Relations (unpublished thesis), University of California, 1969, p. 70.

12. London, n. 6, vol. II, Appendix XXI; Francis (Eusebius) Hamilton, An Account of the Kingdom of Nepal, and of the Territories annexed to that Dominion by Means of Gurkha, Edinburgh, 1810, pp. 237-40.

13. Kirkpatrick, n. 0.

China. Nepal's position in Tibet, however, under the treaty remained the same as before, and her disputes with the latter were settled to her satisfaction. (14)

The suzerainty clause between Nepal and China remained a theoretical premise and never became operative. Nepal waged wars and signed peace at her own, without referring to China. It was largely so due to the distance between the two and the growing power of the British in India. (15) Tributary missions that went from Nepal to China were of the nature of embassies from one court to another, far from being interpreted as a mark of subordination. (16) The pattern of Nepal's relations with China on the one hand and Tibet on the other, established by the treaty of 1792, continued as such for a long time.

Anglo-Nepalese War and Treaty of Seculi

In 1792, China could only warn Nepal against any encroachment towards the north, but could not restrain her martial spirit. She expanded towards south and, in 1814, came in conflict with the British power there. The British had their own axe to grind against the Gurkhas, whose obstinacy had put their commercial schemes for the Himalayan states in jeopardy. (n.6). Besides,

14. Terms of the Treaty, General Padma Jung Bahadur Rana (ed. A.C. Mukerjee), Life of Maharaja Sir Jung Bahadur of Nepal, Allahabad, 1909, pp. 7-8.

15. D. R. Regmi, Modern Nepal, Calcutta, 1961, p. 202; S. Levy, Le Nepal, Paris, 1905 (English translation, 1908), p. 181. Leo E. Rose, "Sino-Indian Rivalry and Himalayan States", Orbis (Summer 1961), vol. V, no. 2, pp. 198-215.

16. London, n. 6, vol. II, p. 102.

there was an acute problem of the criminals who looted Indian border villages and found a safe home in the Terai forests and hills of Nepal. The lack of cooperation of the Government of Nepal made it difficult for the British to solve it. (17) Thus, war was considered as the only alternative left and the Gurkha encroachments gave another excuse for the British to embark upon it. Nepal was defeated in the war and was forced to sign a Treaty with the British at Segouli on 4 March 1816.

Peace at Segouli proved a costly bargain for Nepal. She lost her possessions in Sikkim, Kumaon and Garhwal and had also to part with portions of her territory in eastern and western Tarai. She was compelled to give up her resistance to the posting of a British Resident in Kathmandu and promised to seek British permission before employing any European. (18) Experiences of the war had far-reaching implications for the future course of Nepal's foreign policy. She knew the limits of her capacity to resist the British and was disillusioned about the possibilities of using China against them. (19) Similarly, she realised that

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17. Kanchannoy Mojundar, Indo-Nepalese Relations 1837-1877 (unpublished Thesis, The Indian School of International Studies, New Delhi, 1962).
 18. Text of the Treaty. C.Y. Aitchison, A Collection of Treaties, Engagements and Sunnuds relating to India and Neighbouring Countries, Calcutta, 1929, vol. XIV, pp. 35-69; Narhari Nath Yogi (ed.), Itihas Prakash na Sandhi Patra Sangrah (collection of Historical Treaties and Papers), Part I, Banaras, 1965.
 19. Nepal had written letters to the Chinese Emperor and the Chinese Resident in Tibet, asking for help against the British. In these letters, Nepal's protectorate status was referred and the likelihood of ultimate British designs on Tibet was impressed upon. Text of the letters, Nepali, n. 4, Appendix 27(a) and 27(b), pp. 300-304.

the British were getting entrenched in India and an anti-British alliance with the Indian States had bleak prospects. (20) Finally, the Segouli treaty provided the basis of the future pattern of Anglo-Nepalese relations.

Anglo-Nepalese Relations after
the Segouli Treaty

Notwithstanding its terms and provisions, the Segouli treaty could force Nepal only to be at peace with the British. It could not make her friendly and co-operative. Nepal received a British Resident in Kathmandu, but her powerful and shrewd Prime Minister Bhim Sen Thapa kept intercourse with the British confined to the "rigidly defined and closely guarded limits". Commercial and other matters were not promoted. (21)

Nepal also did not spare her efforts in seizing any opportunity to forge anti-British alliances with the Indian States, China, Burma, and Afghanistan. (22) It continued till the rise of Jang Bahadur in 1846. During Anglo-Chinese conflict in 1839-42, Nepal sent diplomatic missions to Lhasa and Peking and offered her co-operation. Again when the Sikhs in India lost to the British in 1846 Nepal approached China. Interestingly enough, in all such communications special reference was made to

20. Nepal also sent letters and emissaries to the Indian States asking for their co-operation in throwing the Feringhis (the foreign invader) out. This attempt also met with a discouraging response. Ibid., pp. 121-135.

21. Mojumdar, n. 17, pp. 37, 50.

22. Ibid., pp. 120-133.

the acquisitive designs of the British. (23) Similarly emissaries disguised as matrimonial missions were sent to the Indian States. Not only this, Nepal also made a discreet attempt to sow disaffection in the Indian army on the one hand and the Rajahs and the Zamindars on the other. (24) But none of these attempts ever turned out to be a success.

Later, Nepal slowly and gradually drifted into the British sphere of influence and she hardly attempted to enter into any hostility, military or diplomatic, with China, but for once in 1855-56. The British remained her main concern.

China was not unaware of the growing British power in India with which she also had her commercial interests. Besides the understanding that Nepal was ultimately destined to remain under the British influence, China's direct interests lay in Tibet and not in Nepal. This was clearly evident in China's hesitation to come to Nepal's help during Anglo-Nepal wars. (25) During Opium War (1839-42) and in 1846, her responses to the Nepalese overtures were discouraging for the latter. In 1846 (n.23) she even counselled Nepal not to attempt any anti-British alliance and maintain friendly relations with them instead.

23. Mang-Pao, Si tsang-tsou-shu (West Tibet Memorial Reports) Chuan 3, Correspondence with the King of the Gurkhas. Referred in Rose, n. 11, p. 294. Ch'ou-Pou-1, Wu Shih-DO (Documents concerning management of foreign affairs), Peiping Palace Museum, 1930, vol. 28, Chuan, 75. 24a-25b. Petition, King Rajendra to Chinese Emperor, 28th Day, 15th month, 25th year (February 1846). Referred, *ibid.*, p. 310.

24. Mojundar, n. 17, p. 164.

25. Sharma, n. 2, pp. 276-277.

Further, China refused to give credence to the Nepalese thesis of the British design on Tibet. (25) Besides, China was engaged for most of the time in internal trouble and so deliberately avoided conflict with foreign powers.

The desire of China and the British of not making Nepal an area of conflict between them was, therefore, in conformity with their respective interests. Indian states, on the other hand, were chary of the British wrath which their association in Nepal's schemes could have invited. This severely limited Nepal's scope for manoeuvrability in her foreign policy.

FOREIGN POLICY OF THE RAMS (1843-1849)

With the rise of Jung Bahadur Rana in 1843, as the most powerful Prime Minister Nepal had ever had, a new era of friendship, understanding and co-operation with the British ushered in. (27) The principal determinant of Jung Bahadur's policy was his belief in the invincibility of the British in India. He adopted this policy almost under helplessness. It was evident in his conversation with the then British Resident in Kathmandu, to whom he was reported to have said:

26. Chandra-Sekhara Mishra, pp. n. 23, referred in Roco, n. 11, pp. 232-10.

27. Jung Bahadur came to power from a humble position as a result of the most ghastly act on 14 September 1843, Kathmandu Massacre, in which a large number of the nobility was massacred. He pushed the King into the background, brought all the sources of power under his firm control and established a family rule by making the Prime Ministership hereditary from brother to brother. General Pradma Jung, n. 14, pp. 63-77; Fogel, n. 15; Landon, n. 6.

We know, you (the British) are a stronger power. You are like a lion, we are like a cat, the cat will scratch if it is driven to a corner, but the lion could soon kill the cat. You can force us to change our policy, you can take our country if it pleases you to do so. (23)

There were other reasons also, reasons rather personal, behind Jung Bahadur's soft attitude towards the British. He had come to power from a very humble position and, therefore, the British patronage could prove helpful in legitimising his authority as such. Further, most of his opponents, who escaped the massacre at 'Kot', had ^{taken refuge in} escaped to India. Their suspected activities against his regime could have only been checked with the co-operation and help from the British. Lastly, in order to materialise his ambition to acquire the throne of Nepal for himself, approval of the British was very necessary. All these objectives underlined the need for Jung Bahadur to have friendliest relations with the British. (23)

To prove his sincerity, Jung Bahadur, unlike his predecessors who indulged in anti-British activities, offered military assistance to the British, whenever he felt that an opportunity for that existed. Such offers by him in 1843 and 1849 were politely declined by the latter. But when a great military upsurge broke out all over north India in 1857, his

23. Decree to the Government, 6 July 1834. Foreign Office Political Proceedings, August 1834, No. 52, quoted in Rajmangal, No. 17, p. 236.

23. *Ibid.*

offer was welcomed by the British. (30) He himself led the troops and helped the operations against "the mutineers" to achieve success.

Jung Bahadur was the first Nepalese Prime Minister who visited England in 1850. (31) There he met Queen Victoria. During his tour of the country, he showed great interest in Britain's social, administrative and military set-up. He was so impressed by this that later he made earnest efforts to reorganise Nepal on those lines. (32) In 1862, 1865 and 1874 he expressed his desire to revisit England. It could not materialize due to the British reluctance on the first two occasions, and on the third occasion, he went up to Bombay, from where he had to turn back due to an accident which caused him injury.

The British, on their part, favourably responded to his friendly gestures. They observed strict non-interference in Jung Bahadur's domestic policies and extended all possible support to his unchallenging position in the Kingdom. In return of his services in 1857, he was decorated with the title of 'The Grand

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30. Even this time the British were initially hesitant in accepting the offer. But the pressing need for additional troops and favourable reports about Jung Bahadur's intentions from the Resident cleared the way. General Pudma Jung, n. 14, p. 198.
31. Jung Bahadur had cherished this desire from the very beginning. His visit violated Nepalese social tradition of not crossing sea and therefore was not looked upon with favour by his people and traditionally-minded colleagues. Ibid., pp. 113, 153.
32. Ibid., pp. 249-301; Sharma, n. 4, pp. 341-43; also Satish Kumar, The Rana Polity In Nepal, New Delhi, 1967.

Commander of the Order of Bath', and a part of Terai annexed during 1814-16, which now constitutes Nepalganj, was restored to Nepal. In 1856, when Jung Bahadur launched an attack on Tibet, in spite of their declared neutrality in the conflict, the British permitted not only the transport of the Nepalese troops through their territory but also the purchase of arms for them through private sources in India. (33)

Jung Bahadur's friendly disposition, nevertheless, had reservations. He did not favour British interference in his domestic affairs. To ward it off, he had very restricted intercourse with the British Resident and kept him away from the Nepalese politics. He did not co-operate with the British proposals for scientific surveys of Nepal. He showed no interest in the commercial schemes of the British either. Similarly, his attitude towards the questions of boundary settlement and border crimes and extradition proved 'non-cooperative and irritating if not unfriendly' to the British. (34) He even desired to secure international recognition for Nepal as an independent State, ruled by his family. Prompted by this desire, he visited France during his trip to England besides maintaining formal customary relations with China. Later he expressed his willingness to meet the Emperors of France and Austria, the Pasha of Egypt and the Czar

33. Apprehending Russian designs over Tibet and themselves being engaged in the Crimean War, the British in fact favoured Nepal to assert herself in Tibet. Rose, n. 11, pp. 330-31. Nepal-Tibet^{nations} since 1846 will be discussed later.

34. Mojundar, n. 17, pp. 395, 358.

of Russia in his own independent capacity. (35)

A plausible explanation for Jung Bahadur's reservations towards the British can be sought in the latter's attitude towards his political ambitions. Though the British extended all possible support and co-operation to Jung Bahadur's de facto supreme authority in Nepal, they firmly and effectively opposed his bid to the throne. This made him distressed. (36)

Jung Bahadur's Successors

Jung Bahadur's calculations regarding Nepal's foreign policy and attitude towards the British held valid even for his successors. Further, the continued friendly intercourse between the two regimes slowly and gradually removed whatever reservations Nepal entertained during Jung Bahadur's period. Enhanced co-operation and mutual goodwill replaced them.

In 1885, the recruitment of the Gurkhas for the British armies, was formally permitted by Bir Shamsere (1885-1901). The settlement of this issue had been pending since 1816. In 1904, Chandra Shamsere (1901-29) helped a British military mission sent to Tibet under Col. Younghusband. (37) Instead of helping Tibet against the threat posed by this mission, for which Nepal

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35. He had expressed this willingness along with his proposal for second visit to England. The British Government disfavoured the idea to the extent that he had to withdraw his proposal.
36. Mojumdar, n. 17, p. 392.
37. Younghusband's mission was sent in 1903. Its objectives were to counteract Russian designs on Tibet and also to extract political and commercial concessions from the latter. For details see: Chapters X and XXI of Sir Francis Younghusband, India and Tibet, London, 1910.

was obliged under the treaty signed in 1856, Chandra Shamshere pressurized the Dalai Lama and the Tibetan Kasis to negotiate a settlement with the British, to the latter's advantage. (38) Like Jung Bahadur, he visited England in 1908 and played host to the British Emperor, George the V, in 1910 for an hunting excursion. During the first World War (1914-18), the Gurkha troops fought on the British side and established their reputation for skill, strength and discipline.

Thus, Chandra Shamshere's contribution in pushing Nepal still deeper into the British sway, was substantial. In return, he was decorated with titles and honours. Nepal started receiving a yearly gift of one million rupees, which still continues, as a mark of gratitude for the services rendered by the Gurkhas to the British armies. Besides, the designation of the British representative in Nepal was changed from the Resident to 'the Envoy'. The British formally recognised Nepal as an independent sovereign state under a Treaty of Peace and Friendship signed between the two countries in December 1923. The Treaty enabled Nepal to freely import goods and arms from and through India. It obliged the signatories to notify each other of any misunderstanding with neighbouring states, likely to affect their mutual relations. Both the parties undertook to restrict the use of their territories for the purposes contrary to the interests of

38. Landon, n. 6, vol. II, pp. 109-110; Younghusband, n. 37, pp. 135-36. As a result of the success of this Mission Chumbi Valley trade route between Tibet and India (British) was opened. This in the long run damaged Nepal's own economy and her position as a link between the two.

the other. (39)

Formal recognition of Nepal's independence got a further impetus during Judha Shamshe (1931-1945), when in 1934, a British Minister with full diplomatic status was appointed in place of the British envoy, at the Nepalese Court. Nepal from her side, established a legation in England ^{and} a Counsel General in Delhi during the same period. (40) Keeping with the tradition, the Gurkha troops fought for Britain and her allies in the Second World War. However, Judha Shamshe was the last Rana Prime Minister of Nepal whose hegemony remained unchallenged in the domestic context. With his fall in 1945, a change in the pattern of Nepal's external relations was in sight.

Nepal, Tibet and China Under the Ranas

Nepal's relations with China and Tibet had been guided by the Treaty of 1792, when Jung Bahadur assumed power. Most notable event affecting these relations was Nepal's military expedition on Tibet in 1855-56.

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39. Text of the Treaty. Narhari Nath Yogi (ed.), n. 18, Part I, pp. 147-49. In an exchange of letters following the Treaty, the Prime Minister of Nepal had agreed to inform before hand to the British envoy of the Court of Nepal about the details of the goods imported through India. Ibid.
40. This extension of the Anglo-Nepalese relations was often accounted as a big success of Nepal's foreign policy. It continued to find elated reference in the policy statements. Text of Judha Shamshe's speech on the eve of his resignation from the Prime Ministership of Nepal, Gorkhanetra, vol. 45, No. 64, Marg 19, 2002 (December 1945).

Jung Bahadur was quite unhappy about the difficulties faced by the Nepalese traders in Lhasa. The displeasure was further enhanced by the harassment offered by the Tibetans to the Nepalese mission carrying five-yearly tribute to China. (41) At home, Jung Bahadur was facing stiff opposition to his pro-British policies and he was aware of the fact that war had often been proved an effective measure to calm internal opponents. These factors prompted Jung Bahadur to settle his account with Tibet. To make it opportune, Chinese imperial authority had gone under considerable decline and at the moment, China was engaged in the Taiping rebellion. The British on their part were not averse to the idea of Nepal having her influence in Tibet. (n.33).

The Nepalese armies moved into Tibet in March 1855. They inflicted heavy casualties on Tibetan troops who called China for help. The Chinese, in spite of their engagement at home and contrary to Nepal's calculations, intervened. As a result, Nepal lost and a treaty between Nepal and Tibet under China's patronage was signed at Thapathali (Kathmandu), on 24 March 1856. (42) Under the Treaty, Tibet agreed to pay Rs.10,000 annually to Nepal and the latter accepted the obligation to come to the former's help in case of any foreign attack. Trade matters were settled to the satisfaction of the Nepalese. Finally, both Nepal and Tibet agreed to respect China as before. (43)

41. General Pudma Jung, n. 14, pp. 172-175.

42. For details of the war, see General Pudma Jung, n. 14, pp. 172-191; Bhandari, n. 2, pp. 271-76.

43. General Pudma Jung, n. 14, pp. 189-90. Also Narhari Nath Yogi, n. 18, p. 120.

The pattern of these relations continued for some years. Tibet paid her tribute till as late as 1953. Nepal maintained friendly relations with China and continued to send quinquennial missions. China also continued to confer titles and honours upon the kings and the Prime Ministers of Nepal. Nevertheless, she was unable to exercise any influence over the kingdom, precisely because the British would not permit it and she was neither capable nor willing to force herself. Explaining the British attitude in this regard, Durand, the British Governor-General, observed in 1888:

If the Chinese really attempt to establish their influence in Nepal, we must object and revive our relations with that state (which is), not, I think a very difficult matter with Jung Bahadur's descendants under our protection. (44)

With the British grip tightening on Nepal, China's significance for the latter greatly declined. The five-yearly mission from Nepal last visited China in 1908. After that, a nationalist government replaced the imperial rule in China in 1912 and the tributes were never bothered about.

With the breakdown of this practice, whatever direct and formal contact Nepal had with China also ceased. In May 1930, a Chinese friendship mission visited Kathmandu but failed to make any notable improvement in the state of affairs. (45) Nevertheless

44. Quoted in Rose, n. 11, p. 419.

45. The mission was led by Pa Ue Sun, with Daniel J. Lee accompanying as the British Secretary. The latter had an interview with the Prime Minister of Nepal and quoted him as saying "Tibet has blocked our way to China". Daniel J. Lee, "Nationalist China re-establishes relations with the Kingdom of Nepal", The China Weekly Review, 27 December 1930, vol. 55, no. 4, pp. 148-49.

to a Rana ruler, Chinese titles and decorations were always a pleasure. It gave recognition to his authority from China without taking anything in return.

FOREIGN POLICY AND DOMESTIC POLITICS
(1945-50)

The end of Judha Shumshere's rule in November 1945 marked the beginning of the Ranas' fall. After him, Nepal had two more Rana Prime Ministers: Padma Shumshere (1945-48) and Mohan Shumshere (1948-51). Their foreign policy, though motivated like their predecessors by the desire to cling to power, was different in its manifestation. Political developments in the region around, as well as within the kingdom, accounted for the change. Let these developments be noted first.

Developments in the Neighbouring Countries -
India and China

The British rule in India had been a decisive factor for the Ranas to keep themselves in power. Its withdrawal in 1947, therefore, made them very uncomfortable. More so because the Government of Independent India wanted them to accommodate the forces generated by the distinct, albeit slow, political awakening in Nepal, and the resurgence in Asia. Referring to it, Nehru said in December 1950:

Three years ago we assured Nepal of our desire that she should be a strong, independent and progressive country. ... We pointed out in as friendly a way as possible that the world was changing rapidly, if Nepal did not make an effort

to keep pace with its circumstances were bound to force her to do so. (46)

The Government of India's concern over Nepal was enhanced by the victory of the Communist Revolution in China in 1949 and the assertion of the Chinese authority in Tibet in 1951. In view of these developments Nehru defined India's interests in following words:

Our interest in the internal conditions of Nepal has become still more acute and personal because of the developments across our borders, to be frank specially those in China and Tibet. Besides our sympathetic interests in Nepal we were also interested in the security of our own country. From time immemorial the Himalayas have provided us with a magnificent frontier. Of course they are no longer as impassable as they used to be, but are still fairly effective. We cannot allow that barrier to be penetrated because it is also the principal barrier to India. Therefore, much as we appreciate the independence of Nepal, we cannot allow anything to go wrong in Nepal or permit that barrier to be crossed or weakened because that would also be a risk to our security. (47)

In the changed context and her interests regarding security, India wanted a government in Nepal which would be responsive to these considerations. The existing government, the Rana oligarchy, was deemed unfit for it. The Ranas, though ready to accommodate the Indian Government's scheme pertaining to the security of the sub-continent, were averse to the idea of reorganising internal political structure and sharing power with others.

46. Jawaharlal Nehru's Speeches (1949-53), II Impression, The Publications Division, Ministry of Information and Broadcasting, Government of India, New Delhi, 1957, p. 176.

47. Ibid.

Movement for Democracy in Nepal

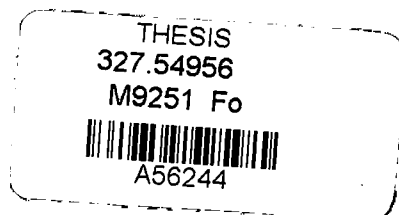
Not isolated from these developments was the popular movement for political liberalization against the Ranas in Nepal. It started under the name of Praja Parishad in 1935-36 but was crushed by the repressive measures taken by the Ranas in October 1940. (48) The movement again took an organised form in January 1947 when the Nepalese youngmen, residing in India, held a Conference at Calcutta and formed the Nepali National Congress (NNC). Since this date, the democratic movement in Nepal received all the blessings and support of the Indian leaders, particularly the Socialists like Acharya Narendra Dev, Jaya Prakash Narayan and Ram Manohar Lohia. (49) The NNC also received moral support and sympathies of most of the few educated youngmen in Nepal.

As its first step against the administration, the NNC organised a general strike in Biratnagar Jute Mill in March 1947.

48. For details of the Praja Parishad movement see: D.R. Regmi, A Century of Family Autocracy in Nepal (The Nepali National Congress, 1950), pp. 235-255.

49. During 1942 Quit India Movement Lohia and his colleagues had taken asylum in the Tarai forests of Nepal, and B.P. Koirala, D.R. Regmi and many other Nepalese had suffered imprisonment together with Indians in India. The Nepalese, therefore, had their political schooling in India and so were highly influenced by the ideals and practices of the Indian nationalist leaders, including Gandhi and Nehru. Ibid., pp. 256-276.

For details of the association of Lohia, Jaya Prakash Narayan and other Indian leaders with the Nepalese movement, see: Shola Chatterji, A Study of Recent Nepalese Politics, Calcutta, 1967. The Socialist leader Lohia sent money to the NNC. Grishma Bahadur Devkota, Nepal Ko Rajnitik Darpan (Political Mirror of Nepal), Kathmandu, 1960, p. 16.



Many of its leaders including its President, B.P. Koirala, were imprisoned. Therefore, the strike was followed by a call to launch a countrywide Satyagraha - peaceful disobedience movement of the Gandhian style - from 13 April. The Satyagraha had a widespread effect and the government yielded to it. As a result, Prime Minister Padma Shumshere formed a Reform Committee to suggest administrative changes. He proposed to hold elections to Panchayat and municipal bodies, and to establish independent judicial system. (50) These reforms were announced in January 1948 and soon after that, being unable to stand internal pressure against this liberal approach, Padma Shumshere resigned. (51)

He was succeeded by Mohun Shumshere on 26 May 1948, who was known for his reluctance to the liberal approach. Earlier, acting in the name of Padma Shumshere he had declared the NNC as illegal. (52) He undertook repressive measures against anti-Rana activities and showed no inclination to implement the reforms initiated by his predecessor. In protest against it, the NNC decided to launch another countrywide non-violent movement from 1 June 1949. It was also motivated by the fact that B.P. Koirala

50. Gorkhapatra, 4 Jaista 2004 (16 May 1947).

51. Bhandari, n. 2., p. 325.

A three member advisory panel of the experts headed by a wellknown Indian barrister Sri Prakash was invited to Kathmandu in June 1947 to help the Nepalese Government in finalizing the reforms. Other members of the Indian team were Dr. R.U. Singh, a Professor of Law, and Raghunath Singh.

52. Even before resigning formally on 26 April 1948, Padma Shumshere retired to India in February 1948. Since then Mohan Shumshere had been acting as the Prime Minister in his name. The NNC was declared illegal on 18 April 1948. Sharma, n. 2, p. 391.

and his friends had been imprisoned in December 1948 for clandestine political activities in Kathmandu. In jail, B.P. Koirala had begun a fast unto death on 1 May 1949, against ill-treatment given to the political prisoners. His fast continued for 21 days and forced Mohan Shumshere not only to release him but also to assure him that the reforms will be introduced soon. (53) In lieu of this assurance the NNC called off its June movement.

By this time two more parties had come up. One was the Nepali Democratic Congress (NDC) established in August 1948 by a few Ranas and others. (54) Another was the Communist Party of Nepal (CPN) which was founded at Calcutta in September 1949 under the blessings of the Indian Communists. (55) With the objective of strengthening the popular movement, the NNC and NDC merged in April 1950 to give birth to the Nepali Congress (NC). D.R. Regmi's faction of the NNC - he had defected towards the end of 1947 and formed his party under the same name - and the CPN, however, preferred to remain separate.

53. Ibid., p. 399. Also Nepal Today, 5th issue, July 1949.

54. Classification of the Ranas in A, B and C categories had been done by Chandra Shumshere. It established in descending order, the position of various members of the Rana family in the power hierarchy. C category being the lowest, its members were denied higher positions and hence had reasons to be disgruntled. For the classification, see: Landon, n.6. The Rana leaders of the NDC were Subarna Shumshere and Mahabir Shumshere, both of whom had considerable property in India. The others included Mahendra Bikram Shah and S.P. Upadhyaya.

55. Anirudha Gupta, Politics In Nepal, Bombay, 1964, p. 178.

Prime Minister Mohan Shumshere did not fulfil his assurances given to B.P. Koirala about political reforms. In view of his continued indifference, the NC decided to intensify its struggle against the Rana regime. Towards that end, it resolved in late September 1950 at Bairagnia (India) to undertake armed action, having been convinced that the non-violent methods would not succeed. (56)

Ranas' Foreign Policy (1947-50)

The foreign policy of the Ranas underwent a revision in response to the developments at home and in the neighbourhood. The new course adopted had two dimensions: to seek international recognition of their authority through the extension of the diplomatic contacts; and to flirt with the Government of India. Streamlining this two-dimensional policy of survival, Mohan Shumshere in his first major policy statement said:

Our relations with India, a big country which has emerged through independence, should be neighbourly and as between two sisters. Such a pure and friendly relationship had existed, and it will always be our effort to strengthen it and make it more happy. ...

In the present times it is neither wise nor possible for any country to remain completely detached from the worldwide developments. Therefore we have also adopted the policy of searching friends and establishing diplomatic contacts with various countries. (57)

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56. At Bairagnia, the working committee of the Party was dissolved and all the executive powers were invested in M.P. Koirala, the President of the Party. Sharma, n. 2, p. 415; Chatterji, n. 49, p. 80.
57. 'Text of the speech', Gorkhapatra, vol. 48, 14 Jaistha 2005, (May 1948, Sindure Jatra Special Number).

Earlier, while participating in the first Asian Relations Conference, the Nepalese delegate, General Bijoy Shumshere hoped for the strengthening of the 'indissoluble' Indo-Nepalese ties and added:

Our presence here will, I hope, lead to a strengthening of our good relations with old friends and to the establishment of goodwill and contacts with the other countries whom we extend the hand of friendship. (58)

Extension of Diplomatic Relations

Taking advantage of the contacts established during the Second World War, Nepal exchanged goodwill mission with the United States of America in 1946. (59) Both the countries signed an Agreement of Friendship and Commerce at Kathmandu on 25 April 1947. It provided for the establishment of diplomatic and consular relations at a later date and mutually accorded 'most favoured nation treatment' in trade and commercial matters. (60) Exchange of the Ambassadors between the two countries was formally announced in early February 1948.

In forging and consolidating their ties with the United States, the Ranas had been well aware of the former's position as

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58. Report of the Proceedings and Documentation of the First Asian Relations Conference, New Delhi, March-April 1947 (Asian Relations Organization, New Delhi, 1948), p. 54.
59. Nepalese mission had gone to England to participate in the Viceroy parade. From there it went to America and met President Truman. It was reciprocated by an American Mission to Nepal in November 1946.
60. Text of the Agreement. Treaties and other International Acts Series, 1585, Department of State, Publication 2858, Washington, 1947.

the most powerful and advanced nation of the world. (61) The USA on her part welcomed, rather invoked, Nepal's co-operation in her global schemes 'to defend freedom and peace', (62) which, if understood in the context of her cold-war strategy and 'Marshal Plan', meant containment of Communism. Though the Ranas were not hostile to the American overtures, (63) there is no evidence of any concrete outcome of the US efforts. (64)

Next to USA, Nepal established diplomatic relations with France in May 1949. The same year, the Brazilian Minister and the Australian High Commissioner in India visited Nepal and extended the good wishes of their respective governments to the Ranas. Nearer home, Nepal sent her representative to attend Ceylon's independence celebrations in February 1948. A Consulate was opened in Burma in 1949, with the objective of looking after the

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61. Text of the Nepalese Ambassador's speech while presenting his credentials to the American President. Gorkhanetra, vol. 47, no. 132, 18 Falgun. Also see "Nepal ra America" (Nepal and America); Gorkhanetra, vol. 46, 4 Magh 2003 (November 1946); 'Nepal ko Parrastra Niti' (Foreign Policy of Nepal), Gorkhanetra, vol. 47, no. 58, 9 Bhadra 2004 (August 1947).
62. President Truman's reply to the Nepalese Ambassador's speech on the occasion of the presentation of his credentials. Gorkhanetra, vol. 47, no. 132, 18 Falgun 2004 (February-March 1948).
63. Gorkhanetra, vol. 49, no. 88, 9 Magh 2005 (December 1948) (Editorial).
64. Some reports published in the Indian papers that Nepal had leased some land for 30 years to America for the purpose of establishing Military Bases against the Communist countries were strongly resented and sharply denied officially in Kathmandu. Gorkhanetra, vol. 48, no. 32, 17 Ashad 2005 (June-July 1948).

interests of Nepalese settlers there. (65)

In the north, Nepal had had longstanding relations with China and Tibet. In December 1946 a Chinese goodwill mission was received in Kathmandu. It was reciprocated in April next year. Possibilities of reviving diplomatic relations were discussed, (66) but nothing materialized due to the Communist revolution in China. Nevertheless, on all occasions and in all formal utterings, China and Tibet were referred to as Nepal's good friendly neighbours. (67)

Similarly with the UK also, Nepal had long existing relations. These relations helped to diversify her contacts with the western countries. (68) However, owing to her withdrawal from Indian sub-continent, some adjustments were needed between Nepal and the UK. Accordingly, diplomatic relations were formally renewed in 1947 and a new treaty for the continuation of the Gurkha recruitment for the British armies was signed in November 1947. Commercial and other relations were also renewed under the Treaty of Perpetual Peace and Friendship, signed in Kathmandu on 30 October 1950. (69)

65. A brief account of Shri 3 Maharaja Mohan Shumshere Jung Bahadur Rana's rule until now. Foreign Policy - Gorkhapatra, vol. 50, no. 122, 21 Magh 2006 (February 1950).

66. Government of Nepal's reply to the enquiry made on May 26, 1949 by the United Nations Committee on the Admission of New Members (typescript), Annex. I, para 10(b).

67. Bijoy Shumshere in Asian Relations Conference, n. 58. Mohan Shumshere's first major policy statement, n. 57. Gorkhapatra, vol. 47, 31 Jaisitha 2004 (June 1947); Foreign Policy of Nepal, n. 61.

68. For a brief note on the triangular friendship among Nepal, Britain and America, see: Gorkhapatra, vol. 46, no. 56, 23 Kartik 2003 (November 1946).

(69) Please see next page

Besides these bilateral relations, Nepal also participated in various international conferences and organisations. She sent her observers at the Asian Relations Conference held in New Delhi in March-April 1947, (n.58) ECAFE meeting held in Lapstone (Australia) in 1948-49 and the Asian Conference on Indonesia held in New Delhi in 1949. In February 1949, Nepal applied for the membership of the UN and pleaded her case strongly. By this time, she had also acquired the membership of some of the UN bodies like IFO, ILO and WHO. (70)

Relations with India

The Ranas knew it well that because of the geographical juxtaposition, socio-cultural affinity, economic dependence and similar historical experiences, Nepal was to be considerably influenced in her course by her gigantic neighbour India. (71) The goodwill of the Government of India was necessary for the Ranas to continue in power. Therefore, during 1947-50 Nepal's relations with India constituted the most vital aspect of the Rana's diplomacy of survival.

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69. Text of the Treaty. Treaty Series No. 46 (1951), London, His Majesty's Stationery Office, Cmd. 8271 (Received from the British Embassy, Kathmandu).
70. Reply to the UN enquiry, n. 66, Annex. 1, paras 9, 10 and 15.
71. Nepalese Ambassador to India, Maj. General Bijoy Shumshere in a press interview. The New York Times, 18 April 1950. This consciousness had been reflected in all the other formal or informal policy pronouncements of the Ranas. Also see: Gorkhapatra, vol. 47, no. 27, 21 Jaishtha 2004 (June 1947); Mohan Shumshere's Foreign Policy, no. 65; Foreign Policy of Nepal, n. 61.

With India's independence approaching nearer, Nepal decided to exchange ambassadors with her. Under a tripartite Treaty in November 1947, including the British, Nepal allowed India to recruit the Gurkhas for her armies. (Details later). These troops fought against Pakistan during the Kashmir crisis in 1947. A year later, the Government of Nepal provided troops to help the new Government of India to tide over their internal difficulties, particularly in Hyderabad. (72) Such help was assured for the future also and the Rana Government referred to it to impress the sincerity of their friendship upon the Government of India. (73)

In July 1950, Nepal signed two treaties with India, namely, Treaty of Peace and Friendship, and Treaty of Trade and Commerce. Under the former, the two governments, besides respecting each other's sovereignty and independence, also agreed to have mutual consultations on matters related to the security of the other. The second Treaty provided for India to direct and guide the matters of trade and commerce between the two countries. All this was done, much to the liking and satisfaction of the Government of India as evident from the nature and implications of these

72. To lead the Gurkha troops during the 'police action' in Hyderabad, Prime Minister Mohan Shumshere sent his younger son Sharda Shumshere. Gorkhanatra, vol. 48, no. 40, 6 Shravan 2005 (July 1948).

73. Mohan Shumshere's reply to the thanks extended by the Indian Ambassador in Nepal on behalf of his government for this help. Gorkhanatra, vol. 49, no. 14, 15 Chaitra 2005 (March 1949). Also see Gorkhanatra, vol. 48, no. 41, 8 Shravan 2005 (July 1948).

treaties (to be discussed later). However, Mohan Shumshere remained reluctant towards India's persistent demand for the liberalisation of political and administrative structure in Nepal. (74) Due to this reluctance, in spite of the well-planned and efficiently executed foreign policy, he could not secure India's sympathy for the Ranas in the anti-Rana struggle which broke out in November 1950.

Revolution and the Delhi Settlement
(November 1950 - February 1951)

After the Bairagnia Conference (n. 56) vigorous preparations were made by the NC to launch armed revolt against the Ranas. (75) The whole scheme was called into action when on 6 November 1950, King Tribhuvan and the Royal family - except Crown Prince Mahendra's son, Prince Gyanendra - left the palace under the pretext of a hunting excursion and took asylum in the Indian Embassy in Kathmandu. Before going into further details, it is in the fitness of things to have a word about King Tribhuvan's association with the anti-Rana movement.

King Tribhuvan's sympathies and tacit support to the anti-Rana uprising dated back to the Praja Parishad days of

74. Mohan Shumshere had convened a Legislative Assembly on 22 September 1950 as a fake attempt to implement the reforms introduced by Padma Shumshere. But this attempt felt very short of the expectations of the NC and the Government of India. Gupta, n. 55, pp. 41-42.

75. Chatterji, n. 4, pp. 63-96.

1935-40. (76) In 1947, during his stay in Calcutta for medical treatment, he established contact with the then formed NNC. (77) After that he continued to take keen interest in the activities of the NNC and later of the NC. As a result, in September 1950, he was charged by the Ranas, albeit indirectly, to have associated himself with an unsuccessful NC 'plot' to kill Mohan Shumshere and a few others. (78) Meanwhile, he had acquainted himself with the world outside and the political currents affecting it through books and personal associations, managed secretly, in spite of the strict surveillance placed upon him by the Ranas. He also had several meetings with the Indian Ambassadors to Nepal, Surjit Singh Majithia and later Sir C.P.N. Singh, in disguise. (79)

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76. Tanka Prasad Acharya, the then President of the Praja Parishad, disclosed to the author in an interview that in their activities they had blessings and support of King Tribhuvan. M. Sharma, n. 2, p. 376; Regmi, n. 48, pp. 249-50; Chatterji, n. 4, p. 31.
77. The contact was said to have been established through Subarna Shumshere, a 'C' class Rana, accompany the King in some official capacity. Sometime later he resigned from his services to the Ranas, became one of the founder members of the NDC and later a top-ranking leader of the NC. (n.54). Chatterji, n. 4, pp. 38-39.
78. Some time in August-September 1950, Ganeshman Singh and a few others, were entrusted by the NC with a mission to subvert the Rana rule. It could not succeed and Ganeshman, with his associates, was arrested and sentenced to death in the later half of September. King Tribhuvan refused to sign their death warrant in spite of the Rana intimidation. This convinced the Ranas of his association with the plot. Chatterji, n. 4, pp. 79-82, 96.
79. For a lively account of King Tribhuvan's clandestine anti-Rana activities, see: L. Erika, The King in the Clouds, London, 1958. Also Rastrenita Shri 5 Tribhuvan Veer Vikram Shah Dev (Sanskship Jeevan) (Brief biography of King Tribhuvan) Department of Publicity, HMG, Nepal, Kathmandu, 1965), pp. 13-14.

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Therefore, motivated by the desire to emancipate himself and restore the power and the prestige of the King lost to the Ranas by his ancestors, as also by the ideas of freedom, democracy and progressivism acquired through books, King Tribhuvan was keen to see an end to the Rana rule.

Coming back to the anti-Rana movement, the Royal family's flight infuriated the Ranas. Having failed to secure the King's return from the Indian Embassy, Mohan Shumshere summoned the Bhardari Sabha on 7 November, dethroned King Tribhuvan and, instead, crowned Prince Gyanendra as King of Nepal. (80) Neglecting this change and the Rana's opposition, King Tribhuvan was flown to New Delhi on 11 November where he was received with all the honours due to the head of a sovereign state.

The NC was jubilant over the King's act. (81) Almost simultaneously with his arrival in New Delhi, it opened the action against the Rana regime and launched attacks on the Tarai towns of Birganj, Biratnagar, Aalekganj, Bhairava, etc. from its base in India. Kathmandu, the capital, became a scene of processions and demonstrations, loudly condemning the Rana regime. But soon the agility and energy, with which the offensive was launched, seemed losing fervor. It was understandable too, for the 'revolutionaries' lacked an efficient and well-trained

80. Dev Kota, n. 49, pp. 26-34. Bhardari Sabha or Elders Council was a legislative body constituted mostly by the higher members of the Rana family.

81. B.P. Koirala hailed the King's action as a 'great act' in favour of the 'forces of freedom'. The Hindustan Standard (Calcutta), 8 November 1950.

organisation, adequate resources and unified command as compared to their adversaries, the Rana troops. (82) Nevertheless, the action was important, for it brought home the realization among the Ranas that it was no longer possible to by-pass the popular aspirations and the forces supporting them.

The Ranas tried to meet the NC action through troops and the King's action by opening a diplomatic front. They sought recognition of Gyanendra as King of Nepal, from India, the USA and the UK. India flatly refused to oblige the Ranas. (83) The UK, followed by the USA, adopted a 'wait and watch' attitude. The former sent a diplomatic mission to Kathmandu on 3 December 1950, to make on-the-spot study of the situation there. The mission met a hostile mob at the airport, raising slogans in favour of

82. For further details of the 'revolutionaries' activities see: Sharma, n. 2, Kathmandu, 1952, pp. 107-15; Ram Hari Joshi, Nepal ko November Kranti Sansharen (November Revolution of Nepal: Memoirs), Patna, 1952; K.P. Srivastava, Nepal ki Kahani (The Story of Nepal), Delhi, 1955, pp. 148-63; Chatterji, n. 4, pp. 103-137.

Most of these writers had personally participated in the revolution.

83. Even before a formal communication to that effect was sent by New Delhi, the Home and Deputy Prime Minister Sardar Vallabhbhai Patel said: "Where a change in the head of the State has been brought about by force, it would be extremely difficult for India to recognise such a change." The Hindu, 11 November 1950. Also see Sharma, n. 2, p. 416.

The decision was officially communicated to the Rana Government by the Government of India on 22 November 1950. The Hindu, 23 November 1950.

King Tribhuvan. (84) This was not a good or convincing example to show that the Ranas had a firm control over the situation. Also the British were not in a position to extend recognition against India's wishes. It is evident from what R.K. Shah, former Foreign Minister in the post-Rana Nepal, has written:

The Rana who was an ambassador to Great Britain at the time, told the author that Begg, the British Foreign Secretary had agreed to recognise the new King and was ready to announce the recognition in Parliament, but the dispatch of a negotiating team by Mohan Shumshere to Delhi after a war of nerves with the Nehru Government, gave the Indian Government a handle to press Great Britain to postpone its act of recognition pending the outcome of negotiations. (85)

The delay caused in extending the recognition by the British proved fatal to the dying spirit of the Ranas, for they depended heavily upon the guidance and advice of the former. (86) Left with no other alternative, they started negotiations with King Tribhuvan under the supervision and mediation of the Government of India.

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84. Sir Ester Denning, the British Ambassador at large in the East, and Frank Roberts, the British Deputy High Commissioner in India, constituted the mission. The demonstration against the mission was so hostile that Government of Nepal had to use force to disperse it. Sharma, n. 10, p. 429.
85. R.K. Shah, Nepal's Foreign Policy (unpublished), p. 22. The book which is going to be published by the Oxford Publishers, as R.K. Shah disclosed to the author, deals largely with the foreign policy of Nepal in its historical perspective.
86. Siege around the Indian Embassy to seek the surrender of King Tribhuvan, was said to have been advised to the Ranas by the British Minister to the Court of Nepal. Ibid.

The first round of the negotiations began in New Delhi on 27 November 1950 and continued for about a fortnight. At the end of it, the host government presented on 8 December, a memorandum to the Nepalese Government. The terms of the compromise listed in the memorandum said that the Government of Nepal should

- a) convene, at its earliest, an elected Constituent Assembly to draw up a Constitution for Nepal,
- b) give popular representation in the government pending (a), and
- c) accept Tribhuvan as King of Nepal. (87)

The Nepalese Cabinet considered various aspects and implications of the memorandum. After due deliberations at home, some proposals for the constitutional reforms were announced on 24 December 1950. These proposals were very much in line with the first two terms of the Indian memorandum, but were conspicuously silent on the third. (88) The Ranas were not willing to accept Tribhuvan as their King. The Government of India was equally firm on this point. This led to another round of negotiations on 25 December 1950, again in Delhi. This round concluded on 1 January 1951 in a settlement - 'the Delhi Settlement' - between the negotiating parties, under which the Ranas agreed to amend their initial proposals for the constitutional reforms, according to the 'friendly suggestions' of the Government of India. A week later,

87. Nehru in Parliament on 21 December 1950. Parliamentary Debates, Part II, vol. VII, no. 8, cols. 2138-42.

88. Chatterji, n. 4, p. 131; Gupta, n. 55, p. 47.

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 Mohan Shumshere announced measures to "set the people on the road of orderly progress towards the goal of a free and independent democracy." (89) The measures, besides proposing an elected Constituent Assembly and the inclusion of the people's representatives in the Cabinet, included:

- a) amnesty to the political prisoners and 'insurrectionists' after the 'arms lay-down',
- b) no restrictions on the formation and functioning of the political parties within the provisions of law,
- c) continuation of Tribhuvan as King of Nepal and the provision for the appointment of a Regent by him during his absence. (90)

It is clear from the declaration that Mohan Shumshere's government had succumbed to Indian pressure and agreed to whatever Government of India proposed. Explaining the factors that led him to do so, Mohan ^uShumshere said:

... no friendly country having diplomatic relations with us has recognized the new King ... mischief mongers have used the name of the King in the preparation, disturbances, looting, arson, indignity over women, culmination in the taking of many innocent lives, and ... according to the friendly suggestions made during discussions by the Government of India. ... (91)

In accordance with the 'Delhi Settlement', King Tribhuvan, through a proclamation, announced on 18 February 1951, formed a cabinet responsible to him. It included Mohan Shumshere and B.P. Koirala besides other representatives of the Ranas and the

89. English Text of a Declaration by His Highness the Maharaja on January 8, 1951 (Cyclostyled). For its Nepali translation see: Devkota, n. 49, pp. 39-43.

90. Ibid.

91. Ibid.

NC in equal numbers. (92) Thus ended 'the revolution' in a compromise and everything, upset and disturbed, appeared to be setting and adjusting gradually.

Government of India and the Revolution

It has been noted that India was desirous to see Nepal responsive to the needs pertaining to her security and this, she thought, could be achieved if, besides other things, the latter becomes a 'strong, progressive and stable' political unit. In accordance with this objective, the Government of India advocated a compromise - a 'middle-way' - between the Ranas and the revolutionaries. Defining this policy Nehru said:

We have tried to find a way, a middle way, if you like, which will ensure the progress of Nepal and the introduction of some advance in the ways of democracy in Nepal. We have searched for a way which would at the same time avoid the total uprooting of the ancient order. (93)

The rationale of the 'middle-way' can best be understood by studying the alternatives otherwise left. When the 'revolution' broke out, the Government of India could either remain aloof or align completely with either of the two contending parties. The first course was not advisable in view of India's vital interests in Nepal. (n. 46 and 47). It was also impracticable looking at the geographical, cultural and social proximity between the two countries.

92. King Tribhuvan's Proclamation on 8 February 1951. Ibid., pp. 49-52.

93. Nehru's Speeches, n. 46, p. 177.

As for the second alternative, there were many difficulties in taking either of the extreme lines. Alignment with the Ranas was incompatible with the ideological moorings of the leaders in the Indian Government. They stood for freedom and democracy 'in the abstract as well as in the guise of a practical, and in the context of Asia, a necessary step'. (94) The Rana rule being a negation of this, many of them advocated use of force in its overthrow. In this context the opinion of Sardar Patel, who urged that Indian forces be sent to Nepal to end the inhuman and cruel rule, is significant. (95) Such views were present even outside the Congress. Most vocal and active in this respect were the Indian Socialists who warned the Indian Government to make no attempt

to abort this ever widening and unbeatable revolt of the Nepali people against their usurpers. (Because) Ranas of Kathmandu are a weak tyranny, for they are not only usurpers but are also unable to exercise effective governmental or military power. Unsupported by India, their end is beyond doubt. (96)

94. India, Parliamentary Debates, 17 March 1950, vol. III, no. 3, Part II, cols. 1697-98.

95. Devkota, n. 49, p. 37.

96. Ram Manohar Lohia, Foreign Policy, 1964, p. 231.

The objective of the Socialist Party of India in this regard were not very different from that of the Congress Party, namely, to keep Nepal immune to the undesirable foreign influences. See R.M. Lohia, India, China and Northern Frontiers, Hyderabad, 1963, p. 109. Also see: Lohia's Report to the eighth national conference of the Socialist Party, Madras, July 1950, p. 22.

Further, once disturbed - as had been done - the Government of India believed that 'a return to the old order will not bring peace and stability in Nepal'. (97) Hence it was contrary to the objectives and the values of the government and the people in India to lend their support to the Ranas against the popular uprising.

On the other hand, an all-out support to the 'revolution' - open, active and material - was nonetheless contrary to the objective of maintaining peace and stability in Nepal. Such a support would certainly have caused an abrupt and total breakdown of the century old administrative machinery of the kingdom. A sudden collapse of the administrative machinery was also bound to result in chaos, and confusion, creating a situation vulnerable to the forces harmful to both India's and Nepal's interests.

The Ranas' being a constitutional and legal government, the participation of the Government of India in its overthrow would have made the latter guilty of the gross violation of international law and practice. India professing herself a champion to safeguard these standards, any contrary act on her part, could also damage her international image and prestige, a tirade for which had already been launched in the western press. (98) The Government of India's active support to the NC

97. Nehru's Speeches, n. 46, p. 177.

98. For example see: The Manchester Guardian, 24 November 1950; The Economist, 6 January 1951, vol. CLX, no. 8602, p. 27.

would have made the Ranas desperate and pushed them more towards the UK and the USA, enhancing the Western influence in Nepal. Nehru expressed a strong disapproval of this influence saying:

Frankly, we do not like and shall not brook any foreign interference in Nepal. We recognize Nepal as an independent country and wish her well, but even a child knows that one cannot go to Nepal without passing through India. Therefore, no other country can have as intimate a relationship with Nepal as ours is. We would like every other country to appreciate the intimate geographical and cultural relationship that exists between India and Nepal. (99)

In addition to it, because of the close association between the Indian and the Nepali leaders, the former knew that the NC movement lacked ideological coherence, sound economic programme, adequate political schooling and unity of purpose.

Thus the revolution created a very complicated situation for the Government of India. The objectives, which were to be fulfilled, made it even more complex, being in conflict with each other. The Government of India wanted democratic process to be initiated in Nepal, but could not permit an uprooting of the existing order. They claimed 'keen and personal' interest in the internal conditions but the sense of international morality would inhibit them to pursue the same and lastly, their

99. Nehru's Speeches, n. 46, p. 176.

This statement was made in continuation of the reference to Nepal's relations with the Western countries. Further, this policy speech followed the visit of a British diplomatic mission to Nepal. The mission had gone to Nepal to study political situation there in connexion with Britain's recognition of Gyanendra as King of Nepal. (n.84).

ideological fervour would enthrone them to profess something but the hard realities would sober it down in practice. An adequate answer to these conflicting demands was sought through the policy of 'middle-way'. The central theme of this policy was to have a peaceful and gradual democratization of Nepal by evolving a workable compromise between the Ranas and the popular uprising. The execution of this policy aimed at pressurizing the Ranas as well as the 'revolutionaries', and limiting their respective spheres of activity, so as to make them accommodate each other.

In this process the King acquired an important place. The King had enjoyed a very significant and time-honoured position in the Nepalese society, but his prestige and power had suffered a great deal under the Ranas. Any help in his efforts to regain his loss - which King Tribhuvan had already been making - would likely yield desirable results for India. Besides weakening the Ranas, who had shown an uncompromising love for power, it would ensure in him a powerful ally of India in Nepal in future. Further, King Tribhuvan was different from a traditional monarch. He was inclined towards the modern concepts of freedom, progress and equality. He himself was, therefore, a compromise between the change and the status quo. The Ranas had not disowned the institution of monarchy and the 'revolutionaries' were not averse, nay, were willing, to have King Tribhuvan on their side. (100) In the light of these factors, the

100. See n. 81. It was further evident when the NC expected King Tribhuvan to issue a statement in its favour, after his arrival in New Delhi. Chatterji, n. 4, p. 114.

Government of India allied its support with the King. Here it should be recalled that Government of India had arranged King Tribhuvan's escape, refused to recognize his dethronement and made it difficult even for the UK and the USA to do so. How important did it prove in the ultimate resolution of the crisis was evident in Mohan^u Shumshere's January declaration. (n. 89).

The Government of India's attitude towards the 'revolution' constituted the other dimension of execution of the 'middle-way' policy. Its moral support to the popular cause was unqualified and unequivocal. However, in the material context, the support was lukewarm. Making government's line of thinking clear on this aspect, the then Education Minister of India, Maulana Abul Kalam Azad said soon after King Tribhuvan's escape to the Indian Embassy:

Although we cannot interfere in the internal affairs of Nepal, we have to take cognizance of any discontent that arises there. Nepal is India's neighbour and any crisis there may endanger India's freedom. It is imperative, therefore, that the present Nepalese crisis should be resolved peacefully and without resort to arms.

He further added:

It is amazing that in the middle of the 20th century naked aristocracy should reign supreme in any part of the world. It is unthinkable and intolerable. There is not even one Indian who today does not sympathise with the cause of the Nepalese people. (101)

Accordingly, whereas a tacit approval was hinted to the NC for limited action against the Ranas, the Indian Government did not allow purchase of arms through official or open channels

101. The Hindu, 11 November 1950.

for that action. (102) The NC made its bases of operation in the Indian territory but Government of India tried to impress upon the Ranas that they would not encourage it. (103) Similarly, the money collected by the NC from Birganj treasury, after its fall, was seized by Government of India and M.P. Koirala, M.P. Koirala and Subarna Shumshere, who were carrying this money, were held up at Palam, at a time, when the action was going on briskly. (104) All these things weighed very heavily against the smooth and effective conduct of the NC operations. Besides this, on the diplomatic level, no Nepali Congress representative was included in the negotiations leading to the Delhi Settlement. This greatly weakened the role which the NC could otherwise play and the influence it could exercise on the terms of the final settlement.

Though fraught with apparent contradictions, the 'middle-way' policy achieved its immediate objectives. It enabled Government of India to play a decisive role during the revolution. As a result of this, all the concerned agreed upon

102. Chatterji, n. 4, pp. 60-61, 63-96.

103. Instructions were issued to the Governments of the States bordering Nepal, to take suitable measures to prevent the use of Indian territory by the 'revolutionaries.' It was done in response to a complaint of this accord from the Government of Nepal. The Statesman, 13 and 14 November 1950.

104. M.P. Koirala and Subarna Shumshere in interviews to the author. Also see Sharma, n. 2, p. 419.

a compromise, proposed under this policy. The influence thus exercised, secured an important say for the Government of India in future also, because all the three - the Ranas, the King and the NC - emerged as the main contenders for power in the Kingdom.

Chapter II

MAJOR DETERMINANTS AND OBJECTIVES OF
FOREIGN POLICY

Like an individual's social behaviour, the international behaviour of a nation state is the interaction between its organism and the society around. It is a two way flow of the initiatives and responses, the theoretical layout for the functioning of which constitutes the basic frame of the foreign policy of a country. This layout is motivated by the needs and aspirations of the state, conditioned, in expression, by the domestic milieu and external setting. The motivations and the conditioning factors determine the policy objectives and, the 'policy-process' is further guided and controlled by the interaction between them. Thus, there are two sets of factors operating throughout the process: the motivational and the structural, i.e. conditioning. The resulting outcome is expressed in terms of the policy objectives in general and decisions in particular. Within this broad outline, we shall be dealing with the determinants of the foreign policy of Nepal. For this purpose, the chapter is divided in four sections: motivations, conditioning factors, policy objectives and the operational frame of the policy.

MOTIVATIONS

There were three principal motives at play behind the evolution, content and execution of Nepal's foreign policy. Borrowing George Likha's expression, the motives may be termed as "security, stability and status". (1)

1. George Likha, Alliances and the Third World (USA, 1963), p. 27.

The 'Security' motive has two dimensions: the preservation of independence in taking decisions and implementing them, and the preservation of territorial integrity. The first dimension has political connotations and its task can be described as to counteract external political pressures and influences. This may be represented as Security (P). The second dimension has military and strategic connotation and its task is the defense against external aggression. This may be represented as Security (S).

Similarly, the 'Stability' motive also has two dimensions: stability of the domestic power structure in which every ruling group will have the highest stakes, and stability through economic development. These aspects may be represented as Stability (P) and Stability (E) respectively. Foreign policy has been used as an important instrument to ensure and consolidate both the aspects of the stability, more so in the underdeveloped and unstable political systems.

The 'Status' motive is psychological in content as well as manifestation. Nepal's long drawn isolation, somewhat dubious status of her independence and sovereignty vis-à-vis the British Empire in the Indian subcontinent, her new entry into international politics after the Second World War and her submerged identity with India, can be attributed to the emergence and growth of this motive.

Spelled out as above, the motives do not give a clear picture as to how they operate in the formulation of foreign policy. Here, a brief reference is made to the basic needs of Nepal which find their expression in one form or the other in the foreign

policy. As motivations, they operate upon the structural factors and after permeating through them - getting restrained or/and accelerated - break into clearly defined policy objectives. Thus to understand them in proper perspective, the study of the structural or the determining factors is called for.

CONDITIONING FACTORS

Conditioning factors of a foreign policy are of two broad categories: Constants i.e., those having a permanent and stable character like geography, history, socio-cultural structure, etc. and Variables i.e. those which are comparatively of a recent origin and are further, under a constant process of change, or say, are susceptible to alterations and varied interpretations. The latter include nationalism, political system, nature of the elite, etc. The first category of the factors, by virtue of their rigidity, remain consistent in their influence on the foreign policy. The policy-makers are left with no, or very little, discretion about the importance, or otherwise, of these factors. The second category of the factors, however, can be made to acquire a shape desired by the policy-makers and thus, their influence on the foreign policy changes in character and content.

A - CONSTANTS : Geographical Determination

In the consideration of geography as a factor in Nepal's foreign policy, we have to take her location, size and topography into account. As for the location, we have noted in the beginning of the first chapter that Nepal is a land-locked country between India and China. The northern border, which separates her from

China, forms the 'zone of protection' due to the snowy Himalayas. Though punctuated by small passes, the Himalayas have acted as a natural barrier to the military invasions as well as socio-cultural influences from China. Because of the barrier, Nepal's relations with China in the past, remained restricted and formal. The technological revolution in the methods of warfare and channels of transport and communication may reduce the importance of the Himalayas as a natural barrier, but in no case it can be wholly undermined.

In the south, the border is not natural. It runs through the open plain and forms the 'zone of exposure' making Nepal easily accessible from India and vice-versa. This has encouraged the socio-cultural diffusion between the two countries in past and also continues to do so in the present. Sea is closer to Nepal from the south and her entrance, to-and-fro the world, is in that direction.

Size is a relative factor. Nepal is very small as compared to her immediate neighbours, India and China. She is even smaller than the adjacent Indian states of Bihar and UP in the south and the Tibet Region of China in the north. Though she is smaller than Pakistan, the Eastern wing of Pakistan, which is closer to Nepal and with which she deals in the matters of trade, etc. is almost equal to her. Similarly, Bhutan and Sikkim, though not independent and sovereign in the perfect sense, are also smaller to Nepal. Thus smaller than her immediate neighbours, Nepal is bigger than those who are not very far from her. (2) The

2. Areas of these countries and regions are as follows (in sq. miles): Nepal = 54,343; India = 12,29,239; Uttar Pradesh =
(contd. on next page)

consciousness and psychology resulting from the size, ^{was} ~~As~~ clearly evident in Nepal's relations not only with her neighbours but also with various other countries of the world.

Topographically Nepal can be divided into three broad regions: 1) The Himalayas; 2) The Central Hills and the valleys; and 3) The Terai. (3) The Terai extends along the length of the country in the south and varies from 16 to 20 miles in breadth. Rest of the zones are comprised of hills of the height varying from 2,000 ft. to 29,000 ft. Height increases as we move northwards. Except for the Terai, therefore, the country is mountainous. This created the problem of transport and communication between the centre and various other parts of the country as also among the latter themselves. Besides marring the efficiency and control of the central administration over the rest of the country, it created problems of national integration. Further, it also hinders defence mobility, nevertheless, the difficult and hostile terrain in itself acts as a defensive measure against the invading armies. This way, though the topography does not affect the foreign policy directly, but by influencing other domestic factors, it plays a part in the policy-process.

2. (contd. from back page)

1,13,654; Bihar = 67,196; Sikkim = 2,744; Bhutan = 18,000; Pakistan (East and West) = 3,64,737; East Pakistan (East Bengal) = 54,501; and Tibet = 4,63,000. S.C. Sarkar (Ed.), Hindustan Year Book and Who's Who 1960, Calcutta, 1960.

3. For census and other purposes, Nepal has been divided into following geographical regions: Eastern Hills, Eastern Inner Terai, Eastern Terai, Kathmandu Valley, Western Hills, Far Western Hills, Central Inner Terai, Western Inner Terai, Western Terai and Far Western Terai.

Historical Background

We have dealt with the historical background of Nepal in the first chapter. Nonetheless, even at the risk of repetition, certain features of the background need to be recalled here, for they have had an important bearing on the present day foreign relations of the kingdom.

In the first place was Nepal's paternalistic attitude towards Tibet - a weak power. This attitude combined with military adventurism of the rising Gorkhas, led Nepal to launch military campaign against Tibet in 1790s and again in 1856. On both the occasions a clash with the Chinese, resulting into Nepal's defeat, became inevitable. This gave rise to a fear in her of China's military might.

The fear was further perpetuated as a result of Nepal's association with the British. The latter always looked towards China with suspicion and apprehension and often, even tried to use Nepal to further their trans-Himalayan policy. Nepal had military encounters with the British India in 1814-16 and suffered heavy defeat. To avoid any possibility of the same in future, the British not only diverted the war potential of Nepal, in the form of Gorkha recruitment for their armies^y, but also endeavoured to encourage economic and cultural intercourse between the two. The most favourable period for such an intercourse started with the rise of the Ranas in 1846. It continued for more than a century during which, all the scars of the Anglo-Nepalese wars of 1814-16 and mutual ill-will and suspicion existing before that, were wiped off. It should, however, be kept in mind that fear of political

interference from the South could never be eliminated completely from Nepal. A very important reason for cordial and friendly relations between the British and the Ranas was that the former scrupulously practised non-interference in the domestic affairs of the latter.

In this context, Nepal's love for independence needs mention. It is true that the treaties with China in 1792 and 1856 and with the British in 1816, compromised her sovereignty and independence to some extent. But she always showed indifference towards the unfavourable clauses of the treaties with - a distant power - China. Towards the British also, Nepal never reconciled with a subordinate position. Since the unification of Nepal under Prithvi Narayan Shah, we find the Nepalese statesmen meticulously effortful to keep the British hands off from their internal matters. Though at times, the British support was sought by particular individuals, or a group of them, to increase their political weight in the domestic struggle for power, any foreign initiative to meddle into its affairs was not looked with favour. To preserve independence, they alternatively followed the policies of Isolationism and Balance of Power. Names of Bahadur Shah and Bhim Sen Thapa may be recalled for reference. The Ranas also maintained similar position. They left their foreign policy to the British care but maintained their independent sway over the domestic politics. They also achieved the revision of the 1816 Segouli treaty from the British in 1923 under which Nepal's independence and sovereignty was recognized. Rightly, then, R.K. Shah has observed:

Friends by necessity we may choose to be, but the status of slave we shall never own. This has been the watchword of the Nepalese statesmen and military leaders in the grave hours of national emergency and crisis. History shows that the Nepalese have been highly sensitive to the question of national honour and prestige and have always in the past stood as a solid block in defence of their freedom and frontiers. (4)

Socio-Cultural Composition

The physical division of the country into three regions: The Himalayas in the north, the Hills and Valleys in the Central and the Terai in the south, is also in conformity with its socio-cultural composition. Various indices show that the frontier regions in the north and the south possess social and cultural identity with the adjoining countries in general and the adjacent areas of the latter in particular. Ethnically, the northern hill people belong to the Mongoloid stock whereas the Terai people in the south are believed to be of the Indo-Aryan stock. (5) The languages spoken and followed in the different regions are varied and numerous. However, those dominant in the hills - Limbu, Gurung, Tamang, Sunwar, Rai/Rat, etc.-are said to be of the Tibeto-Burmeso group, and those dominant in the Terai - Bhojpuri, Awadhi, Maithili, Tharu and Hindi - are of the Indo-Austroloid group and are prevalent in the adjacent Indian provinces of Bihar and UP. (6)

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4. Nishikesh Shah, Nepal and the World, Kathmandu, 1955, p. 27.
 5. Stanley Maron, Leo F. Rice and Julian Keyman, Survey of Nepal Society, Human Relations Area File, South Asia Project, University of California, 1953 (Typed Manuscript).
 6. Ibid.

Again, the social pattern - the caste structure, social values and norms and ways of living - of the northern and the southern regions of Nepal correspond to that of their respective neighbourhood. Finally, two dominant religions are practised in the kingdom: the Hinduism and the Buddhism. Hinduism is present everywhere but its concentration is more in the Terai and as one goes up towards the north, Buddhism starts appearing as an important cultural determinant. (7)

In Nepal there exists a synthesis of two cultural currents, one from India and the other from across the Himalayas. Prominence of this synthesis is evident in the central region - particularly the Kathmandu valley. Since long past, the Hindu rulers of the valley had Buddhist subjects - the Newars - and through centuries of co-existence, one influenced the other. The Newars, on the one hand, adopted the Hindu caste system, but did not allow it to retain its complex characteristics like untouchability. The kings, on the other hand, while retaining their loyalty to the Hindu social customs and religious practices, established a happy rapport with the sentiments of the subjects and participated in the latter's social and religious functions. (8)

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7. Nepali: Rastriya Jangsanana 2018 ko Parinam (Nepali: Result of the National Census 1961), Central Bureau of Statistics, Ministry of Economic Planning, HMG, Nepal, 1967, Part II, pp. 16, 42.
 8. Chuda Nath Bhattaraya, "Cultural Heritage", Nepali: Monograph on Nepalese Culture, Ministry of Information and Broadcasting, HMG, Nepal, 1968, pp. 34-42. Also see: Gopal Singh Nepali: The Newars, United Asia Publications, Bombay, 1965.

Nepalese society is, thus, a plural society. The diversity in the cultural and social life of Nepal originated from the physical divisions and difficult terrain, which kept the groups of the people in isolation from each other. It was also due to the entry of two different people and cultures from different directions and the emergence of a third resulting from their diffusion into each other. But as the people and the cultural currents from the south could enter Nepal more easily and frequently due to the lack of geographical obstacles, the influence of the south became dominant in her socio-cultural composition. Its social, cultural and religious festivals: Vijay Dashmi, Divali, Ekli, and Shivaratri, including the style of their celebration, are the evidences of the fact. Further, the national language, Nepali, is written in Devnagari script and bears a close proximity to Hindi. However, due to the rise of nationalism, it is the distinctive aspects of the Nepalese culture that are emphasized and stressed. (D)

Economic Development

Nepal stands at the lowest point in the international economic stratification. It was more so during the Panchayat. The factors account for that: imbalanced economy and inadequate economic environment. The imbalance was due to the predominance of the agriculture, characterized by a comparatively small

D. Ibid. Also V.N. Khanna, "Nepal's Foreign Policy" in SIRAJ TRIPATHI, New Delhi, 1966, p. 16. It is the text of Khanna's speech at the Indian School of International Studies delivered on 27 January 1966 when he was Nepalese Ambassador to India. Also "Nepal's Panchayat System", ibid., p. 59.

contribution to the national product. Whereas 93 to 94% of the population was engaged in agriculture, its contribution was only 63 to 64% of the gross national produce. (10) This was largely due to the fact that the cultivation was done through the conservative methods, depending upon natural factors like rains. In the post-Rana period, the attempts were made to remove these handicaps, yet it was only the beginning.

Possible deviation to the monolithic economic structure could be given by introducing industrialization. Industrial dimension offered good prospects as evident from the fact that the industrial complex, in 1966, by employing only 2% of the population contributed 12% to the gross national produce. (11)

✓ But the infra-structure, required to gear the economy towards industrialization, was almost non-existent.

In the first place, there were no adequate facilities for transport and communication. Transport by air and train was wholly unknown and the road mileage was lamentably poor. (12) This

10. M.M. Rajbhandari, "Some comments on the industrial development of Nepal", Nepal Industrial Digest, September 1967, vol. 2, n. 1, p. 57.

11. Ibid.

12. Road mileage in Nepal before 1951 was as follows:

Fair weather road	=	180 miles
All weather road	=	52 miles
Pitched road	=	3 miles

Vikas Rekha 2017 Sal Aagi ri Pachi (Development Line: Before 1960 and after), Ministry of Construction, Communication, Transport and Irrigation and Power, HMG Nepal, Kathmandu, January 1966, Table Nos. 1 and 4.

hampered the movement of goods and agricultural products from one part of the country to the other. As a result, the surplus of the Terai found an easy way to the bordering Indian markets, leaving the hills deficient and causing the movement of the population, instead, from the hills to the Terai in search of work and food. Besides, the agricultural products were mostly foodgrains and not the cash crops to feed the industries. Jute and sugarcane produced in the Terai were not sufficient to run the respective mills to their full capacity. So was the case with the sources of energy. Coal and petrol were absent in Nepal and water-power (Hydro-Electric Power) had not been harnessed, (13) because construction of the dams and installation of the hydroelectric power generators called for a huge investment to begin with.

Internal resources to undo these inadequacies and imbalances were frustrating. The government had no money to undertake construction of the economic infra-structure nor it had proper administrative organization to respond to the demands of economic regeneration and also to transform the social climate accordingly. (14) For all this, therefore, the reliance had to be placed on the foreign assistance in the form of aid, loan, technical know-how and private capital.

13. The power generation in Nepal before 1950-51 was only 2,800 kilowatt. Of this, from water, and steam and coal was 1,400 KW each. Ibid., Tables Nos. 20 and 25.

14. Y.P. Pant, Nepal's Economic Development on the International Basis, Nepal Council of Asian Relations and World Affairs, Kathmandu, 1956, p. 7.

B - VARIABLES : Nationalism

The origin of the Nepalese nationalist^m has been traced to the days of Prithvi Narayan Shah. As noted already, he brought about the territorial and political unification of the country and tried to create, among its inhabitants, a feeling of being one people. (15) His approach was however limited to the territorial and political components of nationalism. Its social, economic, cultural and intellectual planes were not even touched. Whatever it was, the 'feeling of oneness' did not get proper emphasis after him and with the rise of the Ranas, it was pushed into complete oblivion.

The revival of the nationalist upsurge in Nepal was initiated in the post-war period. It came as a side effect of the Asian resurgence - particularly due to the withdrawal of the British from the Indian subcontinent - and found its expression in the anti-Rana movement. The Nepalese statesmen and scholars tend to compare anti-Rana movement with the anti-British movement in India. (16) But besides institutional and goal differences between the two, including the significant fact that the Ranas were not a foreign power like the British, the movement against the

15. Prithvi Narayan Shah described his country as a blossomed garden of four varnas and twenty-four castes. Narhari Nath Yogi and Babu Ram Acharya (Ed.), Rastranita Sri 5 Bada Maharaj Prithvinarayan Shah Dev ko Divya Uadesh (Divine Counsel of the Father of the Nation His Majesty King Prithvi Narayan Shah Dev), Kathmandu, 1953.

16. H.M. King Mahendra, Proclamations, Speeches and Messages, vol. II, Department of Publicity, Ministry of Information and Broadcasting, HMG Nepal, June 1967, p. 126. (Hereafter referred to as Speeches)

former was less comprehensive in its approach and scope. It had the Terai as its epicentre and failed to mobilize rest of the regions - least the northern hills - adequately and effectively. With the result that as soon as the objective of overthrowing the Ranas was achieved, the national focus was felt to have been hanging in a void. (17) The situation led to confusion and chaos in the political, social and economic life of the kingdom.

The Nepali Congress when it was elected into power in 1959, tried to arrest this trend - on the one hand by providing socialism and parliamentary democracy as the slogans for national construction, and on the other by giving equitable representation to the different regions in the central administration. In fact, all these things had been talked about even earlier but nothing could be done. The efforts of the Nepali Congress had only begun taking a shape when the government was dismissed by King Mahendra in December 1960.

King Mahendra, ever since he assumed power in 1955, had been trying to assert the role of Monarchy in the political structure of Nepal, and also to consolidate it as one of the bases of nationalism. The Monarchy, in fact, had been the most important base of nationalism in Nepal. The name of Prithvi Narayan Shah had already been mentioned in this context. Even in the days of his political oblivion, the King - an incarnation of Lord Vishnu - continued to remain as an object of devotion and reverence for

17. Charvak, "Kendra ko Khoj Ma" (In search of the focus), Rastrahit, Yr. 1, no. 1, 16 Shravan 2009 (July-August 1953), p. 11.

the Nepalese. The role played by King Tribhuvan in the anti-Rana movement and the respect and importance he continued to command in spite of his reluctance to assert his position, provide further evidences to the point. (details later)

King Mahendra's efforts to identify himself with the Nepalese nationalism became even more vigorous after his 'take-over' from the Nepali Congress government. He described his 'takeover' as the fulfilment of his "ultimate responsibility for protecting national unity, nationality and sovereignty. ..." (18) While elaborating on the point, he underlined the idea that the nationalism which he was going to invoke was a new consciousness, wider in base and comprehensive in its meaning. In his first policy statement after the takeover, he said on 5 January 1961:

We have been able to overcome great difficulties and calamities in our national history because of our patriotism, national pride and discipline. We have to create a new consciousness in the people so as to enable the country to meet the demands of the time. We have to enthuse them anew for development, construction and increased production. To fulfil our selfless and sacred desire to bring about this mental and spiritual regeneration in the task of all round development of the nation under our leadership, we invite the active cooperation of all. ... (19)

For this, he introduced Panchayat system. The word 'democracy' was, however, retained to qualify the system. The importance and mass appeal which the concept and slogan of democracy had acquired in the post-Rana Nepal, could not be undermined. The Panchayat System was described as "based on the

18. Speeches, n. 16, vol. II, p. 2.

19. Ibid., p. 9 (italics added). Also see pp. 63-70 and 111-117.

bedrock of popular feelings and aspirations and having for its sole aim the establishment of a democracy suited to our national genius." (20) The 'Panchayat Philosophy' later on came to be termed as "Nepalism" by the then Minister of National Guidance, Vishva Dadahu Thapa. Those who challenged the efficacy of the new system or the position acquired by the King under it - the members of the Nepali Congress, the Gorakha Parishad and the Communist Party, mostly exiled in India - were dubbed as anti-nationalists.

Thus the King and Democracy, as two most important features of the Nepalese political system, formed the basis of nationalism too. On the cultural aspect, there was little to be mobilized to cultivate nationalism because diversity, and not unity, had been Nepal's characteristic feature. Hinduism, for example, was the religion of majority but could not provide a base for nationalism since it left out the Buddhists and the Muslim sections of the society. Nevertheless, we have noted the emphasis provided by the Nepalese on the synthetic aspects of their culture. Besides this, the stress upon the national language - Nepali - also needs mention in this context. (21)

It was, however, the outward (external) manifestation of nationalism which was more important in relation to the foreign

20. *Ibid.*, p. 19.

21. King Mahendra in his convocation address to the Tribhuvan University on 11 March 1932 said that Nepali, besides being the language of the courts and administration, "expressed our spiritual longings and thoughts abundantly". *Speeches*, n. 16, vol. II, p. 107.

policy. Threat to the existence of the country often unites it, as also the national integration and mobilization and pursuance of a particular political objectives, are sought for, on the basis of the argument that such a threat exists. For Nepal, the likely sources of threat were her immediate neighbours, India and China, and hence the outward manifestation of nationalism was directed against them. The presence of anti-India feeling in Nepal with occasional lapses and anti-China feeling during 1953-59 when border problem and the question of the ownership of Mt. Everest had come up between the two countries, can best be understood in this light. (details later)

Elites: In interpreting the importance of the determining factors, in defining objectives of the foreign policy and setting priorities among them, and above all, in taking decisions on specific issues in the light of these determinants and objectives, the elites of the country play the most important part. Particularly in countries like Nepal, where popular participation in decision-making was not forthcoming, foreign policy - the area of still remote popular interest and understanding - was largely a concern of the few. (22)

The leaders in the post-Rana Nepal - the King and the political leaders - were new in the sense that they have had no, or very little, experience of political activity and the affairs of the state earlier. For that matter, even the Ranas knew little

22. This is a very significant feature of the foreign policies of Asian states. See Werner Levy, "The elitist nature of new Asia's foreign policy", Asian Survey, vol. VII, November 1967, pp. 762-75.

about the world politics, since they relied on the British. The newness of the leadership in the public affairs and the new entry of Nepal in the world was evident in the former's ignorance about the complexities of the international politics.

This ignorance had two implications. Firstly, it gave rise to a tendency among the leaders to look somewhere else - towards India - for guidance and inspiration. Secondly, it resulted into almost unanimity, among the King, various party leaders, legislatures, civil servants and intellectuals, on the world issues. This was, however, not true in relation to the immediate neighbours. On this aspect, greater awareness and interest was evident in Nepal. The study of these aspects is proposed to be taken up in details in the subsequent chapters.

International Milieu

There were three major developments in the post-II war international situation to be taken into consideration by the foreign policy decision makers in Nepal. The first was the phenomenon of bipolarity and 'cold-war' between the Super Powers, coupled with the USA's determination to contain and fight communism on all fronts and in all regions. The US overtures towards Nepal in this context have been noted in the previous chapter. What enhanced Nepal's strategic significance in this global framework was the establishment of the Communist hegemony in China. In the subsequent years, the subtly changing nature of bipolarity and "cold-war" particularly the growing understanding between the USA and the USSR, and the emergence of China, closer to the status of Super Power, had also to be properly assessed.

Equally important was the phenomenon of Asian Resurgence. It was marked by the emergence of new, independent nations consequent to the withdrawal of the colonial powers from the continent. On the one hand, this opened for new prospects in the international politics and, on the other, the substitution of the old structures by the new political orders resulted into the demands for social modernization and economic prosperity in the domestic context.

The reassertion of the Chinese authority over Tibet constituted the third development. It brought the communist China still closer to Nepal. Since the independent India maintained, by and large, the same defence mechanism as had been devised by the British rulers, the change in Tibet made Nepal strategically all the more vital for India. This prompted the latter to be more specific and assertive about her interests in the kingdom. India's Prime Minister Nehru's statements regarding Nepal may be recalled as an evidence. (Chapter I)

Hence, enhanced strategic importance of Nepal and its awareness on the part of the regional and the global powers, brought in the demands from the latter sections on the decision centres of the former. Similarly the domestic forces and aspirations aroused as a result of the resurgence in Asia asserted themselves. The task of the success in Nepal's foreign policy was, therefore, to strike a fruitful balance between the demands from the external and the internal sources.

OBJECTIVES

Security and Preservance of Independence

Corresponding to the Security (T) and Security (P) motives, the preservance of territorial integrity and political independence is the first and the most important objectives of foreign policy of a country, particularly whose independence is new. (23) Though Nepal's independence in the strict theoretical and legal terms was not new, she had lived under the thick shadow of the British imperial authority in India. Further, her entry into world politics was only a post-II war development and her suspicion of the big powers and colonial rulers was strong. (24)

Nepal did not envisage a military threat to her independence from super powers. The threat was considered to be more of a political nature, of "direct and subtle interference" of the big powers in the affairs of small countries. (25) Asserting his country's love for independence, Prime Minister B.P. Koirala told ✓ the UN General Assembly in 1960:

My country is fiercely proud of its independence which we never wholly lost. ... Like other countries now represented here, we prefer to estimate ourselves the strengths and weaknesses of other social systems and to choose our own. We do not wish to be battered by propaganda or to have our minds made up for us,

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23. Peter Lyon, Neutralism (Leicester University, 1963), p. 72.
24. The first commoner Prime Minister of Nepal, M.P. Koirala, held that the Asian countries must unite together as there was a common danger for them to be enslaved again. The Hindustan Standard, 25 December 1953.
25. King Mahendra's address to the Second Conference of the non-aligned nations in Cairo, October 1964. Speeches, n. 16, vol. II, p. 277.

or to reach our decisions in an atmosphere of suspicion and hatred. We do not want to be absorbed into cold war or to become a tool of any power bloc. (23)

Threat to Nepal's independence was more imminent from her neighbours. It was both military and political, in nature. But looking into the background of geographical determinism, historical perspective and socio-cultural proximity, two deductions can be made:

1) From China, the nature of the threat was considered to be military first and then political.

2) From India, it was largely of political nature.

To meet the military aspect of the threat Nepal had her defence arrangements with India and the Western powers, which will be discussed later. To preserve her independence from the political threat of interference and pressures - Nepal pleaded the observance of the principle of absolute non-interference in the mutual relations. It was repeatedly asserted by Nepal in various forms - the National Legislature, the UN and a number of international conferences. During their official state visits abroad, the Nepalese leaders and statesmen lauded the principle and it was unmistakably highlighted in the treaties, agreements and joint communiqués signed by them, as we shall see in the subsequent chapters.

A very important aspect of the objective of the preservation of independence was the quest for international recognition as an

23. Policy Speech at the 15th UN General Assembly by B.P. Koirala, Prime Minister, Department of Publicity and Broadcasting, P.O., Nepal, Kathmandu, n.d., p. 6.

independent and sovereign nation. It reflected the status motive. As a first step in this direction, Nepal bade adieu to the old policy of isolationism. Because, this policy was considered to be "fraught with many dangers, including the danger of losing Nepal's political entity". (27) Viewing in the historical perspective and Asian context, King Mahendra observed that due to the "introvert civilization ... and ... contemplative bent ... to keep to oneself ... Asia shrank closer into its own narrow, individualistic empire illumined by its egoism only". (28) To avert this danger, Nepal made a 'deliberate entry' into the comity of nations and followed an 'open-door' policy. (29)

This open-door policy, in place of isolationism, was partly an inevitable choice in view of the international milieu around Nepal. The claims and demands emanating from Nepal's newly enhanced strategic significance as well as from her rising expectations in the domestic context called for a response - mechanism which had no place for the policy of isolation. (30)

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27. T.R. Tuladhar, Mahendra: The King of Nepal, Department of Publicity and Broadcasting, Ministry of National Guidance, BMO, Nepal, Kathmandu, 1961, p. 10.
28. Speeches, n. 16, vol. II, p. 37.
29. Y.N. Khanal, "Nepal's foreign policy: Its content and execution", Souvenir Issue, Nepal Council of World Affairs, Kathmandu, June 1967.
30. Warren F. Ilchman in his article "Political Development and Foreign Policy: The Case of India" observed that "newly independent nations are of necessity bound to participate in an international system." Journal of Commonwealth Political Studies, vol. IV, n. 3, 1966, pp. 216-30. Also see: Werner Levy, "Nepal in World Politics", Pacific Affairs, vol. XXX, No. 3, September 1957, pp. 236-48.

The compulsion was evident in King Tribhuvan's address to the Second Advisory Assembly on 7 June 1954 in which he said: "It is an undeniable fact that no nation can in the context of the modern world, lead an isolated existence." (31)

In accordance with the policy of open-door participation, Nepal expanded her diplomatic contacts. In 1950-51, she had diplomatic relations with four countries only - India, UK, USA and France. In 1966, the number went up to forty with a number of Nepalese diplomatic missions working abroad as well as a number of foreign diplomatic missions stationed in Kathmandu. (32) In 1955, she secured membership of the UN after six years of waiting. Besides, she joined regional organizations like Colombo Plan and Asian Development Bank and took part in the regional conferences like Bandung and of the non-aligned nations at Belgrade and Cairo. While leaving for Belgrade as leader of the Nepalese delegation, King Mahendra told his countrymen ... ever bearing in mind that the disappearance of Nepal's sovereign entity will mean an end to the existence of every Nepali and that we rise or fall with our country, we are this day leaving for Belgrade." (33)

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31. Text of the speech, Nepal, Marching towards Progress, Department of Publicity, Government of Nepal, Kathmandu, n.d.
32. Nepal in Maps. "Foreign Relations", Ministry of Information and Broadcasting, Department of Publicity, HMG, Nepal, Kathmandu, June 1966.
33. Speeches, n. 16, vol. II, p. 34.

At all these places, the Nepalese delegations highlighted the independence and sovereignty of their country, stressed the need for the observance of the principle of non-interference and identified Nepal with Asian and African group of nations in general and smaller nations in particular. The speeches made at these conferences reveal that Nepal's style of participation in such gathering underwent a marked change. From 'shy' and 'modest' respectively in the Asian Relations Conference in 1947 in New Delhi and ⁱⁿ Bandung in 1955, it became 'active' and 'confident' in non-aligned summit conferences at Belgrade (1961) and Cairo (1964), and at preparatory meets in 1965 for the Afro-Asian Conference at Algiers (1966). The same was true for Nepal's participation in the UN (details later). This gradually increasing participation in the international politics was considered to have enhanced Nepal's prestige besides satisfying her quest for recognition. In his message to the nation on the first anniversary of the 'take-over', King Mahendra said:

In furtherance of our policy of friendship with all countries, this year we participated in the Conference of Heads of States and Governments of non-aligned nations at Belgrade, and we paid state visits to Pakistan, the People's Republic of China and the People's Republic of Mongolia. By these visits Nepal and the Nepalese have become better known to the people and the governments of those countries, and we feel that we have benefited much from personal contacts with the leaders of these different countries. ... We feel that our prestige at the United Nations has risen because of our sustained policy of friendly relations with all countries. ... (34)

34. Speeches, n. 16, vol. II, pp. 66-67. The statement also represents a subtle and discreet note of identification of

Economic Development

The objective of economic development in Nepal's foreign policy had a priority over the quest for international recognition. But since the latter had a close relevance with the objective of the preservative of independence, it was discussed earlier. The priority was evident in the fact that the amount of the likely inflow of economic aid and assistance formed one of the important criteria in Nepal's expanding diplomatic contacts. (35) Further, the establishment of the Nepalese missions abroad had been guided by the considerations whether it was to be beneficial economically as also whether Nepal could afford the expenditure involved in foreign exchange. (36)

Nepal's focus was on the disparity not only between the developed and the developing countries, but at "all levels between countries at different stages of economic development". She analysed this question in somewhat Marxian framework and held that the economic disparity in the world, as within the nations, was

34. (contd. from back page)

King Mahendra - the person-with Nepal. This theme has been discussed in details later. Y.N. Khanal after attending the Bandung Conference as a member of the Nepalese delegation said that the participation in the Conference brought honour to Nepal and enhanced her prestige. Gorkhapatra, 13 Jaishha 2012 (27 May 1955).

35. King Tribhuvan's speech to the Second Advisory Assembly. n. 31.

36. Rastriya Panchayat: Kariyavahi ko Sankshipt Viveran (National Panchayat: Brief description of the proceedings) 22 Shravan 2024 (July-August 1967). Speech of the Deputy Prime Minister and Minister of External Affairs and Economic Planning.

the major source of tension and friction. (37) She also considered that the richer nations owed an obligation to help the poor ones and that economic aid was "not a benevolent act of charity" on the part of the 'have' nations towards the 'have-nots' nations". (38) While making protest for underdeveloped standards, Nepali leaders invoked emotions and questioned the world:

Is it necessary for some people as for some nations to continue to be poor in order that other people as other nations can continue to be rich? Does the starvation of a part of humanity always stare us in the face...? Is it too much to hope that the United Nations will pool together all the human material and technological resources available at present and use them most effectively to raise the living standards of the peoples of the underdeveloped countries? (39)

This way, Nepal stressed the need for international cooperation. In practice, she tried to mobilise this cooperation at three levels: bilatera, regional and international. The objective was to create favourable conditions for aid, trade and inflow of the foreign private capital to help industrialization. We propose to discuss these matters in details in a separate chapter on Foreign Economic Policy.

World Peace

World peace is the avowed objective of every foreign policy. For Nepal, besides emotional overtones, it reflected a

37. Policy Speech, n. 26.

38. R.K. Shah, the then Foreign Minister of Nepal in his speech to the Indian Council of World Affairs on 10 September 1962. The Indian Express, 11 September 1962.

39. Policy Speech, n. 26.

sense of realism too. In the latter sense, world peace was desired as necessary condition for preserving the independence and working for the economic development. Nepal subscribed to the wellknown Asian slogan that 'peace and prosperity are indivisible' for the fact that the world had become narrow and any disturbance anywhere was likely to affect the policies of, and the process of reconstruction in, a small, weak and poor country like her. (40)

The danger to world peace was primarily from the tension created by the super-power-rivalry. Nepal always pleaded for this tension to be reduced gradually and eliminated ultimately. She welcomed every sign which showed improvement in the relations between the super powers. (41) To expedite the detente and consolidate it, Nepal also advocated extension of the 'area of peace' and the 'zone of non-commitment'. (42) With this goal in mind, she refused to subscribe to the idea of forging a 'neutralist bloc' as such. (43) Secondly, the danger was considered to be inherent in the existing economic and power disparities among the nations. In that context King Mahendra held that world peace would not be achieved:

40. Nepali Congress Home Minister S.P. Upadhyaya's radio interview. Gorkhapatra, 1 January 1960, Yr. 89, No. 103.

41. Speeches, n. 16, vol. II, p. 276.

42. Ibid., p. 274.

43. Ibid., p. 41.

Unless interference and encroachment are fully stopped, unless defence expenditure are reduced and diverted to development and unless the developed countries help the developing countries in a really disinterested manner and in man's pursuit of peace and happiness. (44)

A very important dimension of world peace for Nepal was peace in the neighbourhood. There again she pleaded for cordial relations and better understanding between her neighbours, India and China on the one hand, (45) and India and Pakistan on the other. (46)

The third source of danger to world peace was from the arms race in the conventional and nuclear weapons. Besides perpetuating the tension and mutual suspicion, the race was responsible for the increased sense of insecurity in the world. It also consumed a substantial part of the world's resources and talent which, if used otherwise, could eliminate poverty and ensure better conditions of living. This, in course of time, would remove another cause of tension and unrest in the world. (47) Guided by these considerations Nepal advocated the drastic reduction of all arms and continued to welcome and encourage every modest step taken in the direction of disarmament and nuclear non-proliferation (details later).

44. Ibid., p. 40.

45. Ibid., p. 148.

46. King Mahendra sent identical message to the Presidents of India and Pakistan urging restoration of peace and normal relations between the two countries which had been disturbed in early September 1965. Ibid., pp. 348-49.

47. Ibid., p. 39.

Anti-Colonialism, Anti-Imperialism
and Racialism

Related with the longing for world peace and in tune with her identification with the Asian community, was Nepal's objective to further the cause of anti-colonialism, anti-imperialism and anti-racialism. Like any other Asian country, she had been very vocal on these issues and rendered her uncompromising support in favour of the movement towards them. She considered imperialism and colonialism as 'unmixed evils' because they envisaged social and political order which legitimized the domination of man over the man and country over the country. (48) Racialism on the other hand was atrocious negation of the fundamental human values. (49) In these policies, she saw a threat to world peace and, therefore, viewed the movements for their elimination as the part of the wider movement for world peace (n.47). For the success of these movements, Nepal counselled decency and justice to the colonial and racial powers on the one hand and called for Afro-Asian unity and solidarity in all the available national and international forums on the other.

Identity with Smaller Nations

While talking about world peace, or disarmament, or anti-colonialism, anti-imperialism, anti-racialism and human rights, Nepal did not, even for a moment, forget about her size and strength. She was well aware of the fact that due to her small and weak

48. Ibid., pp. 38-39.

49. Ibid., p. 277.

stature she by herself, was incapable of contributing anything towards the fulfilment of these objectives. Therefore, she decided to throw her weight with the new, small and like-minded nations. Establishment of identity with this group of nations, thus, became another important objective of Nepal's foreign policy.

The credit for introducing emphasis and increased awareness about this aspect goes to the Nepali Congress Prime Minister, B.P. Koirala. In his speech in the UN General Assembly he said:

In welcoming the new members, I have a feeling that we are welcoming nations which have a similar approach to the basic problems of the world today. I speak on behalf of a small uncommitted country which has no pretensions of any kind. When welcoming the new members, we have consciousness of accession of strength to our point. (50)

This strength, Koirala held, had shifted the 'centre of gravity of the world politics' from 'Big' to the 'small' nations, but unfortunately, the shift had not been realized by the smaller nations themselves. (51) He, therefore, urged them to unite and offer a concerted response to the issues facing the world. The concerted action and unified approach on the part of the smaller nations was considered to be the only way in which they could influence the world politics. (52) This aspect of identity with the smaller nations was carried further by King Mahendra and his Foreign Ministers and today constitutes one of the very important objectives of Nepal's foreign policy.

50. Policy Speech, n. 26.

51. The Hindu, 31 October 1960.

52. Policy Speech, n. 26.

Strengthening the United Nations

To further these objectives, Nepal looked towards the United Nations, as the most important instrument. That was the place where she could identify herself with the smaller nations and anti-colonial, anti-imperial and anti-racial forces. There only she could plead the cause of world peace and at the same time get recognition of her independence and sovereignty, as also aid and assistance for her economic development. Reiterating Nepal's faith in the UN Chairman and Foreign Minister Dr. Tulsī Giri stated in the UN General Assembly in 1964:

... I should like to reiterate that the people and the Government of Nepal look upon the United Nations, in great measure as a guardian of the independence and territorial integrity of small nations and as a forum where small nations can make their own humble contributions to the cause of international peace and prosperity. (53)

Therefore, Nepal saw a clear need for the UN to be strengthened. For this, she expressed readiness to fulfil the commitments and obligations resulting from her membership of the organization, and called on all the countries to do the same and have their faith in it. (54)

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53. Some Speeches of Dr. Tulsī Giri (Chairman: Council of Ministers), Department of Publicity, Ministry of Panchayat Affairs, BNG Nepal, Kathmandu, 1964, p. 19.
54. King Mahendra's speech at Belgrade and Cairo non-aligned nations' conferences, and his yearly messages issued to mark the occasion of the UN Day as also the speeches of the Nepali Delegations in the UN General Assembly clearly brought out this point.

OPERATIONAL FRAME OF THE POLICY

For the fulfillment of those objectives discussed above, a comprehensive operational frame for the policy, capable of providing due emphasis to each of the objectives, was necessary. The policy options available to a country like Nepal, in the post-war international pattern, were three: Isolationism, as chosen by Burma, alignment, which Pakistan opted for, and non-alignment as followed by India and several other countries.

The case for isolationism can be set aside in one sentence that even if Nepal had wished, her internal forces released as a result of the political change and Asian resurgence and external pressures would not let her remain isolated.

The option of alignment can be viewed from two aspects: ideological and practical. Ideologically it was incompatible with the mood in the country and the climate around. Any type of military alliance was looked upon as enslavement in disguise. In 1961, the Nepali Congress - the partner in the then ruling coalition - said in a resolution:

Nepal having gained an important place in the political map of Asia ... is watching with vigilance the behind-the-screen moves on the part of different power blocs which have had no direct concern with Nepal before. The people of Nepal shall not only record but vehemently oppose such unwelcome moves from whatever quarter they come and never allow Nepal to be a pawn in the game of international politics. (55)

The alignment could help Nepal improve her economic and social conditions little more rapidly and could provide a military

55. The Hindu, 30 May 1961.

shield for her frontiers but only at the cost of her 'complete moral and material isolation' from the countries around and compromise with her sense of independence and national pride. (56) Hence it was unacceptable.

Practically, the case for alignment can be viewed in terms of four specific choices available to Nepal to align herself with. They were: a) Soviet bloc; b) Western bloc; c) China and d) India. Alliance with the Soviet bloc was not possible for two reasons. First, Nepal and the USSR had no contacts whatsoever, at a time when the latter was forging alliances. Secondly, and this was more important, the image the USSR had of Nepal was one of a country well within the orbit of western influence. (57) In this context, Nepal's participation in the two world wars, on the side of the western powers - UK and the USA - could be recalled.

As noted earlier, the second choice was very much in the picture during the last days of the Ranas. At that time as well as later, it could not materialize because of India's resistance - a factor which no government in Nepal could bypass. India's influence on Nepal in this respect was evident in Nepal's strong disapproval of the military pact and security arrangement -

56. This aspect was underlined in the Nepali Congress Resolution supporting the policy of active non-alignment in the Seventh Conference of the party in May 1960. The party was in power at that time. Kalnana, 29 Vaishak 2017 (11 May 1960).

57. It was evident in the USSR's repeated use of veto in the UN Security Council against Nepal's admission to the world body.

initiated by the western powers in Asia. (58) Nepal's Foreign Minister Dr R. Regmi resenting the western powers' move for the alliances stated:

Certain powers are trying to make this area a war base. Nepal which has common frontier with China for about 500 miles has its own strategic importance and so has India. It is in the interest of both that these powers do not succeed in involving Nepal and India in a war cauldron. (59)

D.R. Regmi also criticized the SEATO negotiations going on in the Philippines in August 1954 and welcomed the Colombo Powers - India, Ceylon and Indonesia - for their opposition to the western sponsored military alliance in Southeast Asia. He said on the occasion: "I particularly appreciate Mr. Nehru's bold stand in this matter. I think it is his stand which has prevented others from falling into the trap." (60)

Regarding the last two choices, both India and China, were neither sponsoring any military alliance against the power blocs nor they approved of the idea in principle. Further, it was unthinkable for Nepal to enter into bilateral alliance with China against India. Besides, the fact that the diplomatic contacts between China and Nepal were frozen, as already noted, the latter did not envisage a military threat from India. China had still less reasons to consider the issue, due to an additional factor that with the conditions in Tibet still unsettled and the political transformation in the mainland only recently achieved, she was

58. The Hindustan Standard, 30 December 1953.

59. The Times of India, 21 June 1954.

60. The Statesman, 23 August 1954.

not in a position to afford confrontation with India.

Bilateral alliance between India and Nepal - directed against China was both plausible and possible. (61) But it did not take place because, on the one hand, India was ideologically averse and materially ill-equipped towards that end, on the other hand, she was keen to avoid any conflict with China, at that stage at least, due to her preoccupation with the super-powers and bloc politics and with the idea of keeping Asia free from regional tensions and as an area of peace. (62) However, Nepal and India had closest possible understanding on the matters of mutual defence without having an alliance both in formal and technical sense. (details later)

The above specific choices for Nepal's alliance have been discussed largely with focus on the would-be bigger and powerful partner in the alliance and with the presumption that the former would accept the arrangement. The context of the discussion is completely hypothetical and is not meant to undermine the ideological moorings and political climate of the would-be smaller and weaker partner in the alliance - Nepal. These moorings and the climate were, to repeat, wholly incongruent to the idea of pushing the kingdom into an alliance.

The arguments that reject the first two options, isolationism and alignment, provide, by implication, justification for the third. The 'non-alignment' was considered to be capable

61. This was so notwithstanding the factors of nationalism, sense of independence, etc. All these factors assumed effective proportions only after 1954. It will be discussed later that till then, the government to government relations between India and Nepal were very cordial and congenial to the moves like that (alignment).

62. Please see next page.

of catering to the needs - political, economic and psychological - of Nepal without inflicting embarrassment and humiliation inherent in the other two options. It, thus, became the operational frame for Nepal's foreign policy. Now we shall deal with various characteristics of the frame, under its two major epithets, namely, non-alignment and peaceful co-existence.

Non-Alignment

There were three salient features of this epithet. The first was the dynamic and positive nature of the policy. Geopolitical aspects of Nepal suggested that her policy was more likely to be inactive and passive. Werner Levy held that, situated as she is,

Nepal can afford neither to run counter to the policies of her big neighbours nor hope seriously to affect the policies of any other nation. She does not have the means to enforce an active and relatively independent policy. (63)

Nepalese leaders and the statesmen, however, thought otherwise. They refused to subscribe to the view that their participation in the international system was passive or devoid of initiative. In his address to the American Senate on 28 April 1960 King Mahendra said:

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62. Sino-Indian agreement on Panchsheel signed in early 1954 and what followed at Bandung a year later provide evidence to this fact.
63. Werner Levy, n. 44. Depending on Levy's analysis, Peter Lyon included Nepal in the category of the Neutral buffer states, which he said, were the states without an active policy at all. n. 23, p. 93. Also see Nicholas Spykeman, J., "Geography and Foreign Policy", American Political Science Review, vol. XXXII, no. 2, April 1938, p. 227.

Not to be camp follower of any bloc should not mean that we sit on the fence. ... In this there is not the least strain of passivity, selfishness or escapism. Because we are convinced that this is the correct path, we shall not deviate from it under any circumstances, whatsoever. When choice is between good and the evil, right and wrong, we never faltered, nor did we sit on the fence. (64)

On another occasion, he subscribed to Nehru's slogan: 'where freedom is menaced or justice threatened, we cannot and shall not be neutral'. (65)

The contentions of scholars on the one hand and of the Nepalese leaders on the other, thus present two extremes of the point. A keen observation of the evolution of Nepal's foreign policy since 1951, reveals a compromise of the two. It is true that Nepal had, till 1954, very limited contacts with the world outside, and was docile and devoid of initiative and activism in her international attitude. But this is also true that afterwards, her diplomatic contacts extended gradually and she started taking a more active interest in the international events. That through her contribution to and effect on the world politics was conditioned by limited means and power-potential, an assertive tendency towards playing a more meaningful and positive role was clearly evident in Nepal's international behaviour. We, therefore, find a shift from a passive and docile to an active and dynamic attitude. (66)

64. Speeches, n. 16, vol. I, p. 182.

65. Ibid., vol. II, p. 126.

66. Sayegh in his essay on the Anatomy of Neutralism categorised Nepal as a state outgrowing the phase of passive neutralism. Fayed A. Sayegh (Ed.), The Dynamics of the Neutralism in Arab World, USA, 1964, pp. 1-102.

The shift from passivity to dynamism had nevertheless been chequered and severely restricted with regard to Nepal's relations with her neighbours. It was there that the logical implications of her geopolitics were visible. She scrupulously refrained from making comments or doing anything which had bearing on the issues between India and China. (details later)

The second salient feature of the non-alignment was that it was an independent policy. Stress on independence is inherent in the non-alignment itself (n. 23). Accordingly, the policy proposed to cherish no pre-conceived views on the international issues erupting from time to time, neither it approved of following a line under the influence of external pressures. Elaborating upon this theme, Prime Minister B.P. Koirala told the world body:

If we believe in a policy of non-alignment with any of the power blocs it is because we do not wish to commit ourselves before hand to support one side or the other, and we wish to retain our independence of judgement in assessing international issues as they arise. In our humble opinion, this is the only way in which we can really be objective and detached in examination of the issues that may confront the world community from time to time. We have never hesitated to pronounce ourselves clearly and unequivocally on what has appeared to be right to us. (67)

Nepal also felt that it was rather convenient and smooth for her to follow an independent course of action for the reason that she had "no disputes and far fewer commitments" as compared to other bigger states. (68)

67. Policy Speech, n. 26.

68. Ibid.

To a very considerable extent Nepal found India as a hurdle in her desire to exercise independence in judgement and decision. There were many reasons for that. First was the hangover of the British (India)-Rana relations. This pattern of relationship continued even when the British had left and also for some years after the Ranas had fallen. There were various factors - personal, political and situational - which contributed to this continuity, and at a time there existed a strong feeling in Nepal that with regard to India, she was in a state of 'semi-dependency'. (69) To undo this image, there was a clear need to readjust her relations with India. Giving his mind on this aspect, King Mahendra said in October 1962:

Nepal has ever been an independent and peace-loving nation. ... This country always wishes well to all other countries, never wishes ill to any country.
 ✓ Nepal is always desirous of friendly relations with friendly (sic) country India as well, but Nepal is never prepared to play second fiddle to any country and will never lag behind in thinking out ways and means of her own welfare. Nepal, however, wants to maintain in a right manner, cooperation and traditional relations of friendship and goodwill with India. ... Now we are determined not to become a play-thing in the hands of any foreign power. (70)

69. The use of the term was attributed to by M.P. Koirala when he was Prime Minister by Louis Fisher. Louis Fisher, This is Our World, p. 463. Quoted in Grishma Bahadur Devkota, Nepal ko Rajnitik Darpan (Political Mirror of Nepal), Kathmandu, 1960, p. 232.

70. Though there is no direct reference in the statement that Nepal had been playing second fiddle to India, but the context and mood in which the statement was made, make it amply clear that it was in reference to the past pattern of relations between India and Nepal.

This statement was made in the context of the anti-King activities of the Nepal Congress exiles in India after the takeover, and reluctance on the part of the Government of

(contd. on next page)

Similarly whenever Nepal acted in a way different to what India had done on the international issues, she mentioned those instances with a sense of satisfaction and pride. Her stand on Hungary and greater emphasis on the Tibet issue favouring China's position can be taken as examples. (71)

The third feature of the non-alignment policy was the element of morality in it. With the large number of the newly independent nations adopting non-alignment as the operational frame of their policies, the super powers got suspicious about it. They considered it as a facade for the pro-rival camp leanings of these nations. The western powers were more pronounced in their criticism of non-alignment. Describing the American view on it, Robert A. Scalapino wrote in 1954:

Many Americans view neutralism as a new type of social disease. Its probable causes: intimacy in some form with communism; its symptoms; mental confusion and moral dereliction; its cures: unknown. (72)

In retaliation to this type of criticism, as well as due to feeble power-potential, higher emotional intensity and sense of cultural superiority over the west, many of the non-aligned Asian

70. (contd. from back page)

India to deal with them as desired by King Mahendra. Speeches, n. 16, vol. II, pp. 143-4. Also see Y.N. Khanal, Some Reflections on Indo-Nepal Relations, New Delhi, 1964.

71. Y.N. Khanal, Background of Nepal's Foreign Policy, Department of Publicity and Broadcasting, Ministry of National Guidance, HMG, Nepal, Kathmandu, n.d.

72. Robert A. Scalapino, "Neutralism in Asia", The American Political Science Review, vol. XLVIII, n. 1, 1954, p. 99. Also see William Handerson, "The Roots of Neutralism in Southern Asia", International Journal, vol. XIII, no.1, Winter 1957-58, pp. 39-40.

states described their policy as morally superior. (73)

In Nepal's case also, we find emotional overtones hinting at the self-imposed moral obligation on her policy to work for the world peace. In November 1954, Prime Minister M.P. Koirala observed:

Today, the world is divided into two blocs. Nepal does not want to join any bloc and according to Gautam Buddha's ideals of peace, unity and non-violence, we have adopted our foreign policy. For having belonged to Buddha's land, on us lies the greater responsibility for peace. (74)

Buddha, the apostle of peace, repeatedly found mention in this context. The ruling party, the Nepali Congress, resolved in May 1960 to give to the world Buddha's message of peace, equality, freedom and fraternity. (75) So did King Mahendra while concluding his speech at the Belgrade non-aligned conference. (76)

A sense of moral obligation for peace on the policy of non-alignment, implying thereby that other policies of alignment, particularly - were morally inferior, was evident even apart from the mention of Buddha. (77) Whereas King Mahendra described the second non-aligned conference, as a moral movement for peace, (78)

73. Sayegh, Fayez A., n. 66. Sayegh has discussed this phenomenon under what he termed "the Messianic orientation of neutralism."

74. Hamro Par Rashtra Samrak (Our External Relations), Publicity Department, Central Secretariat, Kathmandu, Nepal, n.d., p. 57. Buddha was born in a place called Kapilvastu in the Lumbini district in the Terai region of Nepal. Also see: Gorkhanatra, 24 Bhadra 2009 (September 1953).

75. Kalpana, 11 May 1960.

76. Speeches, n. 16, vol. II, p. 37.

77. Ibid., p. 33.

78. Ibid., p. 277.

Prime Minister B.P. Koirala earlier in 1960 held that the moral strength of a country like Nepal was great, at least potentially (n. 26).

However, we find a contradiction in Nepal over this aspect. On the one hand, we have noted above that the leadership in the country held that their policy was morally superior and that it had an obligation to further the cause of peace. On the other hand, high officials in the foreign service opined exactly opposite of it. In February 1963 Nepal's foreign secretary General Padma Bahadur Khatri in a radio speech, refused to entertain the belief that the moral standard of non-alignment was higher in any way, than that of military alliances. (79) Stating the same point even more candidly, Khatri's successor Y.N. Khanal said:

There is no truth in the contention that neutralism as such is better than the bloc politics from the moral point of view. ... In our country there are certain elements who think that neutralism is the height of morality and aligned countries are also (sic) immoral.

The basis of the neutral policy of the Nepal (sic) is not provided by conceptions like these. Morality is neither an integral part of neutrality nor that of military alliance. Morality is in fact an attribute of the individual.

In the present situation of the world which is divided into opposing camps, Nepal believes in neutralism because it is both practical and suitable for her. (80)

79. Text of the speech. (Cyclostyled, provided by an Indian Correspondent in Kathmandu).

80. Y.N. Khanal, Reflections on Nepal-India Relations, n. 71, pp. 8 and 80.

This negation of the moral aspect in the attitude of the civil servants was of the recent origin. It cannot be said as to what accounted for this contradiction. Nevertheless, it was indicative of the growing stress on the realistic and pragmatic approach in the foreign policy. This, however, is not to say that the attitude of the leadership and the civil servants earlier, was in any way less real and practical.

While studying these features of the Nepalese non-alignment - dynamic approach, independence of judgement and moral superiority - the statements of the policy-makers have been thoroughly surveyed. From this survey, there appears to be some confusion about the semantics of the frame-epithet: non-alignment. The terms: 'non-alignment', 'neutrality'^{and neutrality} have been used at times as synonyms and at times to mean different things. (81) No effort was visible on the part of the policy makers to

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81. To take the example of King Mahendra only, he used: "Neutral foreign policy" and policy of "neutrality" in his addresses to the first and the second sessions of the Parliament in 1959 and 1960 respectively. Speeches, n. 16, vol. I, pp. 154, 174, 'neutrality' in his speech at the Indian Council of World Affairs, Sapru House (New Delhi) during his official visit to India in April 1962, as well as his address to the first session of the Rastriya Panchayat in April 1963. Speeches, n. 16, vol. II, pp. 126, 172-3; 'neutrality and non-alignment' to gather in his first policy speech on 5 January 1961 after the 'takeover' and later in his directives to the Council of Ministers in August 1964. Speeches, n. 16, vol. II, pp. 8, 264; 'non-alignment' in his addresses to the Panchayat in June 1964, 1965, 1966 and 1967 respectively. Text of the Address (unofficial translation) published regularly by the Department of Publicity, Ministry of Information and Broadcasting, HMG, Nepal, Kathmandu; 'Policy of neutrality' in his message to the nation on the eve of departure for the Belgrade non-aligned conference but 'non-alignment' in the conference. Speeches, n. 16, vol. II, pp. 33 and 40.

distinguish these terms from one another. (82)

Peaceful Co-existence

Peaceful co-existence was the second epithet of the operational frame. Its use came into vogue after the agreement in 1954 between India and China on Panchasheela, the five principles of peaceful co-existence - wherein the term was used first of all. It was often used simultaneously and at times even in identical sense with non-alignment. Explaining the relationship between the two as understood in Nepal, King Mahendra said: "The principle of peaceful co-existence when used negatively in the sense of military non-involvement becomes one of non-alignment." (83)

About the practicability of co-existence, Nepal was quite optimistic. She believed that mutual accommodation and adjustment brought on the basis of mutual tolerance, understanding and interdependence of the interests was possible even without the sacrifice of the values and faith cherished individually by the co-existing parties. She envisaged that as a result of such peaceful co-existence, a synthesis of the values, which are best in the

82. In answer to a question regarding the kind of neutrality Nepal was thinking to follow, Prime Minister Tanka Prasad Acharya said in 1956:

I do not know how many kinds of neutrality there are. But we want to develop a neutrality under which Nepal will be able to serve the cause of peace and afford sympathy for the oppressed. We do not like the bloc system in human relations between neighbours and nations based on mutual cooperative existence.

The Statesman, 3 September 1956.

83. Speeches, n. 16, vol. II, p. 40.

various systems, would evolve. (84) Behind this philosophical approach, Nepal had some pragmatic considerations. She thought that by evolving a code of conduct for international politics, embodying all the essential principles of peaceful co-existence, world peace could be ensured. (85)

In this context, application of peaceful co-existence between India and China on the one hand and of Nepal with each on the other, was of special significance. In 1954, Nepal cheered China and India when they signed the Panchsheel agreement. The then Foreign Minister of Nepal found that Nehru-Chou En-lai joint statement released on that occasion was capable as well as suitable to serve as a model for the bilateral relations in the world. (86) In the statement, Nepal also saw a guarantee by the two big nations of Asia to the smaller nations that their independence will not be encroached upon. (87)

Therefore, the signs of a breakdown of peaceful co-existence between India and China found Nepal uneasy and in an awkward

84. King Mahendra's speech at the World Affairs Council, Los Angeles, during his state visit to the USA in May 1960. Text of the speech in The Commoner, 12 May 1960.

85. Speeches, n. 16, vol. II, p. 277.

86. The Statesman, 30 June 1954. It was reiterated by the Nepalese delegation at the Bandung Conference. Asia-Africa Speaks from Bandung, Ministry of Foreign Affairs, Republic of Indonesia, Djakarta, July 1955, pp. 105-107.

87. The Statesman, 30 April 1956.

position. (88) The situation of actual conflict between her neighbours, made Nepal all the more concerned. Expressing this concern, Foreign Secretary Y.N. Khanal stated:

So far as Nepal is concerned, peaceful co-existence when applied to practical conditions and shorn of extraneous forces means co-existence between India and China and our own co-existence with both of them. So we have tried to cultivate friendship with them as best as we can. We know that in the present atmosphere of tension between them, ours is an unenviable position, but we are fortified in our belief through the realisation that peaceful co-existence is bound to prevail sooner or later, in spite of the complexities of the Sino-Indian differences, because the alternative to it is disaster. Afro-Asian unity within the framework of continuing tension between India and China is in our opinion a mirage. ... It is difficult to envisage a world or even less an Afro-Asian community in which India or China is completely isolated. (89)

Besides, there was a domestic logic in support of Nepal's advocacy for peaceful co-existence with each of her neighbours. We have noted earlier that Nepal is a mixed society and her people have ethnic and socio-cultural identities with India on the one hand and China on the other. Though the identities with the latter are somewhat weak and less common as compared to that with the former, the very fact that they (latter) exist and since a long

88. It was stated by the General Secretaries of the ruling party, Nepali Congress, in their report presented at the party's General Conference in May 1960. The Hindustan Times, 9 May 1960.

89. Y.N. Khanal, "Nepal and the world Today", in Nepali Monograph on Nepalese Culture, n. 8, pp. 28-29.

past too, cannot be undermined. Therefore, for the social harmony and domestic peace, friendship and understanding with both India and China was essential for Nepal.

Chapter III

THE ROLE OF POLITICAL INSTITUTIONS IN
FOREIGN POLICY DECISION-MAKING

The political institutions play a very vital role in the operation of a policy process from its gestation stage to that of the execution. They define the latitude and nature of decision-makers' authority and competence in a given political system. Snyder and his colleagues have termed the institutions and organisations participating in the foreign policy decision-making as decisional units. (1)

In this chapter, the role of decisional units in relation to Nepal's foreign policy will be discussed. In doing so, the focus will be on two variables: i) the power and authority, and ii) the composition, of the respective decisional units, which are further divided into the 'governmental' or 'formal' and the non-governmental categories. Whereas the executive and the legislature will be included in the first category, the political parties will come under the second, in the discussion below. The emphasis will, however, be on the 'governmental' units, particularly on the executive, for its authority and expertise - the availability of authentic information and other resources with it - with regard to the foreign policy decisions.

1. Richard C. Snyder, H.W. Bruck and Burton Sapin, "Decision making as an approach to the study of international politics", in Foreign Policy Decision Making (Edited by the authors), Free Press of Glencoe (USA, 1962), pp. 92-103. David O. Wilkinson considers these institutions as one of the "Residual Factors" that explain foreign policy. See his Comparative Foreign Relations: Framework and Methods (USA, 1969), pp. 28, 101-14.

THE EXECUTIVE

The executive, as a foreign policy decisional unit in Nepal, had been comprised of the Monarchy, the Cabinet (or the Council of Ministers) and the Ministry of External Affairs. We shall discuss them one by one.

(A) THE MONARCHY

The roots of the Nepalese Monarchy were well entrenched in the history and traditions of the kingdom. Since time immemorial, the King had been considered a super human being - the real incarnation of Lord Vishnu of the Hindu mythology. To rule over the kingdom, had been his divine right. Even during the Rana regime, which witnessed the eclipse of the Monarchy's de facto powers, the King continued to enjoy total devotion and unflinching allegiance from his subjects.

The fall of the Ranas in 1951 was also the revival of the Monarchy's lost powers and prestige. The constitutional developments that took place in the following years, put the King at the apex of the power structure in Nepal. (2) A shrewd and far-sighted politician in King Tribhuvan and, particularly in his successor King Mahendra, added new dimensions to the position of the Monarchy. They cultivated the army and the civil service and mobilized the popular support to strengthen their traditional base of power and legitimize - in the political sense - their respective constitutional

2. For a discussion of the constitutional developments since 1951, with special reference to the King's position, see: Satish Kumar, "The Panchayat Constitution of Nepal and its Operation", International Studies, vol. 6, no. 3, October 1964, pp. 133-54.

authority. (3) With this strong position, the role played by Monarchy in the foreign policy decision making depended upon the personal attributes and skill of its occupants from time to time, namely, King Tribhuvan and King Mahendra.

King Tribhuvan's Docile Role

If the typology of Snyder, etc. is followed, King Tribhuvan's behaviour after 1951 would be in conformity with that of a 'traditionalist', a 'liberalist' and a 'career servant'. (4) He was desirous of establishing a democratic system under constitutional monarchy in the kingdom. (5) His choice for democracy can be attributed to two factors. First was his utter dislike for the autocratic regime, of which he himself had been a victim under the Ranas. Secondly, he had perceived the establishment of

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3. The discussion of the process through which it was done is beyond the scope of this study. For that see: Anirudha Gupta, Politics in Nepal, Bombay, 1964; Bhuvan Lal Joshi and Leo E. Rose, Democratic Innovation in Nepal, University of California, Berkeley, 1966; R.S. Chauhan, Political Institutions in Nepal (1951-67) (unpublished Ph.D. Thesis, University of Rajasthan, Jaipur, 1968); S.D. Muni, "Role of Personality in the context of Nepal's Foreign Policy" in S.P. Varma and K.P. Mishra (Ed.), Foreign Policies in South Asia, New Delhi, 1969; Leo E. Rose and Margret W. Fisher, The Politics of Nepal, London, 1970, pp. 34-44.
 4. Snyder etc. (n. 1, p.161) have listed six types of personalities among the decision-makers: 1. The communicators; 2. The Innovator; 3. The Power Seeker; 4. The Traditionalist; 5. The Liberalist; 6. A Career Servant.
 5. King Tribhuvan's proclamation of 8 February 1951; Grishma Bahadur Devkota, Nepal ko Rajnitik Darpan (Nepal's Political Mirror), Kathmandu, 1960, p. 80.

democracy in Nepal as an end of that victimization, and the slogan for a democratic government, for him, was an instrument to achieve self-liberation. King Tribhuwan had identified himself with the democratic system and, in the process of working for it, had committed himself to the concept and its values to a point of no return. He had also established a friendly rapport and understanding with the persons and the parties working in the same direction. In the conflict and rivalry between the Ranas and the Nepali Congress during their coalition rule, King Tribhuwan sided with the latter. He relied more on their advice and ultimately terminated the coalition to install a homogeneous government of the Nepali Congress. (6)

In conformity with the western model of democratic set-up, King Tribhuwan was content to function as a constitutional monarch. He was apathetic and reluctant in exercising, except through the cabinet, the powers which were rapidly getting concentrated in him. In spite of the political situation being responsive to the greater degree of restructuring and his location in the situation which was susceptible to an intensive involvement, he tried to

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6. Only three days before the termination of the coalition cabinet by King Tribhuwan, its Home Minister B.P. Koirala in a speech said that democracy would not come until the Ranas continue to remain in power. B.P. Koirala's speeches on 8 and 19 November 1951. Devkota, n. 5, pp. 113-4.

In October 1951, while forming the Advisory Assembly King Tribhuwan had not consulted the Rana members of the Cabinet, including the Prime Minister. Prime Minister Mohun Shumshere reacted sharply to it. Ibid., pp. 105-7.

function within his role limitations. Realizing that the councillors regime (August 1952 - June 1953) had dragged the Crown in public controversy, he terminated it in favour of a cabinet of political leaders. (7) On that occasion he said:

This problem (of forming cabinet) could have been solved a long back and our burden, which had to be carried against our liking and health lightened, only if the politicians had given up their individual and partisan outlook and adopted a national one instead. (8)

As evident from the above statement, besides temperament and liking, his ill-health was also responsible for the apathy towards involvement. Very frequently and for considerable period, the King was out of the country for the treatment of his ailing heart and deteriorating health. During his absence, responsibility to govern lay with the Prime Minister and his cabinet. Even while King Tribhuvan was in the capital, the ill-health was often an obstacle in the conduct of his normal functions. (9)

Last but no less important as a limiting factor for King Tribhuvan, particularly in the field of foreign policy, was the Indian influence in Nepal and his attitude towards it. Because of its decisive role in the overthrow of the Ranas, the Government

7. Ibid., pp. 200-03, 207-11.

8. Royal Declaration of 15 June 1953 on the formation of the Rastriya Praja Party's Cabinet headed by M.P. Koirala. Gorkhapatra, 2 Ashad 2010 (17 June 1953).

9. In answer to a question from the editorial of a Kathmandu paper AVAI he said that he was unable to make public speech due to his heart disease to convince the people that India was not interfering with "our independence". Devkota, n. 5, pp. 82-3.

of India, through their Embassy in Kathmandu and numerous advisors to the King and the Government, exercised immense influence in the decision-making during King Tribhuvan's period. (details later) The King's Principal Private Secretary Govind Narayan, an ICS officer, enjoyed wide variety of powers and, therefore, a considerable say in the affairs of the state. (10) Further, the sense of gratitude towards the Government of India and their leader was too heavy upon King Tribhuvan. For, the former had not only delivered Nepal from the feudal and outdated oligarchic rule but also the latter, in person, from the inhuman and treacherous subjugation of the Ranas. This sense of gratitude found its expression in his policy statements which stressed 'very-special-ties' with India. (11)

All these factors: temperamental, physical and environmental, thus conspired to limit the scope and nature of King Tribhuvan's role. The sanctions inherent in them permitted him only a docile and a reluctant participation in the policy decisions. During his rule, Nepal followed India's lead and guidance in the matters related to foreign policy. (details later)

10. For Govind Narayan's area of activity, see Devkota, n. 5, pp. 108-09. Govind Narayan supported the establishment of the Councillors' regime in a public statement. Nepali Congress criticized it on the basis that he had no right to express his opinion on the political and governmental changes in Nepal. Ibid., p. 200.

11. Texts of King Tribhuvan's speeches. Ibid., pp. 82, 85, 161-6, 207-11, 224-8, 247-57. See also The Statesman, 11 February 1951.

King Mahendra : A Dynamic Decision-maker

King Mahendra's impact on the decision-making in Nepal in general and on its foreign policy in particular, presented a big contrast with that of his father. It was largely due to the fact that the limitations - temperamental and physical - applicable in King Tribhuvan's case were either totally absent or very feebly present to restrain the free play of his idiosyncratic features. (12) Nepal's domestic as well as international milieu had also so changed by the time he came to power, that a change in foreign policy became imperative as will be discussed in the next chapter.

Recalling Snyder's etc. typology for the decision makers (no. 4), King Mahendra's political behaviour would justify his grouping with a 'communicator', an 'innovator' and a 'power seeker'. As a "communicator", before, and particularly after, initiating a major policy or a programme, he went directly to the people to explain it to them and mobilize support in its favour. In his speeches made on the occasions of departure for and return from, the state visits abroad, King Mahendra underlined his role as a "communicator" between Nepal and the world outside. Through these speeches, he also shared his experiences gathered during his tours abroad, with the people. (13)

12. The psychological aspect of King Mahendra's personality has been discussed in the author's "Role of Personality: In the Context of Nepal's Foreign Policy", no. 3.

13. H.M. King Mahendra, Proclamations, Decrees and Messages (vols. I and II), Department of Publicity, Ministry of Information and Broadcasting, I.C.B., Nepal, Kathmandu, 1967. (Hereafter referred as Proclamations), vol. I, part two, pp. 10, 31-33, 113, 126, 133, 150, 159; vol. II, pp. 66-68, 266, 271.

The innovative character of the King was evident in his preference for the politics of deviation, policies of drift and experiments with the system in existence. Elimination of the traditional Indian influence from Nepal, through diversification of foreign aid, trade and diplomatic contacts and attempts to undo Nepal's isolation through efforts to help build an international-personality of her own, constituted the major objectives of Mahendra's foreign policy. His cancellation of the Panchayat system, as a synthesis of the traditional and modern models of democracy, was another example in the point.

A distinct note of the power seeking tendency was quite apparent in the way King Mahendra conducted politics. (p. 12) The stress was, however, on accumulating and exercising power rather than seeking it, for it was accorded for him under the Constitution. An evidence of this accumulation can be located in King Mahendra's efforts to have additional dimensions to his traditional power-base. The tendency was also reflected in the field of foreign policy he pursued. Soon after dismissing the parliamentary government and assuming direct rule in December 1960, he hurriedly went to China, and hastened to seek international recognition for the legitimacy of his action since it had seriously been challenged by his Nepal's Congress adversaries taking refuge in India. (details later)

Similarly the urge for self-esteem in King Mahendra found a vivid expression in his conduct. He closely identified himself with his country and people and made his name almost a synonym of the Nepalese nationalism. "My country", "My people", and

"My Government" had appeared as the most favoured phrases in his speeches at home and abroad. To every programme introduced by him the word "national" was added as a prefix. (14) The opponents of his policies and regime were frequently termed as anti-nationals. A close look at the functioning of the post-1960 governments reveals a conscious attempt on their part to purvey the administration and the public life with Mahendra's monarchical ethos. (15)

His extensive tours of the countryside and the world capitals and his participation in the international conferences earned him the social recognition of the international dimension and gave him self-satisfaction. On his return from the Second Conference of the non-aligned nations held at Cairo in October 1964, he told his countrymen:

I got the opportunity to take part in that conference of the non-aligned countries on behalf of Nepal and that as a result of the good wishes of all the Nepalese, I was able to make contributions therein to the cause of human welfare and universal peace. It

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14. For example see *ibid.*, vol. II, pp. 63-70

Also the Ministry which was given the job of propagating the Panchayat System among the Nepalese was named as "the Ministry of National Guidance".

15. Many calendars, posters, pamphlets, statues and monuments brought out by the Ministry of Information and Broadcasting and various other Ministries and Departments bear witness to this fact. A spinning wheel by Cottage Industries Department was named 'Mahendra wheel' and inaugurated by the King himself in February 1958. (*Speeches*, n. 13, vol. I, p. 109). Through mass media, King Mahendra was projected as a nation-builder and hero. His birthday was celebrated with more enthusiasm and excitement than any other function of national importance. Nepalese national anthem which adulates monarchy, was being displayed with King Mahendra's portrait in his coronation robes.

gives me additional pleasure when I state that the Heads of States and Governments of the various friendly countries assembled in the conference showed increasing interest in the progress achieved by the system prevailing in our country. (16)

The present concept of the Nepalese non-alignment and the success in its implementation was attributed to King Mahendra's "dynamism". (17) Such social feed-back contributed a great deal in satisfying his ego as well as in encouraging his efforts for self-esteem.

King Mahendra's Style of Participation

King Mahendra's involvement with the foreign policy was evident at all the stages of the decision-making process. His participation in the confirmation of a policy measure needs no elaboration. The ultimate authority in all matters lay with him and it was he, who finally confirmed the policy even if it was proposed or formulated by others.

As regards the formulation, he took keen interest in it ever since his accession to the throne and, except for the short interval during the Parliamentary system, played a dominant role. During pre-1960 governments, he initiated or resisted certain policy measures through the independent members in the cabinets who constituted his lobby. In the matters of importance, he spoke

16. Speeches, n. 13, vol. II, p. 278; also p. 42.

17. Kirti Nidhi Bista, King Mahendra's Contribution to the Evolution of Nepal's Foreign Policy, Kathmandu, 1967; Yadu Nath Khanna, Background of Nepal's Foreign Policy, n.d. Both the pamphlets were published by the Department of Publicity, Ministry of Information and Broadcasting, HMG of Nepal, Kathmandu.

even to the Prime Minister directly. (18) In the post-1960 period, however, he was his own Prime Minister. His forceful, assertive personality and supreme position in the power structure, did more than making a formal, final say. Having him in the chair during the cabinet meetings, the Ministers neither doubted nor dared say anything incompatible with his ideas and likings. Instead, they always attempted to put forth the views which could stand favour with him. Often, he himself laid down the fundamental objectives of the policy and chalked out details regarding its implementation. (19) During parliamentary government, the formulation was entirely the cabinet's concern. Nevertheless, he delayed his consent to certain measures and thereby acted as a constraint. (20)

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18. Interview with Bhanu Prasad Acharya. Acharya cited Sino-Indian Agreement on Trade and Commerce signed in Kathmandu in 1963 as an example in the case. (Kathmandu, April 1963)
19. "Royal Initiative at a Special meeting of the Council of Ministers", 29 August 1966. *Surabhi*, No. 29, Vol. XX, pp. 232-33. Also, interview with Purna Nidhi Bhatta and S.K. Khazal. Khazal described three courses from where the policies emanate in Nepal. They were: P.L. the King, External Affairs Ministry and the various embassies of the U.L. Government of Nepal. He further disclosed that all important guidelines and fundamentals of the policy came from the first course. (Kathmandu, May 1966) Similar views were expressed by J.L. Singh, the Nepalese ambassador to India, who was foreign secretary earlier.
20. Talking about King Mahendra's relations with the Nepal Congress Cabinet, the then Deputy Prime Minister Subarna Shumshere told the author: "In the later days, the King withheld his formal consent to certain bills which, on being implemented, would make the Party and the Government unpopular. In the field of foreign policy, the King delayed the signing of the Sino-Indian project agreement. Perhaps he acted on avoiding deteriorating relations between the Prime Minister and the Government of India. Finally the consent was given in December 1963

(contd. on next page)

King Mahendra's role as an executor of the policy had three facets: an administrator at home, a dignified representative abroad and a negotiator. Besides appointments and dismissal or changes of the foreign ministers, all major appointments and transfers like that of the Ambassadors, Secretaries, and Deputy Secretaries in the Foreign Ministry, leaders of the diplomatic missions sent abroad and other special representatives of the country, passed through him. In order to supervise the co-ordination and functioning of the External Affairs Ministry, he, overlooking the rules of procedure, intervened directly in the working of a particular section. On matters of importance and interest, King Mahendra established direct communication with the Nepalese Ambassadors abroad and also allowed direct and easy access to him even to the lower officials of the Ministry. (21) Similarly, when needed, he also dealt directly with the foreign Ambassadors stationed in Kathmandu. (22)

20. (contd. from back page)

only when the then Indian Ambassador Bhagwan Sahai had expressed his strong resentment towards the delay. And even then, I was asked to sign the agreement and not B.P. Keirala." (Calcutta, 27 July 1968)

21. Interview with the officials of the Ministry of External Affairs and those who had served some time as Nepal's Ambassador abroad.

22. Shriman Narayan, India and Nepal: An exercise in open Diplomacy, Bombay, 1970, pp. 5-8, 93-108, Appendix I. Shriman Narayan was India's Ambassador in Nepal from November 1964 till the end of 1967. Also see: Nepal Samachar, 29 April 1961; Naya Samai, 2 and 4 May 1961; Gorkhapatra, 30 May 1961; 24 January 1964 for the examples of other Ambassadors meetings with King Mahendra.

The following incident would throw more light on these aspects of his formulation and execution. (23) The dismissal of the Parliamentary system and Nepal's relations with India and China following the dismissal, had aroused keen interest and anxiety about Nepal in the world capitals. Possible review and readjustment of these relations, as well as satisfactory explanation to the queries about that became essential in the interest of Nepal's international relations and domestic peace. To meet this demand, a conference of the Nepalese Ambassadors was called in the Royal Palace in July 1962. (24) King Mahendra opened the conference and took chair in some of its meetings. In short and crisp inaugural remarks, he underlined the objectives of the conference and invited comments from its participants. During the deliberations, he met the Ambassadors individually as well as in batches of two to three. The Foreign Minister or

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23. The narration and analysis of the incident is based upon author's interviews with R.K. Shah, the then Foreign Minister; Y.N. Khanal, the then Foreign Secretary; M.P. Koirala, the then Nepalese Ambassador to the United Kingdom, France and West Germany; Keshan Bahadur Khatri, K.C., the then Nepalese Ambassador to China. Besides them, the conference was also attended by Nar Pratap Thapa, the then Nepalese Ambassador to India, Pakistan and the UAR, Subarna Shumshere, the then Nepalese Ambassador to Italy and the Defence Secretary.
24. It could not be established as from where the initiative came. There were three different versions about that: R.K. Shah first said that it was a routine affair. Later he added that King wanted to meet all the Ambassadors at one time and so the conference was called. Y.N. Khanal said: "As there was no legislature or any other forum to discuss such matter, we decided to pull our heads together to devise methods to meet the external repercussions of a situation created by the domestic system-transformation." Kali Prasad Upadhyaya claimed that the idea struck him. He wrote directly to His Majesty the King and to the former's pleasure it was approved. (Kathmandu, April, May, June 1962)

Foreign Secretary was not present every time. The conference paid special attention to the political and strategic implications of Nepal's growing cordiality with China, with particular reference to the Kathmandu-Kodari road agreement, her deteriorating relations with India, her international image and confusion in the world about the newly installed Panchayat System.

The conference was concluded with a 17-point memorandum. It was given out that the appointment of the Ambassadors should be made on the basis of their capability and talent and that the present Ambassadors had failed to secure much needed foreign aid in adequate quantity from the countries to which they were accredited. It was further impressed upon the Ambassadors that the changes brought about at home and the policies pursued towards the neighbours, including the much talked Kathmandu-Kodari road agreement with China, served Nepal's national interests and, therefore, should be defined and defended accordingly. The memorandum also included guidelines for the Ambassadors and stressed the need for having a better system of communication between them and the capital. (25)

The incident shows the depth of King Mahendra's personal involvement in the policy process. This was a unique example wherein the King's attempt to define and defend his policy objectives, formulate details for the execution of the policy and exercise supervision over the apparatus for implementation, were revealed.

25. Many of these points were also reported in Naya Sandesh, 12 Sravan 2019, pp. 1, 10; 20 Sravan, 2019, p. 12 (July 1962) See also Gorkhanatra of 25 and 28 July 1962.

As for his style, he first spelled out his own perception, rather vaguely, about the basic theme of a particular aspect of the policy, then invited comments from the available sources, expert or otherwise, to chisel that perception and then finally presented it in the shape of a policy. (26)

Besides directing and supervising the execution at home, King Mahendra also represented his country at various international conference. (27) He also led goodwill missions in the form of his numerous state visits. The following were his state visits within a decade since his accession to the throne:

<u>The Country visited</u>	<u>Time of the visit</u>
India	November-December 1955, April 1962, August 1963, November-December 1965.
Ceylon	March 1957
USSR	June 1958
Japan	April 1960
USA	April 1960
UK	October 1960
Pakistan ^μ	September 1961
China and Outer Mongolia	September-October 1961
Israel	September 1963
Federal Republic of Germany	May 1964

(Note: He also visited many other European and Asian countries unofficially during these state visits)

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26. It is further substantiated by the manner in which King Mahendra called conference of the social and political elites (Speeches, n. 13, vol. I, part two, pp. 9-12, 100-102; and vol. II, p. 132) and conducted negotiations with the leaders of the political parties (Devkota, n. 5, pp. 366-9) and meetings of the Council of Ministers (n. 19). On all these occasions he first spelled out his mind vaguely, then heard the others and finally took his own decision on that basis.
27. King Mahendra's participation at the conference of the Heads of the Governments of the non-aligned States in September 1961 at Belgrade and October 1964 at Cairo may be noted in this respect. Speeches, n. 13, vol. II, pp. 35-42, 270-77.

During these visits, together with conveying the good wishes on behalf of the Nepalese Government and the people, to the Government and the people of the respective host countries, he also explained Nepal's attitude towards important international issues and her domestic institutions. (28)

Finally, King Mahendra was a negotiator par excellence on his country's behalf. He participated in the high level negotiations and discussions between Nepal and other countries. Underlining the purpose of his State visit to India in April 1962, he said:

...The pace of nation-building can be accelerated if an atmosphere of friendliness exists with the friendly countries in general and neighbouring countries in particular. We have, therefore, felt the need of counteracting the evil attempts to drive a wedge between Nepal and India through false and imaginary propaganda. I am leaving Kathmandu ... in acceptance of the friendly invitation of India in the belief that when there appears any possibility of such misunderstandings between the two friendly countries, as at present, the proper course to adopt is to have amicable and affectionate talks. (29)

Thus we find that King Mahendra's contribution to the foreign as well as domestic affairs of Nepal had been singly the largest. Through him, the Monarchy played the most impressive and assertive role in the decision-making in Nepal. It was largely due to the favourable position in Nepal's constitutional system and sound power base of the Monarchy, as also the personal

28. See speeches during these visits: Speeches, n. 13, vol. I, part two, pp. 19-31, 78-83, 113-25, 177-87, 190-99; Vol. II, pp. 43-44, 46-55, 118-120, 192-5, 197-9, 246-50, 257-69.

29. Ibid., vol. II, p. 117. (Italics added)

dynamism of the Monarchs. No less important in this respect was the relative weakness of other decision-making institutions like the Cabinet and the Legislature.

(B) THE CABINET

The Cabinets ^{of} in the post-Rana Nepal fall into three categories: (i) The Cabinets under the Interim Constitution (1951-55); (ii) The Cabinet under the Constitution of the Kingdom of Nepal, i.e. under the Parliamentary System (1959-60); and (iii) The Cabinets under the Constitution of Nepal, i.e. under the Panchayat System (1961-66). Looking from the point of view of the executive structure, during the first, the premise of "Constitutional Monarchy" was honoured as a cherished objective; during the second, this objective was realised in practice but during the third, it was rejected as a proposition incompatible with the Nepalese conditions. In character, the Cabinets of the three categories were respectively 'non-representative', 'representative' and 'pseudo-representative'. (30)

Therefore, in studying the role of these Cabinets in the foreign policy making in Nepal, the first and the third categories can be grouped together. Since the role of the Monarchy has been discussed above in detail, we shall make only a brief note on the Cabinets of these two categories together, because they were subservient to the former. The Cabinet of the second category will be discussed in detail.

30. Wilkinson, n. 1, pp. 111-2.

The Cabinets of the First and
the Third Categories

(i) Constitutional Position

Initially it was obligatory upon the King under the Government of Nepal Act 1951, to exercise his executive powers through the Cabinet by acting in accordance with the advice rendered by the latter. (31) The King became free from this obligation under the Special Circumstances Power Act of 1952 and the third amendment to the Interim Government of Nepal Act or the Interim Constitution. (32) These changes drastically curtailed the power of the Cabinet and hence, its scope for any effective role in the decision making. The King was free to decide whether to have a Cabinet or not, as also about its composition.

The King's authority over the Cabinet was still greater and extensive in the Panchayat system under the 'Constitution of Nepal 1962' (n. 2). In fact, King Mahendra functioned as his own Prime Minister from 15 December 1960 to 3 April 1963. Even later, he exercised an effective control over it. The guidelines and directives issued by him to the Cabinet from time to time can be recalled in this context (n. 19).

(ii) Composition

The constitution of a Cabinet lay entirely within the King's powers and discretion. It was exercised often arbitrarily

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31. Text of the Act, Nepal Gazette, 4 Bhadra 2008 (August 1951).
32. Text of the Special Power Act, Nepal Gazette, 24 Bhadra 2009, The Interim Government of Nepal Act (Third Amended Version), Government Press Nepal, Kathmandu, n.d.

and with disregard towards the public opinion. During the first category period, it was evident in the way the Cabinets were constituted by King Tribhuvan under the Prime Ministership of M.P. Keirala, (33) and by King Mahendra under the Prime Ministerships of Tanka Prasad Acharya in 1956 and Dr. K.I. Singh in 1957. (34) More than this, between August 1952 and June 1953, March 1955 and January 1956; and November 1957 and May 1958 there was no Cabinet. During these intervals, the King ruled directly, with or without the help of the formally appointed advisers.

The King's ruthlessness in appointments, dismissals and changes in the portfolios of the Ministers was evident also during the period of the third-category Cabinets. In September 1962, King Mahendra dismissed Foreign Minister Rishikesh Shah, soon after the latter returned from his mission to India. Shah had failed to secure the promises from the Government of India for action against the Nepali Congress fugitives in India, as desired by King Mahendra (details later). Similarly Dr. Tulasī Giri's dismissal from the Chairmanship of the Council of Ministers on 23 December 1963, his reappointment in February 1964 and his dismissal again in January 1965 serve as another example to show the King's control over the Cabinets of the third category. (35)

33. For details see: Joshi and Rose, n. 3, pp. 96-100; Gupta, n. 3, pp. 171-4 and Devkota, n. 5, pp. 216-19.

34. For details see: Devkota, n. 5, pp. 309-11, 320, 366-9, 543-6.

35. For details see: Nepal Press Digest, vol. VII, 23 December 1963 to 3 January 1964; vol. VIII, no. 1, 4 to 10 January 1964; vol. IX, no. 4, 23 to 29 January 1965; Samiksha,

The Cabinets were heterogeneous in composition. During the first category period, the King invariably nominated independent members in the Cabinet which were, otherwise, constituted from one or more political parties. These independent nominees owed their allegiance to the King alone and, in effect, functioned as his lobby in the Cabinet. (36)

Another factor that weighed against the Cabinet's influence was their instability. None of the Cabinets of the two categories lived even for a stretch of two years and the shortest lived was that of Dr. K.I. Singh, lasting for a little more than hundred days between July and November 1957. Not only this, during their short-life spans, the Cabinets suffered frequent reshuffles involving major changes in the persons and the portfolios. (37)

(iii) The Cabinets and the Foreign Policy

The power base and the composition of the Cabinets of the first and the third categories suggest that within the executive structure and in the decision-making process, they acquired a subordinate position vis-a-vis the Monarchy. As a result, the

35. (contd. from back page)

9 February 1965; Dainik Nepal, 24 May 1965; Speeches, n. 13, vol. II, p. 326. It might be noted that just before his dismissal in 1963, Dr. Tulsī Giri had returned from very important state visits to the USA, the UK and the USSR. (Details later)

36. For the behaviour of these independent nominees in the Cabinet see: Joshi and Rose, n. 2, pp. 92, 263-6.

37. For the duration and composition of various Cabinets see: Ibid; Gupta, n. 3, Appendix I, pp. 273-76; Chauhan, n. 3, Appendix I, pp. 433-40.

the Prime Ministers (or the Chairmen of the Council of Ministers) and the Foreign Ministers functioned within the perimeter of the King's authority and influence. The major foreign policy decisions were taken by the King in consultation with both or either of them and the rest of the Ministers confirmed these decisions, if and when they were referred to them. For example, the flood relief-aid Agreement of October 1954 between Nepal and the USA was discussed and signed by King Tribhuvan, Prime Minister M.P. Koirala and the Director of the United States Operation Mission (USOM), Paul W. Rose, when the King was convalescing in Calcutta (India). The USOM Director went to Kathmandu from Calcutta and informed about it to the Cabinet as per the Prime Minister's instructions. (38) As for King Mahendra, we have already noted that he even bypassed the Cabinet. He took Ministers into confidence in their individual capacity and more often, at his own initiative. (39)

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38. Interview with M.P. Koirala. It was confirmed by D.R. Regal and Tanka Prasad Acharya, the then Foreign Minister and Home Minister respectively. Also see: The Hindu, 24 October 1954.
39. Describing the "realistic approach" and "dynamic initiative" in Nepal's policy towards China during his Prime Ministership in 1956-57, Tanka Prasad Acharya told the author in an interview: "I am dubbed as pro-China, pro-Communist and anti-India which I never was and shall never be. I have my relations and places of pilgrimage in Banaras, Haridwar, Rameshwaram and elsewhere in India and not in Peking or Shanghai or Canton. It considered it (policy towards China) was in Nepal's interest and more so because I was required to do so by my superior". (italics added). (Kathmandu, April 1968)

The heterogeneity in the Cabinets led to the difference of opinion among its members. It found expression in the foreign policy issues also. In the first category Cabinets, it was evident in 1954 between Prime Minister L.P. Koirala and Foreign Minister D.K. Regmi. On the question of the regularisation of Nepal's diplomatic relations with China, though both had realised its imperative need, they differed on the way it would be done. (40) The Prime Minister wanted to proceed slowly and cautiously and felt that the Foreign Minister was hurrying the matter in a manner unusual for. (41) The former's concern about the secrecy and caution in the matter was evident in his attempt to keep it confined to him alone. On this subject, he was in direct communication with the Nepalese Ambassador in New Delhi and through him, with the others concerned, without the knowledge of the Foreign Minister. (42) Similarly the firm and forthright manner in which Foreign Minister D.K. Regmi condemned America's

40. Nepal Times, 20 Asad 2011 (June-July 1954), Yr. 7, No. 12, p. 2.

41. How the Nepalese Government (Our External Relations), Department of Publication, Kathmandu, N.C., pp. 22, 23. Also, interviews with L.P. Koirala and D.K. Regmi. The latter attributed the slow and cautious attitude of the former to the western influence upon him.

42. In one such communications, the Nepalese Ambassador in New Delhi writing to the Prime Minister in December 1954, urged upon him to restrain his Foreign Minister from making irresponsible utterances. The Prime Minister told the author that both India and the USA wanted Nepal to be careful in this matter.

The irresponsible utterances mentioned in the letter referred to a statement made by D.K. Regmi in Kathmandu in December 1954 saying that Nepal had agreed to establish diplomatic relations with China. The Himalayan, 20 December 1954.

efforts towards forging military alliances (chapter II) was nowhere visible in M.P. Koirala.

King Mahendra's firm grip over the Cabinets of the third category, however, did not let such differences come out except with his own tacit approval. The differences between Dr. Tulsi Giri and Rishi Kesh Shah who alternatively functioned as Foreign Ministers during 1961-62, were quite apparent in their approach towards India during that period (details later). When King Mahendra's attention was drawn towards this fact in a press conference, he did not take a serious note. ⁴³ Perhaps, both the Ministers represented the contradictory dimensions of the King's policy towards India at that time, and, therefore, were allowed to hold their views as such.

The Cabinet of the Second Category

1) Power Base

The limitations and sanctions which imposed a specific discipline on the behaviour of the Prime Ministers and their respective Cabinets of the first and the third categories were largely absent in the second category. The Nepali Congress Cabinet headed by B.P. Koirala had a clear mandate and strong support from the people to rule, as expressed in the form of the party's electoral victory. Constitutionally, the King was bound to act on the recommendations of the Cabinet unless he invoked

43. Speeches, n. 13, vol. II, p. 97.

44. Joshi and Rose, n. 3, pp. 425-26.

his 'emergency powers'. (45)

The power-base of the Cabinet was not confined to the popular support behind it and its constitutional position. It also tried to cultivate the civil service and the army. New pay scales for the civil servants as also for the army and the police were introduced respectively in March and September 1960. (46) Soon after assuming office, the Koirala Government initiated a large scale reorganisation of the Kingdom's administration, both from the structural and the personnel points of views. The idea was to make the administration more responsive to the Government's programmes and policies. (47) The Government was also said to have initiated measures to develop 'people's militia' on the lines Israel had it. Prime Minister Koirala explored the idea during his state visit to Israel in 1960. After this visit, there were reports that the Government had formed a new battalion for Kathmandu. (48) One of the objectives behind these moves was to have an alternative military or para-military organization was to support the Government in case of an internal crisis, if any.

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45. The Constitution of the Kingdom of Nepal (English Translation) Ministry of Law and Parliamentary Affairs, HMG Nepal, Kathmandu, 1959, part IV, Art. 12(2); also see: Narendra Goyal, The King and His Constitution, New Delhi, 1959; A. Appadorai and L.S. Baral, "The new constitution of Nepal", International Studies, vol. 1, No. 1, January 1960, pp. 217-47; P. Chandrashekhera Rao, "Nepal and its constitution", Indian Year Book of International Affairs, vol. 9/10, 1961, pp. 58-62.
46. Dainik Nepal, 29 March 1960; Nepali, 30 March 1960; Kalpana, 27 September 1960.
47. Joshi and Rose, n. 3, pp. 354-56; Chauhan, n. 3, pp. 171-72.
48. Kalkhabar, 21 November 1960; Sahibato, 21 November 1960.

11) Composition

The Constitution and not the King, was the source of the Cabinet. It was composed of the Nepali Congress, the party which had an absolute majority in the House of Representatives. The ruling party had talented and competent leadership endowed with an integrated ideology and programme to rally people around. Its leader and Prime Minister B.P. Koirala, undisputably had the tallest political stature in the kingdom. His political convictions nourished by the socialist ideas since his early youth, his pleasant personality and his uncompromising and assertive nature added popular appeal and charisma to his personality.

Joined with the representative character and homogeneous composition was the absence of intra-Cabinet dissensions of serious nature. On occasions, the differences between Prime Minister B.P. Koirala and Home Minister S.P. Upadhyaya were reported. (49) However, these reports were promptly contradicted and, if any, the differences did not seem to have affected the policies and decisions of the Cabinet. Dr. Tulsī Giri came in open criticism of the Government's profession and performance later, but he was hardly in a position to influence the Cabinet or the party as such. His persistent criticism of the Government, of which he himself was a member, ultimately cost him his Ministership as well as membership of the party. He resigned in August 1960.

49. Dainik Nepal, 9 April 1960; Motherland, 15 July 1960.

111) The Cabinet and the Foreign Policy

The Nepali Congress Cabinet effectively controlled the apparatus and the process of decision-making. In the case of foreign policy, the initiative and dynamism of the Cabinet were clearly evident at all the stages - the formulation, the confirmation and the execution - of the decisions.

During the 18 months period of this Cabinet, Nepal's diplomatic relations witnessed a record expansion, with 16 countries. (See Appendix I) She settled her outstanding, delicate issues with the neighbouring countries. The settlement of boundary question with China and the revision of Trade and Transit Treaty with India may be noted in this context (details later). The 'independent' and 'nationalistic contents of Nepal's foreign policy got chiselled and consolidated during this period. Prime Minister B.P. Koirala undertook state visits abroad to project Nepal's image as an emerging and active participant in the international politics. He led his country's delegation to the UN General Assembly in October 1960 where he emphasized the importance of the small nations and called upon them to "act in concert" to strengthen the cause of peace and prosperity. (Chapter II)

For most of the time, the Prime Minister was in charge of the External Affairs Department. But both at the formulation as well as the execution stage of the policy process, he took his Cabinet colleagues into confidence. Deputy Prime Minister, Home Minister and Minister for Communication and works - senior colleagues of the Prime Minister - frequently made statements

directly or indirectly related to the foreign policy. (50) In the Parliament, they answered questions directed towards the Foreign Minister, even when the latter was present in the House. (51) But for their full-fledged participation in the formulation, this could not have been possible.

The team spirit was equally evident in the execution of the policy. In October 1959 a delegation under Dr. Tulsī Giri, Minister for Village Development, was sent to China with an avowed purpose of attending the Revolution Anniversary celebration. He was also briefed and empowered to discuss any of the issues pending between Nepal and China, in case the latter initiated them (details later). The same year, Home Minister S.P. Upadhyaya led the Nepalese delegation to the UN. The Prime Minister himself headed this delegation next year. During his China visit in March 1960, which resulted into the signing of Sino-Nepalese border demarcation and aid agreements (details later), B.P. Koirala had S.P. Upadhyaya and Ganeshman Singh with him. Deputy Prime Minister Subarna Shumshere accompanied King Mahendra during his State visits to Japan and the USA from April to June 1960, and the UK in October-November 1960.

50. See for example, Home Minister Soorya Prasad Upadhyaya's radio interview on 31 December 1959. A Report to the Nation, Department of Publicity and Broadcasting, HMG, Nepal, Kathmandu.

51. Mahasabha: Kariyavahi Ke Sankahint Viveran (Senate: Brief Description of the Proceedings), Parliament Secretariat, HMG, Nepal, Kathmandu (Mimeographed) (Hereafter referred as Senate Proceedings), 8 Ashwin 2016 (October-November 1959), 2 Vaisakh 2017 (April 1960), 24 Vaishakh 2017 (April-May 1960); Kalpana, 7 April 1960; Gorkhanatra, 45 Bhaadra 2016 (29 August 1959), pp.1, 4.

The Cabinet thus presented the picture of a compact group of Ministers working towards similar objectives with an appreciable sense of responsibility. Occasionally, there appeared some differences among the Ministers on foreign policy issue but they were of peripheral nature and did not, in any way, affect the functioning of the Cabinet. (52) The concept of collective responsibility of the Cabinet was in operation for the first time in Nepal.

(iv) The King and the Cabinet

King Mahendra had a workable rapport with the Nepali Congress Cabinet, for a few months following its assumption of office, and functioned as the Constitutional Head of the State under the new political set up. This, however, proved short-lived and illusive, and by the fall of 1959, the King started assuming postures threatening to the basis premise behind his workable rapport. A year later, on 15 December 1960, the King, invoking his emergency constitutional powers, dismissed the Cabinet and imprisoned Ministers including the Prime Minister. (53)

52. When asked about Ganeshman Singh's strong stand against China which was contrary to Government's moderate policy towards that country, S.P. Upadhyaya told the author that it should be taken as a particular minister's individual stand. Elaborating he said: "Ganeshman, like many others in the party, was staunchly anti-communist as well as impatient and straightforward in his expression. However, he had no disagreement over the way the Government was dealing with the issue. Further, he had high regards for B.P. Koirala's statesmanship, and, even in the party meetings, mostly sided with him whenever a division of opinion was called for." (Kathmandu, May 1968)

53. For the Text of King Mahendra's Proclamation on the occasion, see Speeches, n. 13, vol. II, pp. 1-3.

The conflict between the King and the Cabinet was essentially power oriented. Therefore, at least apparently, it remained localized to the issues of domestic politics. The King, as usual, continued to play his role of the most dignified Ambassador of Nepal. He undertook state visits in 1960 to Japan, the USA and the UK. During these tours, he unofficially visited certain other countries also. In his speeches abroad, the King underlined the basic objectives and tenets of Nepal's foreign policy. (54) It may be recalled here that the Deputy Prime Minister was with him during these visits. The Government also kept the King abreast with the major developments in Nepal's foreign relations, particularly with China. (55)

It may be noted incidently that there was a discreet attempt on the part of the King to project a favourable international image of himself. All along his foreign tours, he was effortful to create the impression that the establishment of democracy in Nepal was due to him (n. 54). That, he was modern and liberal in his outlook as well as actions, notwithstanding the conservative and feudal character of the Monarchy - the institution he personified. Perhaps, he wanted to cash on this image later

54. Ibid., vol. I, Part Two, pp. 176-99.

55. In July 1960, B.P. Koirala's brother and Principal Private Secretary, Tarni Prasad Koirala was sent to Kabul to acquaint the King, who was there on unofficial visit, with the developments in Mustang and over the Everest. At that time none from the Cabinet's side was with the King as Subarna Shumshere had been recalled to the capital to prepare the budget. *Kalpana*, 5 July 1960.

in securing international recognition for the abrogation of the Parliamentary System and the establishment of Panchayat Democracy in its place. On the other hand, there was a marked parallel in his warning to the democratic government issued at home, (56) and the expectations, from the democrats, expressed abroad. Addressing the Foreign Press Association in London on 31 October, he said:

But we should never forget that a MAGNUM OPUS on the Rules and Regulations to guarantee the democratic ideals could never be a substitute for democracy itself. The representatives of the people should cultivate a frame of mind to match the situation; and at the same time the authorities concerned should have the capacity to give a tangible shape to the statement of principles. By the same token, it is imperative that political progress should lay a firmer foundation for economic growth. (57)

What precisely King Mahendra wanted to convey and whether to the British audience or his Government at home, at the conclusion of his state visit and only six weeks before he dismissed the Government is still a matter of conjecture. (58) But after the Government had been dismissed, he chose the British Ambassador to be sent to B.P. Koirala in the prison to persuade the latter to submit to the changed set up and accept the King's

56. Speeches, n. 13, vol. I, Part Two, pp. 163-4.

57. Ibid., p. 196.

58. Subarna Shumshere, who was with the King during this visit, confided to the author that King's such statements were treated as objectionable by the Cabinet and the latter seriously started speculating about the measures to restrain him in future. But the Cabinet could not envisage the nature of his action in December 1960, and therefore was not prepared to meet it at such an early stage. (Calcutta, July 1968)

leadership. To this, however, the latter refused. (50)

The above discussion shows that the Nepali Congress Cabinet, owing to its strong power-position and representative character made a significant contribution to the foreign policy of Nepal. However, its decisive role in the decision making sought to undermine the functional aspect of the superior-subordinate pattern of relationship existing before 1950 between the King and the Cabinet. The reversal of the pattern was inherent in the system of Parliamentary Democracy, nevertheless, the constitutional provisions in this context were inadequate, in the absence of established conventions, to restraint and discipline a power-seeking Monarch. Taking advantage of these inadequacies and by employing his emergency powers, granted under the constitution, King Mahendra dismissed the system itself. Instead, he revitalized and ruthlessly activated the superior-subordinate pattern as we have seen in the case of the third category Cabinets.

(C) THE MINISTRY OF FOREIGN AFFAIRS

The organization of the Ministry of Foreign Affairs in Nepal did not receive serious thought till very late after 1951. Under the Ranas, there was a small unit known as Munshikhana to deal with the foreign affairs. At the head of this unit was a Rana Director-General and the Prime Minister exercised direct control over it. Nepal's external relations being confined only to 3 or 4 countries and her interest and participation in the

50. The source prefers to remain anonymous.

international politics being very limited, the need for expansion and reorganization of this unit was not felt.

After the fall of the Ranas, the Munshikhana came to be known as Foreign Office and its Director General, as Foreign Secretary. A non-Rana official was appointed to this post. Except for this change, the structure and functions of the Foreign Office remained almost the same. The office worked under the Prime Minister till February 1954, when a full-fledged Foreign Minister was appointed for the first time. The constitution of a separate Foreign Service was visualized under the Civil Service Act of 1956 which was prepared by the Administrative Reorganization Planning Commission. (60) However, nothing was done towards that end.

The Structure of the Ministry

In 1960, a well-knit Ministry of Foreign Affairs was formally established. (61) Before that, the Ministry had one Joint Secretary in addition to the Foreign Secretary. The number of Joint Secretaries was increased to two after 1960. They were put in charge of the Protocol Division and Nepal's permanent mission at the United Nations, respectively. Rest of the subjects were under the direct control of the Foreign Secretary who was

60. Mangal K. Shrestha, A Handbook of Public Administration in Nepal, Department of Publicity, Ministry of Panchayat Affairs, HMG, Nepal, Kathmandu, 1965, p. 16.

61. Ibid., p. 26. Also Organization of His Majesty's Government of Nepal, Department of Publicity, Ministry of Panchayat Affairs, Kathmandu, 1964, p. 11.

also Defence Secretary. Functionally, the Ministry had two divisions each in charge of an Under Secretary. The divisions were: i) The Economic and Political Division, and ii) The Mountaineering Survey, Border Recruitment and Establishment Division. Besides, there were two Directorates of, Hospitality and Protocol, respectively. (62)

The Ministry underwent rapid expansion and reorganization after 1964. The offices of Foreign Secretary and Defence Secretary, so far held by one person, were separated in April 1964. (63) A number of transfers and promotions were announced in April 1965. (64) In July 1965, arrangements were made for the appointment of two experts, one each in the Russian and the Chinese languages. (65) In 1966, large scale reorganization of the Ministry was brought about, under which it was divided into three divisions: Political, Economic and Protocol; each of which was placed under a Joint Secretary. Separate branches for the USA, Europe, Africa and the Middle-East, India, China and Pakistan and South-East Asia were created in the political division. (66) See APPENDIX VII

An Economic Advisory Committee for the Foreign Ministry was constituted to which two economists from the academic field

62. Ibid., pp. 11-12.

63. Gorkhanatra, 10 April 1964.

64. Gorkhanatra, 18 April 1965. A number of transfers, promotions and appointments had also been made in May 1961. Nava Samaj, 14 May 1961.

65. Gorkhanatra, 2 July 1965.

66. Gorkhanatra, 5 August 1966. Also Netherland, 4 August 1966.

nominated. (67) Another high power committee was formed to advise the Foreign Minister on policy matters and other issues concerning foreign affairs. The committee was headed by the Foreign Secretary and included Defence Secretary, Economic Planning Secretary and Home and Panchayat Secretary as its members. (68) A small cell for research and record was also established in the Ministry/^{but} which was later closed down. (69) The attempts towards the organization of the Ministry on Scientific and Systematic lines and proper coordination among various functions within the Ministry of Foreign Affairs, as well as, between latter and other Ministries were clearly evident from these changes.

The Foreign Service

The idea of a specialized and separate Foreign Service as incorporated in the Civil Service Act of 1956, took a concrete shape in 1960. Until then, the appointments, transfers and promotions in the foreign service used to be made on ad hoc basis and in a haphazard manner without taking into consideration the academic background and service experience of the persons recruited. (70) Since the establishment of a separate Foreign

67. SANAYA, 4 August 1966.

68. SANAYA, 6 July 1966.

69. Interview with the then Foreign Secretary, J.N. Singh, in New Delhi in January 1968.

When Foreign Minister K.N. Bisht and Foreign Secretary Y.N. Khanal were asked by the author in an interview as to why the research cell was closed down, it was replied that the whole Ministry was doing research. (Kathmandu, June 1968).

70. Bishwa Pradhan, Foreign Policy and Diplomacy, New Delhi, 1964, p. 88.

there had been four categories in it:

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|-----------------------------------|------------------------------------|
| 1. Distinguished or Special Class | Foreign Secretary and Ambassadors. |
| 2. First or 'A' Class | Joint Secretaries. |
| 3. Second or 'B' Class | Under Secretaries. |
| 4. Third or 'C' Class | Section Officers |

In the distinguished or special class, number of Ambassadors had been appointed from the persons outside the Foreign Service and among the Politicians, (71) Educationists, (72) Judges (73) and Defence Personnels. (74) In the lower categories also, there had been attempts, even after 1960, to bring-in the persons from other services. However, such attempts did not find favour with those belonging to the Foreign Service. (75)

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71. Appointments of former Prime Minister M.P. Koirala and former Ministers, Anirudha Prasad Singh and R.K. Shah in 1961 as also of National Panchayat Member Damodar Shumshere in 1964 as Nepal's Ambassadors abroad may be mentioned as examples.
72. Appointment of Randhir Subba, former Vice-Chancellor of Tribhuvan University as Nepal's Ambassador to China in 1965 is an evidence in the case. Samiksha, 28 July 1965. Y.N. Khanal was also inducted into the foreign service in 1965 from his teaching career.
73. Justice Ishwari Raj Mishra of the Supreme Court resigned to undertake the assignment of Nepal's Ambassador to Britain in July 1965. Same was the case with his predecessor Kali Prasad Upadhyaya.
74. Transfers of Major General Padma Bahadur Khatri and Brigadier, General Bhakta Narsing Rana to the Foreign Service in 1960 and 1964 respectively, may be noted in this context.
75. In May 1966, Ishwari Raja Pande, Director of the Department of Industry, was transferred to the Foreign Ministry as the Chief of Protocol Division. Naya Sanai, 3 May 1966. This transfer was not liked in the Ministry and as a result, within two months, Ishwari Raj Pande was replaced by Narayan Prasad Arjyal, former First Secretary of Royal Nepal Embassy in London. Gorkhapatra, 29 July 1966.

The recruitment to Foreign Service was made by the Public Service Commission. There was no adequate emphasis on specialization either during or after the recruitment. Provisions for pre-service training to the new recruits did not exist for a long time. Since 1964, however, some officers were being sent abroad for training. (76) In 1966 a group of eight candidates selected for the foreign service were given pre-service training for four months at the Central Training Department for the first time. (77)

Decision-Making in the Ministry

The Ministry of Foreign Affairs, under the Allocation of Business Rules 2017 was entrusted with the responsibility of administration and execution of the decisions taken by the Executive, concerning foreign policy and relations of Nepal and allied subjects. (78) While fulfilling this responsibility, the Ministry on the one hand, gathered and processed the relevant information received from various sources including Nepal's diplomatic missions abroad, and on the other, communicated decisions taken at home to the latter. The Ministry, including the missions abroad, had been one of the important sources of policy and decisions. Very often a move generated from a particular desk in the Ministry or from a mission abroad, after

76. Annual Report 1967-68, Ministry of Foreign Affairs, His Majesty's Government of Nepal, Kathmandu, p. 8.

77. Ibid.

78. Organization of His Majesty's Government of Nepal, n. 61, p. 12.

the processing, took the form of a final decision and was executed accordingly. (79)

The lack of structural coherence and systematization facilitated the impact of suitably placed persons in the Ministry on the foreign policy decisions. A mention of the names of Padma Bahadur Khatri and Y.N. Khanal may be made in this context. Their contribution in the shaping and execution of Nepal's foreign policy, in their capacities as Foreign Secretaries and Ambassadors abroad, had been significant. They had direct approach to, and full confidence of, King Mahendra in this matter. In the demarcation of the boundary between Nepal and China, Padma Bahadur Khatri played a decisive role, directly and indirectly - through influencing King Mahendra - at its every stage, from the signing of the agreement to the actual physical demarcation. (80) Y.N. Khanal's attempt to clarify conceptual aspects of Nepal's foreign policy, besides his participation in its functional aspects, was clearly evident in his writings and speeches. (81) Since 1955, the prestige and influence of the Ministry had marked immense

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79. Interviews in Kathmandu with Foreign Minister, Foreign Secretary, Joint Secretaries, Under Secretaries and Section Officers in the Ministry of Foreign Affairs, Singh Durbar.
80. Major General Padma Bahadur Khatri, "Nepal Cheen Seema Sandhi" (Sino-Nepalese Boundary Treaty), Nirdeshan, Department of Publicity, Ministry of National Guidance, HMG, Nepal, Kathmandu (Monthly), Yr. 1, No. 8, November-December 1962.
81. See for example: Y.N. Khanal's : i) Stray Thoughts, New Delhi, 1966; ii) Reflections on Nepal-India Relations, New Delhi, 1964; iii) Background of Nepal's Foreign Policy, n. 17.

increase because of the concentration of decision-making authority in the executive in general, and in the King, in particular. However, as an institution, the Ministry of Foreign Affairs had a subordinate status. It was an instrument through which decisions were arrived at and executed.

THE LEGISLATURE

The Executive is supreme in formulation and execution of foreign policy. (82) It is only at the confirmation stage of a particular decision or a policy that the Legislature is called upon to participate in it. Also, through the scrutiny of the executive actions and approval of the administrative expenditure - budget grants for the Ministry of Foreign Affairs - the Legislature can attempt to influence the foreign policy decision making. However, the nature and extent of its influence depend upon the political system - the scope being maximum in the Parliamentary Democracy - as well as ^{the} information, initiative, expertise and interest of the legislators in the foreign policy issues. We shall study the role of the Nepalese Legislature in the making of foreign policy against this backdrop.

The categorization followed in case of the Cabinet can also be applied to the study of the Legislature. An additional factor of nomenclature is available in this case to support the

82. David Vital, The Making of British Foreign Policy, London, 1968; Sapin M. Burton, The Making of United States Foreign Policy, New York and Washington, 1966; Frank Joseph, The Making of Foreign Policy: An Analysis of Decision Making, London, 1963. Richard Peter, G., Parliament and Foreign Affairs, London, 1967.

categorisation. Under the Interim Constitution, the Nepalese Legislature was called Advisory Assembly (1951-53), under the Parliamentary System it was a bicameral Parliament (1953-60) and under the Panchayat System it was a unicameral National Panchayat (1963-present).

The Advisory Assembly (1951-53)

The Advisory Assembly was an interim legislative arrangement introduced after the fall of the Ranas under the provisions of the Interim Constitution. It was constituted from the members nominated by the King at his own discretion (Article 33(a)). The Assembly had no control over the executive (Articles 57 and 58). In case of foreign policy, it was not allowed to discuss "any question or matter which might affect the friendly relations of the Government of Nepal with any foreign power" (Article 53(a)). This restriction was rightly described by political leaders as "an effective, vague and wide control" over the discussion on foreign policy. (83) Since it was a nominated body, there was no "organized opposition" to the Government in the Assembly. Thus the Assembly had no means to influence the executive's decisions pertaining to foreign policy.

The Advisory Assembly was, therefore, intended to function as a channel of communication between the government and the people. The former transmitted the broad outlines of its policy to the latter through the Assembly. It was done through the speeches made by the King and statements issued by the Prime

83. Rangabhai, 1 Bhadra 2000 (August 1952), Yr. 1, No. 2.

elected representative Legislature comprised of two houses: The House of Representatives (Pratinidhi Sabha) and the Senate (Mahasabha). (Art. 18 to 22). The Parliament could freely debate and scrutinize any action of the executive, which in turn, was collective^{ly} responsible to the House of Representatives. (Art. 12, 13, and 34(1)(2)). The only threat to the existence of the Parliament was the emergency powers of the King under which the latter could dissolve one or both of its houses and assume its all powers. (Article 55(1)(b)).

Thus, as a representative body having the Constitution as the source of its origin and legitimacy, the Parliament was free from undesirable control of the executive, unlike the Assembly. On the other hand, it was not only competent to exercise effective restraint over the Cabinet, but was also aware of its national and institutional obligation to do so. The awareness was evident in the interest and excitement witnessed in the Parliament during its proceedings. Debates on foreign policy covered its every relevant aspect, with a particular emphasis on China and India - the emphasis which was natural and inevitable. (87)

What proved to be a major hurdle in the Parliament's influence over the government was the overwhelming majority of the ruling party in the House of Representatives. (88) As a result

87. For details see *ibid*.

88. The Nepali Congress (ruling party) secured 74 seats in 109 members House of Representatives. Next was the Gurkha

of this majority, the Government enjoyed the final say regarding what should be shared with the Parliament and what not. This was evident in the debate on the issue of the Everest's ownership which was protracted and clouded with confusion - more excitement and passion instead of factual information, precision and clarity - since the Government was not inclined to enter into details. (89)

The majority enabled the Government to defeat the demands for the Parliament's participation at the executive and administrative levels of the policy. In the first session, Maigendra Shumshere of the Gorkha Parishad, through a resolution, sought the formation of a fifteen member committee of the parliamentarians "to study the Gandak Agreement and give it a final shape on the international basis." The Government held that it was undesirable as the negotiations were only at the primary stage. (90) In the second session, the appointment of a parliamentary commission to study the conditions of the Tibetan refugees in the northern districts of Nepal was demanded. The Government was planning to

88. (contd. from back page)

Parishad with only 18 seats. Other results were: The United Democratic Party = 5; the Communist Party = 4; the Praja Parishad (Acharya) = 2, The Praja Parishad (Mishra) = 1, The Nepali National Congress = 0, The Terai Congress = 0, The Democratic Mahasabha = 0, Independents = 4. Devkota, n. 5, p. 698.

89. Most of the questions and adjournment motions tabled on this issue were either disallowed or rejected. Government's stand was confusing, saying on the one hand that the Everest belonged to them and maintaining on the other, that the issue was to be discussed and settled peacefully with the Chinese Government. All the time, it pleaded patience and cool thinking in the agitated Houses. Senate Proceedings, 20 and 30 Chaitra 2016 (April 1960); Halkhabar, 7 April 1960; Kalpna, 7 and 30 April 1960; The Commoner, 10 June 1960; Nepal Press Digest, 18-25 April 1960, 10-17 May 1970.
90. Gorkhapatra, 15 Bhadra 2016 (31 August 1959).

send such missions but disapproved that they be constituted from the members of Parliament. The fear was that it would give undesirable political colour to the matter. (91) Both the demands when put to vote were defeated.

The majority of the ruling party was supplemented by a weak and divided opposition. The parties like the Gorkha Parishad and the Communist Party, represented political extremities in the Parliament. Each of these two parties was more close to the ruling Nepali Congress than to the other. It was evident in the Communist Party's support to the government's policy of moderation and sobriety towards China (92) and in the Gorkha Parishad's support to the government's subtle and tactical leaning towards India as compared to China. (93) They were not prepared even for the minimal understanding needed to present a unified opposition to the government. When Bharat Shumshere of the Gorkha Parishad, on being formally recognized as the leader of the Opposition in the Parliament in June 1960, called a meeting of the opposition groups for that purpose, the Communists did not participate because of the divergence in their policies. (94)

91. Kalpna, 3 August 1960.

92. Man Mohan Adhikari's statement in the House of Representatives on this matter. Philings, 12 April 1960. For details see author's paper, n. 86; also Joshi and Rose, n. 3, pp. 329-34.

93. See Bharat Shumshere's statement on B.P. Koirala's state visit to India in January 1960. Rasthrvani, 19 January 1960; Kalpna, 18 January 1960; For details see author's paper, n. 86; also Joshi and Rose, n. 3, pp. 327-9.

94. Nepal Samachar, 25 June 1960; Naya Samai, 24 June 1960.

Thus we find that armed with majority and benefited by the total absence of parliamentary traditions in the country, the government had a smooth sailing in the Parliament. The opposition was weak, divided and unarticulated and hence unable to exert effective pressure upon the executive. The executive on its own tried to establish certain conventions. The formal recognition of the leader of opposition was an example in the case. (95) However, the short life of the Parliament, prevented those attempts to grow into a definite pattern.

The National (Rastriya) Panchayat

The National Panchayat - the National Legislature - constituted the apex of the four-tier partyless Panchayat System, stipulated under the Constitution of 1962. It was a unicameral legislature constituted from four different sources. They were: Anchal Sabhas, i.e. Provincial Councils, Class Organizations, intelligentsia and the King. (Article 34). The National Panchayat was free to discuss the conduct of the Cabinet which was responsible to the King. The House could deny support to a particular minister but his ultimate removal depended upon the King's discretion. (Article 26, 3(d)). There was no provision for an organized Opposition in the partyless system and the Opposition in any other form was not permitted in the National Panchayat. (96)

95. Ibid. Certain sections of Opposition in the country attributed 'mysterious' motive to this recognition. Naya Samai, 24 June 1960; Samiksha, 24 June 1960; Kalpana, 27 June 1960.

96. "Rastriya Panchayat in Session", A brief report prepared on the National Panchayat by its Secretariat. Nepal (A

The proceedings of the National Panchayat or any of its committees, were not open to the public. (Article 42(6)). Instead, a summary record of the proceedings was published, which was a thoroughly censored, inadequate and evasive version of what happened or was discussed in the house. (97) Nothing more than that was actually intended. Reply^{ing} to the public demand for making the proceedings open, King Mahendra said:

I do not like to encourage the dog-in-manger policy by keeping the National Panchayat meetings open to the public. It is my considered opinion that taking necessary decisions as quickly as possible and then speedily implementing them will be more in the interest of the people than volumes of high sounding rhetorics played to the gallery with a view to scoring vain glorious publicity. (98)

Clearly then the objective was to get the already taken decisions confirmed through the National Panchayat "as quickly as possible", observing a legislative formality. As such, the National Panchayat proved to be a forum to erect facade of national consensus and popular approval for the policies pursued and the actions taken by the King and his executive. It was one of the important institutions which helped King Mahendra to

96. (contd. from back page)

monthly bulletin of general information), Department of Publicity and Broadcasting, Ministry of Panchayat Affairs, HMG Nepal, Kathmandu, vol. I, No. 1, October 1963, pp.18-23. Also see *ibid.*, No. 11, August 1963, p. 4. For more details about constitutional position and composition of the National Panchayat, see the author's paper, n. 86.

97. The "Summary records" noted the number of the members participating in a particular debate and brief mention of the points raised during that. Who said what and when, could not be known precisely.

98. Reply address to the people of Banke Bardia (Nepal Ganj), on 8 February 1963. Speeches, n. 13, vol. II, p. 161.

legitimise his personal rule. The proceedings of the National Panchayat even in their summary records, substantiate the contention.

Foreign policy statements contained in the King's inaugural addresses to the National Panchayat sessions distinctly highlighted the achievements of the Government. (99) To this, high words of approbation for the King were added during the debates. Replying to the debate on the demands of the Foreign Ministry in the eighth session of the National Panchayat, Vice-Chairman of the Council of Ministers and Minister for External and Economic Affairs, Kirtinidhi Bishta declared:

Today His Majesty the King has given new life and direction to Nepal's foreign policy. Today great prestige and honour have been created for Nepal in the whole world. His Majesty's Government, under the mature and pious leadership of His Majesty the King, has fearlessly observed Nepal's non-aligned foreign policy. Its appreciation by the National Panchayat has encouraged His Majesty's Government. (100)

The criticism of the Government was mostly of superficial and recommendatory nature. It focussed on the points, like stress on the external publicity, extension of diplomatic contacts, proper arrangements for the training of the foreign service

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99. Address by His Majesty the King (1st, 4th, 6th, 8th, 10th and 12th sessions of the National Panchayat). Texts published by the Department of Publicity, HMG, Kathmandu. (The King addressed only the budget sessions of the National Panchayat).
100. Rastriya Panchayat : Karivavahi ko Sankshipt Viveran (National Panchayat, Brief record of the proceedings) (hereafter, Summary Record), 8th Session, 19 Shrawan 2023 (July 1966).

personnel and decoration of the Ministry of External Affairs. (101) Nevertheless, the accepted and apparent contradictions in the policy of non-alignment - Gorkha recruitment in the foreign armies and foreign (Indian) technicians on the northern border checkpoints - were repeatedly pointed out during the debates as well as in the reports of the social committee of the National Panchayat. (102) The Government kept on assuring the house that something would be done but remained delightfully indifferent towards implementing the assurances. The National Panchayat on its part had no power or instrument to make its say felt. It behaved as a rubber stamp to the government's official policy.

The foregoing discussion leads to the conclusion that the Legislature's influence on the foreign policy decision-making in Nepal had been largely negligible. The first most important factor responsible for this was the lack of proper constitutional authority to exercise influence over the executive and the absence of organised and well informed Opposition. Secondly,

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101. Summary Records, I Session, 12 Vaishakh 2020 (April 1963), II Session, 6 Shravan 2020 (June-July 1963), IV Session, 30 Ashad and 8 Shravan 2021 (July-August 1964), VI Session, 6-7 Shravan 2022 (July 1965), VIII Session, 15 Ashad 2023 (June 1966).
102. Ibid. Samaik Samiti ko Pratham Prativedan 2023 (First Report of the Social Committee 1966), Rastriya Panchayat Secretariat, 1966.

In 1966 the Rastriya Panchayat constituted some committees to study various aspects of the affairs of state and make recommendations to the government. The External Affairs fell in the jurisdiction of the social committee.

the foreign policy in Nepal emerged as a subject of national consensus. There were no occasions where a clash of interest between the executive and the legislature on foreign policy issues appeared crucial and inevitable. Hence, the legislature showed peripheral interest in the foreign policy. In absence of adequate information and understanding of the international politics, the legislature did not have any alternative policy measures to offer. Thus, the decisions taken by the executive when put before them, were approved and confirmed.

THE POLITICAL PARTIES

The first Nepalese political party took birth in India in 1946. (103) By 1950, there were three political parties: The Nepali Congress, the Nepali National Congress and the Communist Party of Nepal. All these parties were founded in and functioned from India because the Ranas did not allow open political activities, much less political parties and organizations. The latter were allowed to function after the fall of the Ranas but were again banned when King Mahendra dismissed the Parliamentary System in 1960. As a result, the Nepali Congress, into which the Gorkha Parishad got merged in 1962, and the Communist Party went into self exile to India and functioned from there. Therefore, political parties in Nepal had a comparatively short history, of

103. The Praja Parishad (Chapter 1, n. 48) worked in Nepal during 1936-40 only as a clandestine anti-Rana organization. However, a new party under the same name was formed by Tanka Prasad Acharya, (its then active member) after the fall of the Ranas when he was released after ten years of detention under the Ranas in February 1951. Devketa, n. 5, pp. 271-73.

about a decade from February 1951 to December 1960. During these years, the parties underwent new formations, splits, mergers and various alliances amongst themselves, creating confusion and a sense of dismay in the Nepalese political scene. Barring the Nepali Congress, the Communist Party and the Gorkha Parishad, the political parties in Nepal had neither a wider and diffused following nor a well-knit organization. They can appropriately be called 'elite groups' whose activities remained largely confined to the capital. (104)

There had been, by and large, consensus among the political parties in Nepal on fundamental and basic issues of foreign policy. All the parties stood for anti-imperialism, anti-colonialism and anti-racialism, non-alignment vis-a-vis the power blocs; identification with the Afro-Asian movement; extension of diplomatic relations on the basis of Five Principles of Peaceful Co-existence - the Panchshila; faith in the UN and other international organizations and foreign aid from any country without conditions and strings attached. The parties, however, had strong differences regarding Nepal's policy towards her immediate neighbours, India and China. Though all agreed to have peaceful and good friendly relations with the neighbours, they differed on various issues pertaining to the pattern of such relations. The intensity and interest with which the parties reacted on the foreign policy issues, were evident mostly on these aspects. In

104. We do not intend to go into the details of the history of political parties in Nepal. For that see: Gupta, n. 3; Rose and Joshi, n. 3; Chauhan, n. 3.

studying the role of political parties in the foreign policy making, we shall focus on their stand on such issues.

It has been noted that we propose to discuss the role of political parties as a non-governmental decisional unit. Therefore, our emphasis will be on the opposition parties as also on the organizational wings, if any, of the ruling party vis-a-vis the government or the executive. The number and composition of the political parties and the prospects of their respective roles, had undergone changes during ten years of the existence of the parties consequent to the changes in the political climate of the kingdom. For the convenience of discussion, we shall divide the period between February 1951 and December 1960 into three parts, namely, i) February 1951 to March ¹⁹⁵⁵ i.e. King Tribhuvan's period; ii) April 1955 to February 1959, i.e., King Mahendra's period before the establishment of Parliamentary System; and iii) March 1959 to December 1960, i.e the period when the Parliament functioned in Nepal.

From February 1951 to March 1955

The political scene during this period was dominated by six parties. They were: The Nepali Congress, The Gorkha Parishad (of the Ranas), The Nepali National Congress, The Praja Parishad, The National Democratic Party (Rastriya Praja Party) and The Nepal Communist Party. Of these parties, the National Democratic Party remained in power after its formation in April 1953 till the end of the period. The Nepal Communist Party, on the other hand, always remained in opposition. After being banned in February 1952 for its alleged complicity in an unsuccessful coup staged

by Dr. K.I. Singh, the party functioned underground and by proxy through various other organizations. (105) The rest of the parties had the experience of being in power as also in opposition at one time or the other during this period.

Under King Tribhuvan, the foreign policy of Nepal was dominated by her relations with India. At the governmental level the relations between the two countries were characterised as "very special" and "intimate". For the political parties, the whole question of Nepal-India relations was dominated, more than any other thing, by the fact that India was a decisive factor in the domestic political equilibrium of the kingdom since the very inception of the anti-Rana 'revolution' in 1950 (Chapter I). In the years that followed the 'revolution', the opposition leaders saw India's hands behind denial of a share in power to them. Hence they accused India for undue interference in the internal affairs of Nepal. This point will be discussed in detail in the next chapter.

An indirect implication of the anti-India stand of the parties in opposition was the strengthening of demand for the establishment of diplomatic relations with China. Two different views were held by the parties on this issue. The Goraha Parishad's stand was by and large in conformity with the Prime Minister M.P. Koirala's approach that Nepal should not give much importance to the reassertion of China's suzerainty over Tibet

105. Leo E. Rose, "Communism under high atmospheric conditions: The party in Nepal", in Robert A. Scalapino (Ed.), The Communist Revolution in Asia: Origins, Goals and Achievements, Prentice-Hall, 1965, pp. 367-69.

and should continue to have direct relations with the latter. The Parishad, however, had no objection in having relations with China also. (106) The Nepali Congress, the Nepali National Congress, the Praja Parishad and the Communist Party clearly stood for the proper regularization of Nepal's relations with Tibet and China in the changed context. Their recognition to the Chinese suzerainty over Tibet was implied. (107)

There was only one instance of the organizational wing of the ruling party having differed with its governmental wing on the foreign policy issue. It was during the Nepali Congress rule from November 1951 to August 1952, owing to the differences between B.P. Koirala and M.P. Koirala, who led the organizational and the governmental wings of the party respectively. The former alleged that the Prime Minister invited external (Indian) interference to exploit internal dissension in his favour and made Nepal an area of international conflict and competition. (108)

106. Rastravani, 17 April and 10 May 1954.

107. a) Nepal Pukar, 22 Jaistha 2008 (May-June 1951); 20 Ashad 2011 (June-July 1954).

b) Nepali National Congress: Objectives, Organization and Programme, Resolutions passed at the Fourth General Conference, Nepali National Congress Central Office, Kathmandu, n.d., pp. 24-25; Resolution of the Nepali National Congress Working Committee, The Hindu, 3 June 1954.

c) Jatiya Jantantrik Samyukt Morcha ko Ghoshnapatra (Manifesto of the National Democratic United Front), Kathmandu, November 1951. (The Front's constituents were the Communist Party and the Praja Parishad. Resolutions of the Politbureau of the Nepal Communist Party (20th February 1954), Nepal Communist Party, Central Office, Kathmandu, 1954.

108. Devkota, n. 5, pp. 180-1.

These allegations were denied by Prime Minister M.P. Koirala and his supporters in the Cabinet. (109) The conflict between the two wings of the party ultimately resulted into the fall of the government.

Though the opposition could not directly influence the government in the making of the foreign policy, it made the latter cautious and careful. Further, the climate thus created facilitated, to a great deal, the policy of drift from "special relations" with India, initiated and followed under King Mahendra in the subsequent years.

From April 1955 to February 1959

A new political party came into the field by the close of 1955 in addition to those already existing. It was the United Democratic Party of Dr. K.I. Singh, formed on 22 October 1955 in Kathmandu, about a month after his return from three and a half years' asylum in China and Tibet. In April 1956 (22 Vaishakh 2013) the National Democratic Party, having become defunct, got merged into its parent organization, the Nepali Congress. Thus the number of the parties in the field remained the same with the difference that the Nepal Communist Party became active in open. The ban imposed upon it in February 1952 was lifted in January 1956.

Of the political parties that were in the field, the Praja Parishad and the United Democratic Party were in power

109. Ibid., p. 184; also Gorkhapatra, 22 Shravan 2009 (July-August 1952).

respectively from January 1956 to July 1957 and from July to November 1957. The rest of the parties were in opposition except for one year, from 15 May 1958 to 28 May 1959, when one representative each from the Nepali Congress, the Gorkha Parishad, the Nepali National Congress and the Praja Parishad along with two independents, were nominated by the King to run the government as an interim arrangement. The subjects which were entrusted to this coalition government did not include foreign policy. (110) The characteristic feature of the party governments during this period was the indifference on the King's part towards the party affiliations of the Ministers. (111)

The political debate among the parties during this period mostly involved domestic issues like the constitution, future role of the Crown in the Nepalese politics, General Election and the formation of the Constituent Assembly and the Parliament. In the field of foreign policy, Nepal regularized her relations with China in accordance with the changed context, established diplomatic contacts with Russia, West Germany, etc. and maintained friendship and understanding with India and other countries intact. The shift from "special relations" with India was clearly evident behind these steps (details later), which were in conformity with Nepal's international and domestic environment as also with the stand of the political parties. Therefore, the policy was

110. Royal Proclamation of 15 May 1958. Speeches, n. 13, vol. I, Part Two, p. 112.

111. Royal Proclamations issued on 27 January 1956; 26 July 1957 and 15 May 1958. Ibid., pp. 34-35; 95-96; 112.

endorsed by the Opposition. (112) The difference of opinion, when expressed, related to the details rather than fundamentals. (113) The government headed by Dr. K.I. Singh of the United Democratic Party tried to halt the foreign policy trend, by re-emphasizing "special relations" with India. (114) But it was not approved by any other party.

The General Elections were contested by the political parties on the basis of the personalities and domestic political issues. With regard to the foreign policy, the election manifestoes of all the parties underlined the consensus issues like friendship with all, on the basis of equality, non-aligned and independent policy towards the power blocs and goodwill and understanding with the neighbouring countries. (115) The Communist Party was slightly more specific in its manifesto on

112. The establishment of diplomatic relations with China was appreciated by all the party leaders. Nepal Pukar, 13 August 1956. Rautahat Conference of Gorkha Parishad Resolutions 1955, Regmi Research Project No. 54, Regmi Research Institute, Kathmandu, n.d.; The Statesman, 3 August 1955 (for the Nepali National Congress); The Statesman, 6 June 1956 (for the Praja Parishad). Political Resolution of the Nepal Communist Party (adopted at the Second all-party conference, 22 November 1955), Nepal Communist Party, Bhagalpur (India), 1955.
113. For example, the Nepali Congress leader B.P. Koirala was not "fully satisfied" with Nepal-China Trade Agreement of September 1956. Nepal Pukar, 28 September 1956.
114. Sanyukt Prajatantra Party Nepal ka Ghoshana Patra (United Democratic Party's Manifesto), Kathmandu, 1957 (2014), pp. 9-10. The Hindustan Times, 1 January and 4 August 1957; The Statesman, 29 July 1957.
115. For example see: Nepali Congress: Chunao Ghoshana Patra (Nepali Congress, Election Manifesto), Kathmandu, n.d., p. 15; Nepal Rastrawadi Gorkha Parishad ko Chunao Ghoshana

(contd. on next page)

foreign policy and demanded the abrogation of Gurkha recruitment facilities to Britain in the Nepalese territories, the amendment of 1950 Trade Treaty between Nepal and India and the withdrawal of the American 'infiltration' in the kingdom. (116)

The lack of opposition helped the government to pursue its foreign policy smoothly. This led to the increased confidence and initiative on the part of the government in foreign policy matters.

From March 1959 to December 1960

The first General Election in February 1959 was contested by 9 political parties. They were: The Nepali Congress, the Gorkha Parishad, the United Democratic Party, the Communist Party, the Nepal Praja Parishad (Acharya group), the Nepal Praja Parishad (Mishra Group). The Nepal Terai Congress, the Nepali National Congress and the Nepal Democratic Mahasabha. Except for the first four named parties, all of them lost significance due to their miserable performance in the election results. (n. 88)

The leaders of the United Democratic Party, the Nepal Praja Parishad (Acharya Group) and the Nepal Democratic Mahasabha met after the elections and formed the National Democratic Front

115. (contd. from back page)

(Nepal's Nationalist Gorkha Parishad's Election Manifesto), Publicity Section, Party's Central Office, Kathmandu, n.d., p. 23; Nepal Praja Parishad ka Chunao Ghoshana Patra (Nepal Praja Parishad's Election Manifesto), Publicity Section, Party's Control Office, Kathmandu, 1958, p. 23; Sanyukta Praja Party Nepal ka Chunao Ghoshana Patra (United Democratic Party's Election Manifesto), Central Publicity Section, Kathmandu, 1958, p. 1.

116. Election Manifesto of the Communist Party of Nepal, Kathmandu, n.d., p. 3.

on 1 June 1959 to play the role of opposition both within and outside the Parliament. (117) Thus the opposition to the Nepali Congress government was constituted by the Gorkha Parishad, the Communist Party and the National Democratic Front. None of them was, however, willing to join hands with the other.

The role of Opposition inside the Parliament has been discussed above while discussing the Parliament. The opposition outside the Parliament was dominated by the National Democratic Front. In a statement issued on 6 June 1959, the Front described 'neutrality' and friendly relations with other countries on the basis of equality and mutual benefit, as its objectives in foreign policy. (118) It considered that the Nepali Congress government's policy towards India was contrary to these objectives and was pushing Nepal towards the status of an Indian satellite. (119) The Front asked for the revision of the Trade Treaty of 1950 with India and withdrawal of the Indian Commercial Attaches from the Nepalese towns and the Indian technicians from Nepal's northern checkpoints. (120) The Gandak Project Agreement between India and Nepal received special attention. It was viewed as an instrument of exploitation of Nepal's resources by India and an evidence of the surrender of territory and sovereignty by the former to the latter. The Front organized public meetings and demonstrations

117. Swatantra Samachar, 1 June 1959; Halkhabar, 30 March 1959.

118. Halkhabar, 6 and 7 June 1959.

119. *Ibid.*, 9 February 1960, 22 and 28 June 1960.

120. Nava Samaj, 2 July 1959; Halkhabar, 12 July 1959.

to protest against the Agreement. (121)

The Front leaders did not approve of the government's soft approach towards China, particularly on the Everest and the Mustang issues. (122) Regarding the border dispute, President of the Front, T.P. Acharya, asked the government to secure immediate confirmation of the existing Nepal-Tibet border from the Chinese Government and held that there was no outstanding dispute regarding that. (123) He also described the Treaty of Peace and Friendship signed between Nepal and China in April 1960 as redundant, since a similar Treaty had been signed under his Prime Ministership in 1956. (124) However, the tone and intensity of criticism against the government's China policy was mild as compared to the one against its India policy. It was evident in Dr. K.I. Singh's statement in Lucknow on 26 December 1959 in which he asked the Nepalese government to rescind Koshi and Gandak project agreements with India but declined to comment on the Chinese activities in Nepal and held that there was no need to be apprehensive of the Chinese side. (125) In July 1960, T.P. Acharya described the Mustang incident as a "minor border affray". (126)

The Government put forth its foreign policy measures before the opposition in such a manner that every time it could secure support from one or the other side. It also changed its

121. Ibid., Halkhabar, 8 December 1959; Kalnang, 20 December 1959.

122. Asian Recorder, vol. VI, No. 37, 10-16 September 1960.

123. The Times of India, 3 December 1959.

124. The Hindustan Times, 18 July 1960.

125. The Hindustan Standard (1959), 27 December 1959.

126. The Hindustan Times, 18 July 1960.

stand in view of the demands of a particular situation. The ruling party's stand on the situation in Tibet can be taken as a pointer in this context. Soon after its electoral victory, but before it was installed into office, the Nepali Congress in a working committee resolution, condemned China's action in Tibet as a manifestation of "imperialism and expansionism" and asked for full autonomy for Tibet. (127) Later the Government changed its stand. It supported China's position when the Tibetan issue came up for discussion in the UN General Assembly in October 1959. This change in the stand was accordingly approved by the Working Committee of the Party in January 1960, (128) and later at its General Conference in May 1960. (129)

The Opposition, both inside and outside the Parliament, failed to influence the Government in the making of foreign policy. It was weak and divided. It lacked proper understanding of the international politics. Its approach was guided by the considerations of political expediency rather than rational thinking supported by viable policy alternatives. The intensity of the Opposition's criticism was, however, considerable and this kept the Government on guard in its handling of the foreign policy.

127. Text of the Resolution (cyclostyled copy received from a Nepali Congress ex-MP in Kathmandu). Also The Statesman, 3 May 1959.

128. Nepal Samachar, 8 January 1960.

129. The Hindustan Samachar, 9 May 1960; Kalpna, 11 May 1960.

COMPARATIVE ASSESSMENT

The above discussion confirms that the making and execution of foreign policy is the concern of the executive which is "unfettered in the exercise of this function." (David Vital, n. 82). Other governmental and non-governmental 'decisional units' can only influence the executive in this context in an indirect and restricted manner.

In case of Nepal, the influence of the Legislature and the Political Parties had been marginal. Largely so, owing to the inherent weakness of these institutions. The Legislature, for most of the time, lacked adequate constitutional provisions and coherent composition to influence the Executive. During the Parliamentary System, which the Legislature did not suffer from these weaknesses, the overwhelming majority of the ruling party and the absence of suitable norms and conventions, proved detrimental to the Parliament's role. The limitations of the Legislature in general and the Parliament in particular were enhanced by the weakness of the Political Parties.

During a decade of their existence, the Political Parties in Nepal, barring a few, remained in a bad shape from the points of view of their organisations, ideologies and bases of strength. They were guided more by the considerations of political expediency, adhocism and personal biases, than a rationally perceived plan of action. Both the Legislature and the Political Parties were also short of 'intellectual competence' and 'initiative' needed in dealing with the foreign policy issues. As a result of all these factors, they were, by and large, ineffective.

As for the Executive, except for a brief pause during the Parliamentary System, the Monarchy had been singly the most powerful institution. It played a decisive role in the making and execution of the kingdom's foreign policy. Together with the sound constitutional position and power base of the Monarchy, King Mahendra's dynamic and assertive personality contributed most to its role. In future, so long as the basic power structure of the Panchayat System continues to exist, the nature and extent of the Monarchy's role in foreign policy will depend upon the desire for initiative and thrust displayed by the King's personality.

The Monarchy was pushed into a subordinate position with the establishment of democratic system comprising of the representative government and the Parliament, in 1959. As was inherent in the system, the executive, led by the Nepali Congress, experienced domestic pulls and pressures in the conduct of foreign policy. The executive withstood against them firmly and warded them off owing to its talented and collective leadership, its 'intellectual competence' and 'initiative' and the constitutional and popular support in its favour. Though this executive functioned for a comparatively small period, its contribution in the field of foreign policy was significant.

CHAPTER IV

THE ERA OF "SPECIAL RELATIONS" WITH INDIA

Nepal's external relations during King Tribhuvan's rule (from February 1954 to March 1965) were dominated by India. The two countries were described to have had "special relations" with each other. The phrase "special relations" was very frequently used by both India and Nepal during this period though later, it became a much despised and maligned expression for the Nepalese. In this chapter, we shall discuss the genesis and growth of the pattern of "special relations" Nepal had with India as also the factors that eventually led to the revision of this pattern.

GENESIS OF "SPECIAL RELATIONS"

There were various factors that accounted for "special relations" between Nepal and India. On the one hand were the constant factors like geographical contiguity and strong socio-cultural and ethnic identities between the two countries, added with Nepal's excessive economic dependence upon India. However, these factors had no particular significance during King Tribhuvan's period as such their role in facilitating the pattern of "special relations" was only secondary. That was mainly responsible for establishing and nourishing the pattern were the factors pertaining to the legacy of the Rana regime and the domestic and external environment of Nepal.

Legacy of the Rana Regime

The pattern of "special relations" between Nepal and India during King Tribhuvan's period was not wholly new. The relationship that existed between the Rana rulers of Nepal and the British in India was basically the same. It may be recalled here that the Ranas were very favourably disposed towards the interests and objectives of the British. The latter's withdrawal from the sub-continent did not make any substantial difference in the situation because the Government of independent India only stepped into the British shoe so far as India's defence mechanism and political interests in the Himalayan region were concerned. Nepal occupied a significant position in that context, more so in view of the developments in China and Tibet. The Ranas on their part were only too willing to respond favourably. This was evident in the Treaties and Agreements signed between the two countries.

Under an Agreement signed in November 1947, Nepal allowed India and the UK to recruit Gurkha soldiers for their armies. The practice of such recruitment had been started by the British long back. (1) Under the Agreement, the Gurkhas could be used by India against any other country or force except the "Hindus and unarmed mob" as well as the Gurkhas' themselves. It was further agreed that in order to keep the morale of the Gurkha recruits and the Indian armed forces unimpaired, all activities prejudicial to the

1. For details see Asad Husain, British India's Relations with the Kingdom of Nepal: 1857-1947, London, 1970, pp. 234-54.

interests and security of one party should be prevented in the territory of the other". In return of the recruiting facilities, the Government of India undertook to meet Nepal's military needs regarding defence production, army transport planes, civil supplies and training facilities. (2)

Then there were the treaties of peace and friendship and of trade and commerce signed between Nepal and India in July 1950. We shall take up the matters related to trade and commerce between the two countries later (Chapter VII). The Treaty of Peace and Friendship was based on a similar Treaty signed in 1923. (3) It was agreed that "there shall be everlasting peace and friendship" between the two countries which "acknowledge and respect the complete sovereignty, territorial integrity and independence of each other" (Article I). (4) Another important clause of the 1923 Treaty (Art. III) which was carried on in the 1950-Treaty (Art. II), related to the undertaking that each party will inform the other of any 'friction or misunderstanding' with other states likely to damage their (India and Nepal) friendly relations. In the latter treaty, however, the scope of the 'other states' was limited to the neighbouring countries, by implication China, Tibet and Sikkim.

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2. Text of the Agreement, Annexure III, paras 3, 4 and 7.
 3. Salient features of the Treaty of Peace and Friendship signed between India and Nepal in 1923 have been mentioned in Chapter I.
 4. Treaty and the letters exchanged along with it, between the two governments. Text (cyclostyled) supplied by the Indian Embassy in Kathmandu. Also see: Foreign Policy of India: Text of Documents 1947-52, 2nd Edition, Lok Sabha Secretariat, New Delhi, 1950, pp. 29-33.

The same clause in the 1923 Treaty included a sentence: "...and each to exert its good offices, as far as may be possible, to remove such friction and misunderstanding". This was deleted in the 1950 Treaty. Probably, this sentence was intended to serve economic and political interests of the British empire, particularly in the trans-Himalayan region. Hence it was considered redundant by the Government of independent India.

In some aspects the 1950 Treaty was a step ahead of the 1923 Treaty. Under the letters exchanged with the Treaty in 1950, (5) Nepal and India agreed, not to:

- i) 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. (Paragraph (1), Letters)
- ii) ... employ any foreigners whose activities may be prejudicial to the security of the other. Either Government may make representation to the other in this behalf, as and when occasion requires. (Paragraph (5), Letters)

Besides, Nepal could also import "material and equipment" necessary for her security through the Indian territory, subject to India's approval. (Paragraph (2), Letters). The 1950-Treaty secured 'national treatment' for the citizens of one country residing in the territory of the other, in the matters of residence, property, profession, movement, etc. (Articles 6 and 7). It also provided for the preferential treatment against the foreigners and equal treatment with the Nepalese, of the Indians and the Government of India in the field of economic and industrial ventures in Nepal. (Paragraph (4), Letters).

5. The contents of the letters exchanged with the Treaty were disclosed for the first time by India's Prime Minister Nehru in the Indian Parliament on 27 November 1959. (Details later)

Domestic Factors

Treaty relationship between India and Nepal was further consolidated and facilitated in practice as a result of the fall of the Ranas in which the Government of India played a decisive role. King Tribhuvan and political leaders who jointly replaced the Ranas were not only free from the apprehensions entertained by the latter, (6) but were also indebted to the Government of India for their ascendancy to power. They looked towards the Indian leaders with respect and admiration for the latter's rich political experience and democratic ideals, and derived inspiration and guidance from them.

Besides their subjective bias in favour of the Indian leaders, the Nepalese leaders had to face many problems created by new political and social order emerging in the country. There were problems of political stability, of law and order, of having an efficient administration which could respond to the growing demands of the society, of constitutional and economic development and of international relations. The new leadership had little political experience and even less indigenous resources and skill to solve these problems. Hence they were compelled to look towards India for help and guidance which was readily forthcoming in view of India's own stakes in the 'stability and progress' of the kingdom. Pointing out the need for external help in Nepal's progress, since local talents and resources were not adequate,

6. Ranas had apprehensions and rightly so, that the Government of India would not help them to remain in power against opposition from the King or the people as the British had been doing.

King Tribhuvan, in a New Year (Nepali) broadcast in 1953 stated:

I want to make a particular mention of our very cordial and affectionate relations with our neighbour India. We are akin to each other in so many spheres - religious, social, geographical, historical and so forth. Even Nepal's democracy is the result of an inspiration from India. (7)

External Relations

A very important factor which facilitated, 'intimate' relations between India and Nepal was its tacit approval by the other countries, particularly China. It was evident in her silence, which was rather deliberate, regarding her relations with Nepal as well as Nepal's relations with India. In view of China's action in Tibet in 1950 and absence of diplomatic contact with Nepal, any adverse comment from her on India's position or interests in Nepal was likely to invoke strong reaction from India and push Nepal further towards India. Even her desire to establish formal diplomatic relations with Nepal would have caused suspicion. Hence it was not desirable from the point of view of China's own immediate interests. Her position in Tibet was unsettled and her claims there were largely unrecognized by the international community. Besides, the flare-up in Indo-China had created new problems. In this situation, China needed India's goodwill and support. No less interested was India to cooperate with China - an emerging major Asian power - in order to materialise her dream of 'Asia for the Asians'. Both India and China, therefore, avoided the issues which were likely to bring them in confrontation with each other.

7. The Hindu, 16 April 1953.

China did not disturb Nepal's position in Tibet as stipulated under the Treaty of 1856, in spite of the fact that she disfavoured it. (8) It was evident in the fact that the Nepalese traders in Tibet were allowed to continue their business smoothly. (9) The reported attempts to 'squeeze out' Nepalese traders from Tibet, were contradicted promptly and strongly by the Government of Nepal. (10) The Nepalese who left Tibet during this time did so due to the panic caused by the Chinese action and indefiniteness about the future. (11)

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8. A Minister in the first 'Commoners' Cabinet under M.P. Koirala, who prefers to remain unidentified, confided the author that the Government of Nepal received a communication from China saying that the rights and privileges hitherto enjoyed by Britain, India and Nepal in Tibet were no longer valid. (Kathmandu, March 1963)
9. Dr. K.I. Singh, former Prime Minister of Nepal, who was in Tibet at that time under political refuge, told the author that the Nepalese traders were offered even incentives in the form of loans and advance payments to increase the volume of trade since the demand of the articles of daily use and other essential goods had increased due to the presence of the Chinese armies and dislocation of the local trade.

It was further confirmed by Bhikshus and Nepalese traders who kept on travelling between Nepal and Tibet. (Interviews, Kathmandu, May and June 1963)

A daily from Kathmandu also expressed its thankfulness in early 1952 to the Tibetan authorities for the facilities provided to the Nepalese traders. ATN, 2 March 1953 (January 1952), vol. 1, No. 326.

10. The Statesman, 10 March 1953; The Times of India, 14 March 1953.
11. The Minister (no. 8) said, "Though the Chinese communication was ignored officially, we thought that our friends and relatives trading in Tibet might face difficulties in future. Therefore, we advised them to wind up their business. However, nothing actually happened until 1950. Even after that, the Nepal-Tibet border was sealed for the Indian goods only. But since the Nepalese had nothing to trade in, except the Indian goods, many of them repatriated." (Kathmandu, March 1963)

Apart from the position of the traders, Tibet sent its tributary mission to Nepal in January 1952 as had been the practice since the signing of the 1853 Treaty. (12) This was in gross disregard of China's warning to Tibet against sending such missions. (13) Two months later, in reply to an earlier Nepalese communication informing about the appointment of L.P. Koirala as the Prime Minister, Dalai Lama sent his greetings and expressed the hope that the relations between the two countries would continue as usual. (14) In Nepal, King Tribhuvan and Prime Minister Koirala repeatedly affirmed that Nepal's relations with

12. Asahi, 2 Magh 2003 (January 1952), vol. 1, No. 315.

13. The spokesman of the Chinese Foreign Ministry said in a statement on 20 January 1950:

Tibet is the territory of the People's Republic of China. This is a fact which is known to everybody in the world and which has never been denied by anybody. Since this is the case, the Lhasa authorities of course, have no right to arbitrarily send out any missions and still more to prove Tibet's 'independence'.

... if the Lhasa authorities ... send out illegal 'missions' to engage in splitting and traitorous activities, the Central People's Government of China will not tolerate such traitorous activities of the Lhasa authorities. Any country receiving such illegal missions will be regarded as harbouring hostile intentions towards the People's Republic of China.

China Monthly Review, October 1950, vol. 110, no. 2 (Supplement: China's Foreign Relations), p. 11.

14. Asahi, 14 Falgun 2003 (February-March 1952), vol. 2, no. 6, p. 1.

Tibet had not been affected by the Chinese action. (15) It is inconceivable that Peking authorities were unaware of all these happenings. Yet they kept silent and did not give any indication of their desire to normalize diplomatic relations with Nepal until late 1954.

Besides India and Tibet, Nepal had diplomatic relations with the UI and the USA during King Tribhuvan's period. Following her withdrawal from the Indian subcontinent, the UI had virtually handed over her concern and status in Nepal to the United States. If any, there was very little desire, and still less means on the part of these two western powers to meddle into "special relations" between India and Nepal. Their tacit, though reluctant, reconciliation with the position taken by the Government of India in the anti-Rana 'revolution', particularly on the question of King Tribhuvan's dethronement, may be recalled as an example.

(Chapter I)

The USA's principal interest in Nepal was to keep off the Communist influence. As such she had no basic conflict with India's objectives towards the kingdom. (16) However, she wanted to have a foothold in Nepal and for that, initiated the programme

15. For example see, King Tribhuvan's speech to the Advisory Assembly in July 1952. Gorkhapatra, 24 Ashad 2000 (7 July 1952), Yr. 63, No. 33. L.P. Koirala's speeches and statements: Pancha Pahar Bhasani Samgrah (Our Foreign Relations), Publicity Department, Government of Nepal, Kathmandu, n.d., pp. 22, 50.

16. Chester Bowles, Ambassador's Report, London, 1954, pp. 235-230.

of economic aid which will be discussed later. India looked at the entry of US aid into Nepal with suspicion and was somewhat unhappy with it during this early period. (17) Further, the US moves for joint defence and military alliances in the region were also resented strongly by India as well as Nepal - the latter following the former's line (Chapter II). Notwithstanding this unhappiness and resentment, there was no serious attempt by the USA and also by the UK to disturb the pattern of "special relations" between India and Nepal.

Thus the Chinese silence, the tacit approval of the UK and the USA and the domestic factors of Nepal led her to have "very special and intimate" relationship with India.

MANIFESTATIONS OF "SPECIAL RELATIONS"

India, being the dominant partner in the "special" relationship, exercised immense and decisive influence over the affairs of Nepal. This influence was the characteristic feature of the pattern of "special relations" and was pronounced in the fields of Nepal's domestic politics, administrative stability, economic progress and external relations.

Nepal's Domestic Politics and India

The Indian Government and leaders were often called on to mediate in the political discussions and advise in the formation of Cabinets in Nepal. Discussions in the Rana-Nepali Congress

17. Interview with the ^{former} Prime Minister of Nepal, L.P. Koirala (Biratnagar, July 1963).

Coalition installed under the 'Delhi Settlement' of February 1950, were inbuilt in the coalition itself. There was nothing in common among King Tribhuvan, the Ranas and the Nepali Congress. They were not only ideologically antagonistic but also each other's rivals for power. (18) The coalition had not worked even for two months when in early May 1951, the Nepali Congress members of the Cabinet conveyed to the King their inability to work with the Ranas and asked for a homogeneous cabinet. (19) Prime Minister Mohun Shumshere Jung Bahadur Rana also complained that the "things have not developed the way as I expected them". He was, however, not in favour of referring the matter to the King, obviously fearing an unfavourable decision. He wanted the matter to be settled by the mediation of the Government of India since "it was in Delhi that the present (then) basis of interim Government of Nepal was agreed". (20)

Accordingly, the leaders of the Rana and the Nepali Congress representatives in the Cabinet visited New Delhi and held talks with the Indian leaders from 8 to 15 May 1951. (21)

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18. In the very first meeting of the Coalition Cabinet, the clash between the Ranas and the Nepali Congress seemed imminent when the two sides disagreed over the order of precedence among their respective representatives. in the Cabinet. The Hindu, 20 February 1951.
19. The Hindu, 8 May 1951.
20. The Hindu, 9 May 1951.
21. Those who participated in the talks included: Mohun Shumshere, Bijoy Shumshere, B.P. Koirala, Nrip Jung Bahadur Rana, Subarna Shumshere and M.P. Koirala from Nepal; Jawaharlal Nehru, C. Rajagopalachari, Jai Prakash Narayan and G.S. Bajpai from India. The Indian Ambassador to Nepal, Sir C.P.N. Singh and the Nepalese Ambassador in India, Singh Shumshere Bahadur Rana, were also present during the talks.

As a result, the crisis was averted. The press note issued after the talks stated: "There was complete agreement that the Nepal cabinet should work in a cooperative and progressive spirit for the political development and economic prosperity of Nepal". (22) When asked about his reaction, B.P. Koirala said "We have received some political education" in Delhi and added that the differences in the two groups were more psychological. (23) In accordance with the Indian advice, the Cabinet was reshuffled on 9 June 1951, a week before Nehru visited Kathmandu, and Babur Shumshoro Panta, Defence Minister and No. 2 in the Cabinet, was dropped. (24) However, the uneasy lull brought about in the Nepalese cabinet proved short-lived and ultimately the cabinet collapsed in November 1951.

Even after the fall of the Rana-Nepali Congress coalition, practice of consultation with the Indian Government and leaders regarding the cabinet matters of Nepal continued. This is borne out by following evidences. The appointment of B.P. Koirala as the new Prime Minister in November 1951 was said to have been manipulated by the Indian Ambassador in Kathmandu, C.P.H. Singh, against the wishes of the Nepali Congress which favoured B.P.

22. Text of the Press Note. The Hindu, 17 May 1951.

23. The Hindu, 17 May 1951.

24. The Hindu, 11 June 1951. Also see: Grishma Bahadur Devkota, Nepal ko Baidik Darpan (Political Mirror of Nepal), Kathmandu, 1960, pp. 63-64.

Koirala. (25) The crisis in the Nepali Congress Cabinet in March-April 1952, resulting from the rift between B.P. Koirala and M.P. Koirala was resolved by the mediation of the Indian Sarvodaya leader Jaya Prakash Narayan in Calcutta. (26) Establishment of the Advisory regime under King Tribhuvan himself, after the fall of Nepali Congress Cabinet in August 1952 was supported publicly by the Indian adviser to the King, Govind Narain. (Chapter III, n. 10). With the opposition becoming stronger against the Advisory Regime, King Tribhuvan made a sudden and secret visit to Delhi in December 1952, believably to discuss with the Government of India, the issue of replacing his direct rule (Advisory Regime) with a government of political parties. (27) When the advisory regime was terminated in June 1953 and M.P. Koirala was appointed Prime Minister for the second time, the official circles in Delhi were reported to have welcomed it as it was in "conformity with Nehru's advice to King Tribhuvan". (28)

25. Bhuwan Lal Joshi and Leo E. Rose, Democratic Innovations in Nepal, Berkeley, Los Angeles, 1966, pp. 96-100; Anirudha Gupta, Politics in Nepal, Bombay, 1964, pp. 67, 171-74.

26. Devkota, n. 24, pp. 169-71.

27. The King was accompanied by his Counsellor for Home Affairs, Mahabir Shumshere J.B.R. Palace and official sources in Kathmandu kept the visit secret. The Hindu, 6 December 1952.

Denying that the King had political consultation with the Indian leaders, a press note issued by the Nepalese Embassy in New Delhi said that the King visited India to consult throat specialists as he was not keeping well. The Hindu, 8 December 1952.

28. The Hindu, 6 June 1953.

Finally, in order to make the cabinet broad-based, Prime Minister M.P. Koirala visited India in October 1953, had talks with Nehru in Calcutta who was leaving for China and then rushed to Bombay to apprise King Tribhuvan - bound for Switzerland for medical treatment - with these talks. (29) Soon after his return from Switzerland King Tribhuvan reshuffled the Cabinet in January 1954 and included D.R. Regmi of the Nepali National Congress and T.P. Acharya of Praja Parishad in it.

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India's role in Nepal's Administration
Reorganization and Economic Development

The Nepalese administration faced a serious problem of law and order soon after the Delhi Settlement. Some of the Nepali Congress 'revolutionaries' in the western Nepal refused to honour the Delhi Settlement which they described as the 'betrayal of the revolution'. They indulged in terrorist activities - dacoity and murder - paralyzing economic life in the Terai and creating panic among its inhabitants. Their activities also affected the areas of Indian province Uttar Pradesh bordering with Nepal, since the border was open and unguarded. On the request of the Nepalese

29. Gorkhapatra, 26 Ashvin 2010 (12 October 1953), Yr. 53, No. 77; Devkota, n. 24, p. 223.

Move to broaden the cabinet was afoot for some time and the Prime Minister has had consultations with various political leaders including B.P. Koirala, D.R. Regmi and Tanka Prasad Acharya. The objective could not be achieved because a common minimum programme was not forthcoming from the political parties. "Text of King Tribhuvan's Message before leaving for Switzerland", Gorkhapatra, 5 Ashvin 2010 (21 September 1953), Yr. 53, No. 68.

Government, the Indian troops of UP Armed Constabulary undertook joint operations with Nepal State troops to counteract lawlessness in the Nepalese Terai. (30) A part of these troops remained in Nepal to stabilize peace in the area. (31) Similar operations were undertaken again in 1953. (32) Then to find a permanent solution of the border crossing by the criminals on either side, Nepal and India signed a treaty of Extradition in October 1953. (33) Nepalese police officers also received training in India. (34)

Law and order was only a part of the problem of the administration. In fact the administrative structure of the Rana, inherited by the new Government was anachronistic to the political aspirations and economic expectations of the post-Rana Nepal. It, therefore, needed complete reorganisation for which the Government of India was approached. In response to that, a few Indian experts and advisors were immediately rushed to Kathmandu. (35) Towards a systematic and all-out attempt at the reorganisation of the Nepalese administration, an Indian study

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30. The Hindu, 23 February 1951.
31. India, Parliamentary Debates, vol. VII, part I, no. 35, 14 May 1951, cols. 4230-33.
32. Constitution, 9 Shrawan 2119 (24 July 1953); The Hindu, 20 July 1953; The Statesman, 20 July 1953.
33. For the text of the Treaty see: Foreign Policy of India, no. 4, pp. 93-95.
34. Hans Raj Prasad Samant, no. 16, p. 35.
35. The Hindu, 22 February 1951.

team visited Nepal in January 1952. (36) On the recommendations of this team, the Government of India appointed a three member commission under N.M. Buch, an ICS officer. The commission was to submit a report in consultation with the Nepalese leaders and officers, on the administrative reorganisation, with special reference to the requirements in number and nature of the Indian personnel to help bring about that reorganisation. (37) The Buch Commission started its work in May 1952 and submitted a report by the end of the year. (38) This report formed the basis for the administrative reorganisation in Nepal and the loan of the Indian experts and advisers to the kingdom. (39) The Government of India had also started giving economic assistance to Nepal in 1951, the details of which will be discussed later.

36. The study team included Deputy Secretary in the Ministry of External Affairs and Commander Umrao Singh. Gorkhanatra, 16 Magh 2008 (30 January 1952), part 52, no. 115.

37. Preface to the Report of the Nepal Administrative Reorganisation Committee, Ministry of External Affairs, Government of India.

The appointment of the commission had been officially finalized during the visit of the Nepalese Ministerial delegation to New Delhi in April 1952.

India, Parliamentary Debates, House of the People (16th to 28th May 1952). Press Note, Ministry of External Affairs, Appendix I, No. 27, p. 58.

38. Preface to the Report, *ibid.*

39. The author does not claim to know the details of the report. He was shown a copy of the Report by one of the former Prime Ministers of Nepal in an interview. The report being confidential and a classified document, he was not allowed to go through it beyond the preface. He was told that the report covered the police department, besides other branches of civil administration. The military reorganisation was, however, studied and implemented separately.

Co-ordination in Foreign Policies
between India and Nepal:

Most important aspect of "special relations" was India's guidance and leadership in Nepal's external relations. There was a move between the two countries towards getting their foreign policies coordinated formally.

In May 1954, when Nepal's Prime Minister was away from the country, Foreign Minister D.R. Regmi accompanied the King to India and discussed with the Indian leaders, besides other things, the matter of formally co-ordinating the foreign policies of the two countries. (40) The possible motive attributed to the Foreign Minister's behaviour was to improve his position in the cabinet. The Prime Minister was losing the goodwill of the Government of India. (41) The latter being in a position to exercise considerable influence in Nepal's domestic developments, the Foreign Minister wanted to exploit the situation in his

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40. D.R. Regmi confided to the author that he did not initiate it and the said proposal actually came from the Indian side. M.P. Koirala and Tanka Prasad Acharya held the contrary view. (Kathmandu, April, May, June 1968).
41. M.P. Koirala told the author in an interview that the Indian Ambassador was not very happy with him during his second cabinet and dubbed him as pro-American simply because certain aid agreements between Nepal and America had been signed under him. In support of his contention he produced a letter of the Indian Ambassador, addressed to him, wherein the arrival of two American scholars and a doctor had been objected. (Biratnagar, July 1968) (n. 17 may also be recalled here).

favours. (42) The theme of the discussions in Delhi was incorporated into an "Aid to Nepal" and presented by the Government of India to their Nepalese counterpart. The Aid to Nepal stated that:

1. The Government of Nepal would consult the Government of India with regard to foreign policy and matters connected with foreign powers while India too would consult Nepal in all matters related to the latter.
2. In particular, Nepal would consult India in all matters affecting Sino-Nepalese relations.
3. The Indian missions would, if and where Nepal so desired, represent the interests of Nepal and all Indian foreign missions would be instructed to give all possible help and assistance to Nepal's nationals.
4. The two governments would, from time to time, exchange information relating to foreign affairs and relations with foreign powers in so far as they affected each other. (43)

The matter was brought before the Nepalese Cabinet where some amendments were suggested in the draft to make the obligations of the two parties equal and just towards each other. It was

42. Interview with H.P. Koirala and Tanha Prasad Acharya. The latter was the Home Minister and close associate of D.R. Regmi.

D.R. Regmi also endorsed the view, albeit, indirectly. He said: "The Prime Minister had become suspicious of me for quite some time fearing that he will be thrown out and I may be appointed Prime Minister instead. Because of this, when I went to Delhi, Bhadra Kali Mishra accompanied me on behalf of the Prime Minister to keep an eye on my activities there". (Kathmandu, April, May, June 1963)

43. Jhynai, 8 July 1963. Also see Nepal Press Digest, Regmi Research Project, Kathmandu, 16-31 July 1963, No. XXXI.

suggested that India should take Nepal into confidence: a) with regard to her foreign policy and matters connected with foreign powers in all and not only with those related to Nepal; and b) in all matters affecting Sino-Indian relations. (44) This was considered 'too much of a demand' from a small country like Nepal on a big and powerful neighbour like India, by the Government of India. (45) Hence when suggestions of amendment in the draft were conveyed by Nepal to India, there was no response till the end of 1954, after which King Tribhuvan died and the domestic milieu of Nepal changed unfavourably to India. There is no evidence to show that the matter was pursued after that.

The matter of foreign policy co-ordination between India and Nepal was under consideration even when the Ranas were in power. At that time, however, India was not very enthusiastic about it for two reasons: First, it was feared that if India showed any enthusiasm in the matter, the British influence on the

44. Author's interview with the then Prime Minister M.P. Koirala, Foreign Minister D.R. Regmi and Home Minister T.P. Acharya. (Kathmandu, April, May, June 1963).

45. Ibid. This could not be ascertained that besides nationalistic considerations, what other factors prompted the Nepalese cabinet to suggest the amendments.

However, a former Ambassador and Foreign Minister of Nepal told the author in an interview that he had gone through some paper connected with the AICO Nepal. On the basis of his personal knowledge, he said that the corrections on the Indian draft indicating the said amendments, had been made in the hands of Prime Minister M.P. Koirala and the then British Ambassador to Nepal. According to him, the fact that the British Ambassador had something to do with the draft and that M.P. Koirala had taken the Ambassador into confidence, annoyed the Government of India. They, therefore, wanted to revive the matter after the exit of M.P. Koirala from office. (Kathmandu, May 1963)

Ranas would work against it. Secondly, the Ranas might demand an assurance from the Government of India that in return of coordinating their foreign policy with that of India, the latter would help them to remain in power in Nepal. Such a commitment could not have possibly been made by the Government of India in view of their sympathies for King Tribhuvan and the "revolutionaries" as well as their interests in having a democratic Nepal. (46) Hence, it was not given a formal shape as such at that time. Nevertheless, the Treaty of Peace and Friendship between Nepal and India signed in July 1950 contained certain provisions for mutual consultations regarding the vital aspects of their foreign relations. (n. 4, Article II). The view that the foreign policy coordination was one of the objectives behind the treaty was confirmed by Nehru. Replying to a question in Parliament on 18 May 1954, he said:

Rather for some time past - I forget now when - we had our last Treaty with Nepal, about four or five years ago and that was before the change took place in Nepal, even then we had that treaty - we had a treaty and it was stated that in that treaty, I think in letters attached to that treaty, that the foreign policy of Nepal would be co-ordinated with that of India. (47)

46. These points are based on an interview with a highly placed Indian diplomat. He read out few sentences to the author from an old file to prove that the matter of foreign policy coordination was under consideration during the Ranas, who would have easily agreed to a formal agreement on it. (Kathmandu, April 1963)

47. India, Parliamentary Debates, Council of States, vol. VI, no. 40, 18 May 1954, cols. 6702-63.

There is, however, no clear mention of the coordination affair in the Treaty. The author has not come across any other document in this context.

The question arises here that if the Government of India was not enthusiastic in the matter during the Rana period and when the Treaty of Peace and Friendship already had some provision of that nature, why the matter was revived in 1954? In answer to this question, few points may be mentioned. In the first place, the successors of the Ranas were very friendly to the Government of India. Secondly, the provisions in the Treaty of Peace and Friendship were of specific nature, namely, for consultations when either of the two parties had "any serious friction or misunderstanding with any neighbouring state" likely to rupture its relations with the other. As compared to this provision, the Ajko Nagma was more broad-based and covered almost every aspect of foreign policy and relations. Thirdly, it seems that the coordination move was aimed at reiterating and formally stabilizing the pattern of relationship between the two countries for the future. Particularly because, anti-Indian sentiment was getting stronger in Nepal, foreign powers were becoming^{ing} active there and the Opposition was demanding extension of Nepal's diplomatic contacts. This was evident in the context and content of Nehru's statement in the Parliament on 12 May 1954. Lastly, it is very likely that in reviving the foreign policy coordination move, India was prompted by her agreement with China regarding the status of Tibet. India was willing to have her relationship with Nepal, if not exactly identical, at least somewhat similar to that of China's with Tibet. It is important to note in this connection that there were indications of Nehru having secured an understanding from the Chinese leaders

that Nepal was in India's sphere of influence. (48) A further indication in this regard was the time chosen for the high level discussion on the matter between India and Nepal. (49)

Though the Aide Memoire did not take the formal shape of an agreement as desired, the principles contained in it had been observed in practice between India and Nepal all through the Tribhuwan period. 'Frankly admitting' it, Nehru said:

Now since these changes have taken place in Nepal, we have been brought in fairly close touch with developments there. We have often discussed these things and it has been very clearly agreed to between us, and only the other day - about less than a few weeks ago when His Majesty the King of Nepal and some Ministers of the Nepal Government were here - it was again reiterated that the foreign policy of the Nepalese Government should be coordinated with the foreign policy of India. That is so: there is general agreement and even consultations with each other. (50)

So did the then Foreign Minister of Nepal D.R. Regmi when in a Press Conference in New Delhi ⁱn May 1954 he stated:

Nepal's foreign policy is very similar with India's. We being very close to each other, have to face similar problems, difficulties and dangers and thus we will have to adopt a similar policy on many issues. To discuss foreign policy matters and relations with friendly nations, the Foreign Ministers of India and Nepal will continue to have mutual consultations. (51)

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48. Nehru's press conference in New Delhi on his return from China. The Tribune, 14 November 1954. For similar views see also The Statesman, 16 April 1954.
49. These discussions were held in early May 1954 soon after Nehru's return from Colombo after attending South East Asian Prime Ministers' Conference and after signing of the Panchasheela agreement on Tibet.
50. India, Parliamentary Debates, n. 47. (italics added)
51. Nanro Par Rastra Samrak, n. 15, p. 54. (italics added)

Nepal had very few diplomatic contacts with the countries other than India. Besides her embassy in New Delhi, she had only one mission stationed in London. Foreign missions stationed in Kathmandu were also only two: The Indian and the British. Therefore, if and when needed, Nepal conducted her diplomatic relations either through the foreign missions stationed in New Delhi or the Indian missions stationed abroad.

Nepal also depended upon India for her membership of, and participation in, the international organisations. She hailed India's leadership in the Asian affairs and praised her contribution to the cause of world peace, and her efforts towards securing a better recognition for the Asian voice in the international forum. (62) Nepal took India's side on the issues like Goa where the latter was directly involved. (63)

As regards the regularization of diplomatic relations with China, Nepal was guided by the Indian attitude towards it. The latter did not seem to have favoured the idea until May 1954. When asked in June 1951 to comment on a resolution of the Nepali Congress Working Committee demanding establishment of diplomatic

62. Advisory Assembly resolution on the peace in Indo-China. Kathmandu, 22 Shrawan 2011 (16 August 1954). Also see The Hindustan Times, 12 August 1954; The Hindu, 23 February 1954.

63. The Advisory Assembly of Nepal unanimously passed a resolution supporting the cause of Goa freedom fighters and upholding India's claim on Goa in August 1954. The Statesman, 11 August 1954. This had been stated even earlier in the Assembly by the Nepalese Foreign Minister. Kathmandu, 4 Ashad 2011 (13 June 1954), Vr. 55, no. 29.

relations with China, Nehru gave a cold response. (54) The correspondence between the Nepalese Ambassador in India and the Prime Minister at Kathmandu regarding the normalization of Sino-Nepalese relations may also be recalled in this context. (Chapter III, n. 42). It is in this light that Nepal's reluctance to formally recognize the Communist Government of China and to have diplomatic relations with it, even when other countries of the region - India, Pakistan, Burma and Ceylon - had done so, as also to readjust her relations with Tibet in the new context, can be understood.

CLIMATE FOR THE CHANGE

India's influence in the internal as well as external affairs of Nepal was due to a particular set of factors. A change in them, therefore, was to change the nature of "special" relationship between the two countries. The change in domestic milieu resulted from the death of King Tribhuvan in March 1955, whereas the external milieu for Nepal had begun changing even a few months earlier. As the process of change in the domestic and the external milieu advanced, the pattern of "special relations" with India also changed. Instead, Nepal evolved the policy of balance of power in relation to the neighbouring region which will be discussed in the next chapter.

54. The Hindu, 12 June 1951. For the resolution of the Nepali Congress, see: Nepal Pukar, 22 Jaistha 2008 (May-June 1951), Yr. 4, No. 4.

External Milieu

In the international context, the most important event for Nepal was the agreement between China and India in April 1954, regarding the status of Tibet. Following was the sequence of events concerning Nepal, India and China after the signing of the agreement.

Nehru returned to Delhi on 2 May 1954 after attending the Colombo Conference. The King of Nepal and some Ministers visited New Delhi at that time. (55) During this visit, Nepal's willingness to regularise her relations with China was officially hinted for the first time. (56) Willingness was expressed more explicitly in June when Chou En-lai visited India. It continued to be reiterated thereafter. (57) China was reported to have welcomed and reciprocated Nepal's willingness to establish formal diplomatic relations. (58) Two months later, the Chinese Premier, Chou En-lai, stated in the first People's Congress of China that his Government was prepared to establish normal relations with Nepal. (59) In October, when Nehru was leaving for China, Nepal's

55. The Hindu, 4 May 1954.

56. Foreign Minister D.R. Regmi commenting the Sino-Indian agreement said: "We will face the same question. We have Treaty relations with Tibet. We stand for friendship with China." The Statesman, 6 May 1954. Hanro Par Rastra Samparak, n. 15, p. 54.

57. Hanro Par Rastra Sampark, n. 15, p. 55; The Statesman, 30 June 1954.

58. This was conveyed to the Nepalese Ambassador by the Chinese envoy in New Delhi. The Times of India, 1 July 1954.

59. Gorkhapatra, 13 Ashvin 2011 (29 September 1954); Survey of China Mainland Press (American Consulate-General, Hongkong) "Summary of Premier Chou En-lai's report on Government's work in last five years" No.895, 24 September 1954, p. 6.

Prime Minister M.P. Koirala conferred with him at Calcutta and conveyed his good wishes to the Chinese leaders. (60)

M.P. Koirala met Nehru again at Darjeeling when the latter had returned from China. (61) A month later, he disclosed in the Advisory Assembly of Nepal that the question of regularizing relations with China was under consideration of the Government and the decision on the subject was to be announced soon. (62)

Again, within a month of this disclosure, Foreign Minister Regmi said in the same Assembly that an agreement with China on the basis of Five Principles of Peaceful Co-existence, agreed upon between India and China was afoot and was to be finalized after negotiations with the Chinese Government. (63) However, due to the inter-cabinet discussions, leading to the resignation, first of three ministers and then of the whole cabinet, and the illness of King Tribhuvan leading to his death in March 1955, nothing could be done.

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60. Evading specific questions about his talks with Nehru and Sino-Nepal relations, M.P. Koirala said: "Anything might have come up during our meeting". When asked if Nehru would take anything from him to China, he replied: "No proposals, but certainly our good wishes". He, however, added that Nepal was over eager to regularise her relations with China, provided there was a 'suitable opportunity' for negotiations. The Hindustan Times, 15 October 1954. On reaching back to Kathmandu, the Prime Minister told that Nepal will have relations with all countries of South East Asia whose foreign policies were not in clash with that of Nepal. Gorkhapatra, 2 Kartik 2011 (15 October 1954).
61. The Hindu, 6 November 1954.
62. The Hindu, 26 November 1954.
63. The Statesman, 13 December 1954.

The important point which emerges from the above sequence of events is that the Panchsheela agreement between India and China opened the way for Nepal to normalize her relations with the latter. Towards this accord, the Government of India, in particular Prime Minister Nehru, played a key role.

Nepal^{herself} was no less interested in regularising these relations. The Nepali Congress resolution of May/June 1951 may be recalled in this context. (^{below} n. 54). Nepal had cultural and historical ties with China and a 500 mile long common borders with Tibet. Disturbances in Tibet had caused a fear of infiltration from the north. More so, because the transitional and unsettled state of politics together with poverty, ignorance and ideological vacuum in Nepal made her vulnerable to such a threat. (64) Nepal was also skeptical about China's motives in view of Mao's claims, as early as 1939, that Nepal, Bhutan, Sikkim, Hong Kong and Burma were the Chinese territories, taken by force by the British. (65) Above all, the Treaties of 1792 and 1856 concerning Nepal, Tibet and China, though in abeyance from China's point of view, had not been abrogated officially. These Treaties, it may be recalled, had provision which could be easily twisted to offer justification for China's imperialistic motives, if there were any.

64. ANAZ, 15 Jaishtha 2008 (May-June 1951); Charvak (pseud), "Nepal ma Samyavad Ek Dhristi Kon" (Communism in Nepal: a viewpoint) Rastrahit, Yr. 1, no. 5, 1 Kartik 2009 (October-November 1952).

65. D.P. Kumar, "Setback in Nepal - II", Foreign Affairs Report, vol. X, no. 6, June 1961, p. 62.

Besides all these reasons, there was a historical logic for Nepal to have normal friendly relations with China. Before 1949, when China's position in Tibet was strong and her control there was effective, Nepal felt China close at the door and had remained friendly to her. After that, the Chinese grip over Tibet weakened, resulting into the break of relations with Nepal. (Chapter I). Now again, China was asserting her position in Tibet, thereby coming closer to Nepal and, thus, it was necessary for the latter to be in friendship with her powerful neighbour in the north.

Domestic Milieu

The process of regularising normal diplomatic relations with China received further impetus in Nepal from the changes in the domestic milieu. In King Tribhuvan, the Government of India had a dependable friend and ally in Nepal, which his successor son, King Mahendra, could not do, as has been discussed in the previous chapter. The latter found the Indian influence in Nepal as a hindrance in the satisfaction of his strong urge for exercise of authority and political participation. Besides his personal variability and supreme position in power structure of the kingdom, what facilitated King Mahendra's task of weakening the hindrance was the presence of anti-Indian sentiment in Nepal.

Sentiment against India was expressed in the form of the charges that she was interfering in the domestic affairs of Nepal. Its targets, therefore, were: the Government of India and the Indian Embassy in Kathmandu, the Indian teams present in Nepal to reorganise military and civil administrations and to help in other

developmental activities, the frequent visits of the Nepalese King and Ministers to New Delhi as also the agreements, like on the Koshi project, which involved sharing of the benefits both by India and Nepal. (66)

The anti-Indian feeling was given vent to in various public statements by the political leaders, party-resolutions, comments in the press and demonstrations and processions. Noteworthy of them were two black flag demonstrations. First was staged against Nehru when he visited Kathmandu in June 1951. Second was staged three years later in Kathmandu against a visiting Parliamentary delegation from India. (67)

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66. These points had been framed after scanning available published material on the subject and various interviews, the author had in Nepal. Our discussion on this subject is largely based upon this material unless otherwise specified. For a few important references see:

Nepali Pukar (Nepali Congress Official Organ), Surya Prasad Upadhyay, "Nepal re Bharat" (Nepal and India), 12 Kartik 2009 (October-November 1952), Yr. 5, no. 9, p. 7; (Editorial)
"Hath Zhik" (Hands Off), 19 Jaistha 2010 (June 1953), Yr. 6, No. 12 and 13, p. 2.

Rastravani (Gorkha Parishad's Official Organ, Translation) Editorial, "Intimacy or Suspicion", Issue No. 6, 9 June 1953; Editorial, "Sovereign Independence", Issue No. 19, 15 August 1953.

Rastriya Congress Bulletin (Nepali National Congress' Official Organ); "Open letter to Nehru", 2 Ashad 2008 (June 1951), No. 17; Editorial, 10 Jaistha 2009 (May-June 1952), No. 58.

Devkota, n. 24, pp. 143-50. (Collection of various statements on the subject); Rastrahit, Chanakya: (pseud), "Current Thoughts", 16 Shravan 2009 (July-August 1952), Yr. 1, No. 1.

67. The first demonstration was believed to have had the sympathies and support from the Praja Parishad and the Communist Party of Nepal. The Hindu, 17 and 18 June 1951; Devkota, n. 24, p. 96.

(contd. on next page)

There were a number of factors behind the origin and growth of the anti-Indian sentiment in Nepal. In the first place, it was the outcome of Nepal's size-psychology - or the small power complex - vis-a-vis India, which Randhir Suba of the Gorkha Parishad described as the 'dark suspicion' of the former towards the latter. (68) Primarily, India's Nepal policy with its built-in ambivalence, was responsible for aggravating this suspicion. The policy, as evident in the statements of the Indian leaders, particularly Nehru, was based on two contradictory premises, namely:

- a) Nepal was a fully independent and sovereign country and India should scrupulously observe non-interference in her affairs.
- b) Nepal being strategically important to India, the latter had a legitimate claim of 'keen and personal' interest in the domestic as well as external affairs of the former.

It appears that the policy-makers in New Delhi failed to strike a proper balance between their ideological moorings and concept of international morality on the one hand, and vital national

67. (contd. from back page)

Also see: Leo E. Rose, "Communism under High Atmosphere Conditions: The Party in Nepal", The Communist Revolution in Asia, Robert A. Scalpino (Ed.), Prentice-Hall International, New Jersey, 1965, p. 345.

The Gorkha Parishad and the Nepali Congress were the suspects behind the Second demonstration. Both justified the demonstration and none disowned it. Times of India, 2 June 1950; The Hindu, 2 June 1954; Rastravani, 2 June 1954; Nepal Pukar, 24 Jaistha 2011 (June 1954), Yr. 7, No. 8. Also see Devkota, n. 24, p. 246. Government Notification, 17 Jaistha 2011.

68. Rastravani, 2 June 1954. Also Nepal Pukar, 12 Kartik 2009 (October-November 1952), Yr. 5, No. 9, p. 7.

interests of India on the other. Further, in the implementation of the policy, the second aspect being operative, got precedence over the first and added to Nepal's psychological imponderables.

Prompted by the second aspect, the Government of India made their advice, good offices and help frequently available in Nepal to bring about changes in the governments and preserve domestic peace, as has been discussed above. One might wonder as to why in the process, the former did not help the latter to erect viable constitutional and political structures based upon the professed bias of the two in favour of democratic ideals and institutions. The Government of India's objective to allow no other country to interfere in Nepal or be more friendly to her as compared to India, in fact led them to resist Nepal from taking initiative in extending her diplomatic contacts. This resulted into an apparent gap between the profession and practice in the policy and made the Government of India a suspect in Nepal. What further strengthened it was the extremist opinion of certain sections in India demanding that Nepal, along with Bhutan and Sikkim, should be integrated with their country. (69)

69. A statement of this nature was made by the Deputy Speaker of India's Lok Sabha, A.S. Aiyangar, in Bombay in April 1954. Free Press Journal, 5 April 1954. This raised a public controversy in Nepal. Rendering an explanation, the Indian Embassy in Kathmandu said that the Deputy Speaker in a clarification issued later said that by "integration" he meant the integration of the foreign and defence policies only. It said that the Government of India considered it as a personal opinion which had nothing to do with their policies. The Embassy explanation reiterated that the Government of India respected Nepal's independence and sovereignty and would continue to do so. Post-Gazette, 10 May 1954. For another example of such opinion see: The Observer (New Delhi), 13 October 1954.

The basic contradiction in India's Nepal policy would have been saved, or at least delayed, from being exposed if the policy had been backed by a discreet and courteous diplomacy. The Indian Ambassador, C.P.N. Singh, who was instrumental in securing the Government of India's help for the King and the 'revolutionaries' against the Ranas, was alleged for having participated in the Cabinet meetings and Governor's (Bada Hakim) conferences, taken undue interest in domestic affairs of Nepal and kept troops in the Embassy to force his directives, if need be, on the Nepalese Government and people. (70) While explaining his position, the Ambassador, though refuted the motives attributed to his behaviour, defended some of his activities on 'the basis of democratic practice', privileges of an Ambassador in a foreign land and the Treaties and Agreements entered into, between India and Nepal. (71) This open style of diplomacy only spurred his opposition and ultimately the Government of India had to withdraw him. (72) It is very likely that his personal biases towards

70. These charges were systematically listed by B.P. Koirala in December 1951. Also see Ranjayini, 7 Dhaka 2011 (August-September 1954), Dohkoti, n. 24, pp. 133-34.

71. The Hindustan Times, 21 December 1951; Gorkhapatra, 4 Rauch 2003 (19 December 1951), part 52, no. 93; 14 Magh 2003 (January 1952), Dohkoti, n. 24, pp. 131-3, 135-6.

72. In an interview to the author, a former Prime Minister of Nepal said that due to pressure from the Opposition and undue interest of the Ambassador in day-to-day affairs of the state, he had to write to Nehru that the Ambassador be recalled. The said letter was read out to the author in support of the vicu (Biratnagar, July 1963).

of her international personality. This dilemma was evident in the fact that though everyone in Nepal realized that his country needed India's help, some or the other point was made to criticise the help that was forthcoming. Attitude of various political parties towards the Indian Military Mission in Nepal can be taken as an example to substantiate the point.

The Nepali Congress which itself was responsible for calling the Military Mission during its partnership in the ruling coalition, (75) later demanded its withdrawal. The withdrawal was demanded to "stabilise close relations between the two countries and defeat evil attempts of the opportunist elements aimed at damaging these relations." (76) The Gorkha Parishad agreed that the Mission did a useful work but "because of the intolerable and discourteous words towards Nepal and the Nepali people" it had become unpopular and should be withdrawn. (77) The Nepali National Congress Bulletin described the Mission as foreign army which had been brought to Nepal to deal with the domestic situation in the country under a 'secret pact' with the Government of India. (78) Later, its working committee, on the

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75. Gazette Notification of 27 Falgun 2008 (February-March 1952), Part 9, Government Notification. (It said that the decision had been taken some time back). Gorkhapatra, 16 Vaishakh 2009 (April-May 1952), Yr. 53, No. 7.
76. Nepal Pukar, 13 Chaitra 2009 (March-April 1953), Yr. 53, No. 25. Also Nepal Pukar, Editorial "Nepal's northern line of defence", 12 Jaishta 2011 (May-June 1954).
77. Rastraveni, 2 June 1953, Issue, 5.
78. Rastriya Congress Bulletin, No. 51, Vaishakh 2009. (It was officially contradicted by the Government of Nepal) Gorkhapatra, 21 Chaitra 2008 (March-April 1952).

one hand, thought that it was "not only desirable but even natural" for Nepal to expect help from India which the latter must provide, and on the other, warned India that her help should be "selfless" and should not lead to her "political influence". (79) Another leader, R.K. Shah, said that he had no objection to the continuation of the Mission, provided the Nepalese people were convincingly told of the progress made by it. (80) The nature of the criticism against other things was also the same. (81)

All these factors of India's Nepal policy and Nepal's inhibitions and apprehensions towards it were exploited by the Nepalese politicians in giving vent to their frustrations. The fall of the Ranas had created a power vacuum in Nepal which had been filled-in only inadequately by the restoration of the Monarchy. The political parties were in disarray and none of them, for the lack of ideological coherence and organisational and political experiences was capable to be a substitute for the inadequacy. However, the political parties - most of them were the groups of a handful of persons - tried to manipulate power through seeking favour from the King and/or the Government of

79. Rastriya Congress Bulletin, No. 58, Jaistha 2009 (May-June 1953).

80. Amrit Bazar Patrika, 1 May 1953.

81. For example see: Nepal Pukar, 28 Vaishakh 2011 (April-May 1954), Yr. 7, No. 5; and Rastravani, 20 May 1954, on Koshi Project.

India. (82) Whosoever failed in the manipulation became anti-Indian and anti-King. (83) And whenever a party or a leader secured power, his attitude abruptly turned in favour of the Government of India. This is evident from the following examples:

a) The Ranas who themselves insisted upon the mediation of the Government of India when their coalition with the Nepali Congress was in danger in April 1951, later vehemently criticized the practice of holding consultations about the cabinet in New Delhi. (84)

b) The Nepali National Congress which had earlier joined the anti-Indian chorus, appealed for friendship and close relations with India when given a share in the Cabinet. (85) Its leader, D.R. Regmi who earlier criticised the Government of India for its role in the 'Delhi Settlement' and for not taking the 'true representatives of Nepalese people' into consideration at that time, (86) later, in the capacity of Nepal's Foreign Minister,

82. Rishikesh Shah, Nepal's Foreign Policy, p. 25 (unpublished and typed manuscript), p. 25.

83. See: Joint statement of B.P. Koirala, D.R. Regmi and Tanka Prasad Acharya in September 1953 when they received indications that the King was not to include other parties in the Cabinet even after they have had talks on the subject with the then Prime Minister M.P. Koirala. The Hindu, 23 September 1953. It might be noted here that they hardly had anything in common so far as their stands on economic and political issues were concerned.

84. Rastravani, 26 October 1953.

85. The Hindu, 3 June 1954; Rastriya Congress Bulletin, No. 25, 22 Shravan 2008 (July-August 1951), No. 58, 10 Jaistha 2009 (May-June 1952).

86. The Hindu, 21 February 1951.

said that anti-Indian feeling was the expression of "defeatism and frustration" among the Nepalese politicians. (87)

c) Tanka Prasad Acharya of the Praja Parishad, who earlier defended black flag demonstrations staged against Nehru (n. 67) and accused the Indian Government of giving importance to the 'opportunist elements' in Nepal at the cost of "patriots", (88) later as the Home Minister, he warned those who were trying to drive a wedge between India and Nepal. He described them as "disgruntled politicians trying to gain power through political blackmail." (89)

d) The Nepali Congress while in power, either along with the Ranas or independently was responsible for inviting Military Mission and various other advisers from India. (n. 36, 37 and 75) But later, when it no longer remained in power, came out against all these advisers and the Mission to attack the Government of India. (n. 66, 67 and 76)

e) Opinion of the Rastriya Praja Party of M.P. Koirala and the Communist Party need not be recorded here because whenever there was a cabinet of political parties during the period, it always included the former and always excluded the latter. Therefore, all the important statements of M.P. Koirala were pro-Indian

87. Gorkhapatra, 8 Magh 2011 (21 January 1955). Also see: Times of India, 21 June 1954.

88. Devkota, n. 24, p. 143.

89. Amrit Bazar Patrika, 9 June 1954. Also see: The Statesman, 17 September 1954; Times of India, 13 September 1954.

and those of the leaders of the Communist Party, anti-Indian - the latter were so also for apparent ideological reasons.

As an important side effect of the oppositional politics and the anti-Indian sentiment in Nepal, the demand to establish normal diplomatic contacts with China gained momentum. An interesting evidence of it is that the Nepali Congress Working Committee's resolutions to this effect (n. 64) was proposed by M.P. Koirala, Mahendra Vikram Shah and others. (90) Both Koirala and Shah as the Prime Minister of Nepal and the Nepalese Ambassador to India respectively, were later found to be reluctant in working towards the same. (Chapter III, n. 42). Attitude of the Nepali National Congress and softness of the Gorkha Parishad towards the issue along with staunch support from the Praja Parishad and the Communist Party of Nepal are further examples in the case. (91)

In the last it may be mentioned that some 'external agents', particularly the Americans and the British, were believed to have been encouraging anti-Indian sentiment in Nepal. Reacting sharply to the black flag demonstration against the Indian Parliamentary Mission visiting Nepal in 1954, Prime Minister Koirala said:

We almost believe now that some foreign agency is abetting and inciting Nepalese. ... Why are not Americans and European experts, now in Nepal, being criticised by these very people? Why are all the guns of the India baiters turned only against the Indian assistance to Nepal? Then he added: "There should be no mincing of matters. Our relations with India have been and will always be more intimate than any other country. (92)

90. Dharm Ratna Yami, n. 73, p. 354.

91. Rastriya Congress Bulletin, No. 58; 10 Jaishta 2009 (May-June 1952); Bharat Shumshere, "Nepal-Tibet Relations" in Rastravani, 17 April 1954.

92. Times of India, 6 June 1954; Gorkhapatra, 22 Jaishta 2011 (4 June 1954), part 56, no. 23.

In response to these allegations, George Allen, the US Ambassador in India, who was also accredited to Nepal, visited Kathmandu to investigate into the matter. He maintained that the US only wanted Nepal's progress and had no connection with the Nepalese politics. (93)

This was, however, not the first time that the US was mentioned in this respect. Earlier, Foreign Minister D.R. Regmi, while referring to the American arms aid to Pakistan, observed that 'certain forces' which created division between India and Pakistan were also trying to foment bitterness and trouble between India and Nepal. (94) Government was aware of the 'outside interference' in Nepal which was creating mischief against India there. He, however, did not name the source of this 'interference'. (95) Former Nepali Congress Home Minister, S.P. Upadhyaya in an article on 'India and Nepal' said that the Government of India was unaware of reasons, ways and intensity of the growth of "Americanism" in Nepal. (96) Later in a working committee resolution, the Nepali Congress said that the Super Powers were getting active in Nepal to achieve their selfish motives and were trying to erect a wall between India and Nepal. (97).

93. Nepal Pukar, 31 Jaistha 2011 (June 1954).

94. The Hindu, 8 March 1954.

95. India, Parliamentary Debates: Council of States, vol. VI, no. 49, 18 May 1954, cols. 6762-3.

96. Nepal Pukar, 12 Kartik 2009 (October-November 1952).

97. Nepal Pukar, 13 Chaitra 2009 (March-April 1953).

Thus it appears that the anti-Indian sentiment in Nepal was the outcome of no single factor. It was a mixed effect of, Nepal's size-psychology and her nascent nationalism, India's policy and diplomacy in Nepal, frustration among Nepalese politicians, and external influences, as discussed above. However, in spite of all its apparent intensity, the anti-Indian sentiment was only a superficial phenomenon and remained confined to the Nepalese capital and its political circles. It was mostly used by the parties in opposition to beat the party in power, and the arguments of the former in this context were, otherwise, found to be less convincing. (98) Nevertheless, its synchronisation with other domestic and external developments strengthened the case for Nepal's "special relations" with India to be abandoned.

98. A political commentator in Kathmandu wrote: "Countries like Japan, Turkey and Pakistan relied upon foreign aid and had a large number of British and foreign advisers. But one of these countries lost their independence. Even then we are afraid that we will lose our independence due to the presence of one Ambassador and three advisers (Indians). This is due to lack of self-confidence among us resulting from lack of development and progress. Political parties are responsible for this." Charvak (pseud), n. 78. Also see: Awaz, 21 Falgun 2008 (February-March 1952), vol. 2, no. 13, Editorial, "Nepal and India".

Chapter V

THE REGIONAL BALANCE OF POWER

King Mahendra's rise to power in March 1955 marked a breakthrough in Nepal's foreign policy in the neighbouring region as well as in the global context. In the neighbouring region - India, China and Pakistan - the policy took a turn from that of "special relations" with India. A kind of balance of power was evolved instead. The factors, domestic and external, that were responsible for initiating the shift have been discussed in the previous chapter.

The balance of power policy pursued by Nepal was strikingly different from the balance of power understood commonly in its traditional sense. It was not of the type pursued by Great Britain to expand her sphere of influence in Europe during the 19th and the early 20th century. Nepal was a very small power, a "mini" power as some scholars have described her, (1) and her policy in the region, dominated by bigger powers like India and China, was more of a strategy for defence and development (economic) than anything else. Further, the policy resulted from her responses to the pulls and pressures exercised by the two great neighbours on her, as also on each other. It was not the outcome of a conscious and deliberate plan of diplomatic initiatives. (2)

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1. Leo E. Rose and Roger Dial, "Can a mini state find true happiness in a world dominated by Protagonist Powers: The Nepal Case", The Annals, vol. 386, November 1969, pp. 89-101.
 2. For the discussion of the balance of power pursued by a small state, see: Max Beloff, The Balance of Power (Beatly Memorial Lectures), London, 1967, pp. 24-49.

Nepal's regional balance of power had three dominant features. They were: i) the extension and maintenance of friendship based on mutual respect and goodwill, with every one of the neighbours; ii) the exploitation of regional differences - between the neighbours - to further self interests; and iii) the stand of declared neutrality towards the disputes concerned directly with, and involving open hostility between her neighbours. The evolution and functioning of these features of the policy will be discussed below under important sequences. Our main concern will be with the major developments in Nepal's relations with her neighbours.

THE INITIAL PHASE 1955-58

The beginning towards the policy of balance of power was marked by two developments taking place simultaneously, namely, the regularisation of diplomatic and trade relations with China and the revision of the pattern of "special relations" with India. While regularising relations and cultivating understanding with China, Nepal took care, not to weaken her basic friendship and understanding with India. The simultaneity of the two developments, coupled with the Nepalese leaders', particularly Prime Minister Tanka Prasad Acharya's, occasional references to the triangular friendship among Nepal, India and China, at times gave rise to the impression that Nepal was heading towards the policy of "equal friendship" with her neighbours. The subsequent developments, however, did not sustain the impression.

Regularisation of the Diplomatic
Relations with China

In April 1955, Nepal and China had the first informal exchange of views on the question of the regularisation of their mutual diplomatic relations, at Bandung during the Conference of Afro-Asian countries. (3) It was followed by formal negotiations in July 1955 at Kathmandu where the two countries agreed to have friendly relations on the basis of Panchshila - the five principles of peaceful co-existence. (4) It implied Nepal's formal recognition of the Communist regime in China and served as a prelude to another agreement on Trade and Intercourse between the two countries which was signed in Kathmandu on 20 September 1956.

This new Agreement and the Notes exchanged with it, had three main features. (5) One, it reaffirmed, and elaborately defined, the Panchshila as governing principle for their mutual relations (Preamble, Art. I). Two, by implication, Nepal recognised China's new position - assertion of authority in Tibet - following in India's footsteps in this matter. Accordingly, the claims and rights enjoyed by Nepal in relation to Tibet in the

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3. New Developments in Friendly Relations between China and Nepal, Chinese People's Institute of Foreign Affairs, Peking, 1960, (Hereafter, New Developments), p. 55.

The return of Dr. K.I. Singh to Nepal from China, where he had been under political asylum since 1952, also figured at this informal contact. Keessing's Contemporary Archives, 17-24 September 1956.

4. Text of the joint declaration. Gorkhapatra, 1 August 1955.
5. Text of the Agreement and the Notes. New Developments, n. 3, pp. 1-14.

past were surrendered and the former agreed to withdraw its military escorts from there "together with all their arms and ammunition" within six months (Notes: para 2). Three, it abrogated "all Treaties and documents" that existed between Nepal and China, as also between Nepal and Tibet (Article III). A new pattern of trade and intercourse was instead established between them (Article IV and Notes).

After the conclusion of the 'Trade and Intercourse' Agreement, the Nepalese Prime Minister, Tanka Prasad Acharya, paid a goodwill visit to China from 25 September to 7 October 1956. This was reciprocated by the Chinese Prime Minister Chou En-lai who visited Nepal from 25 to 29 January 1957. A mood of warm and friendly feeling prevailed during these visits. (6) Both the Prime Ministers recalled the traditional friendship between the two countries, reaffirmed their faith in the Panchshila and expressed identity of views on international issues like world peace, anti-colonialism, anti-imperialism and Afro-Asian Solidarity. (7) Tanka Prasad Acharya's visit to China was marked by an Agreement on China's aid to Nepal amounting to sixty million rupees in Indian currency (details later). With the end of these

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6. See the Speeches and Statements of the two leaders, Survey of China Mainland Press (Translation of Chinese Press reports by American Consulate, Hong Kong) (Hereafter SCMP), No. 1318, 1 October 1956, pp. 19-21; no. 1382, 3 October 1956, pp. 48-49, 57; No. 1461, 30 January 1957, pp. 22, 24-26.
 7. Text of the Joint Communiques issued at the end of these visits. SCMP No. 1387, 10 October 1956, p. 30; Gorkhanatra, 1 February 1957 (19 Magh 2013).

visits, the process of regularisation of relations between the two countries also became complete and nothing significant happened between them in the following two years.

Maintaining Friendly Relations
with India

Nepal maintained her friendly ties with India, while opening and regularising diplomatic relations with China. Following the end of King Tribhuvan's period, an exchange of visits took place between the leaders of the two countries. King Mahendra undertook a goodwill visit to India from 6 November to 8 December 1955. It was reciprocated by the President of India, Dr. Rajendra Prasad, in October 1956. Within two months, Nepal's Prime Minister Tanka Prasad Acharya visited India from 4 to 7 December 1956.

The Nepalese side tried to impress two things upon India during these visits. One, Nepal's desire to "maintain and further consolidate" her traditional "bonds of friendship and goodwill" with India, (8) and two, a strong urge to assert her independence and sovereignty, particularly vis-a-vis India. The first aspect found expression in the speeches of King Mahendra and Tanka Prasad Acharya - it was particularly prominent in the former - during their respective visits to India. (9) The second aspect was

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8. King Mahendra's speeches in Kathmandu before and after his visit to India. H.M. King Mahendra, Proclamations, Speeches and Messages, Department of Publicity, Ministry of Information and Broadcasting, HMG Nepal, Kathmandu, 1967 (Hereafter Speeches), vol. I, pp. 19, 31-33.
9. Ibid., pp. 21-30; Foreign Affairs Record, Publications Division, Ministry of External Affairs, Government of India, New Delhi (Hereafter FAR), vol. II, No. 12, December 1956, pp. 212-13. Also see, King Mahendra's farewell messages to Prime Minister Nehru and President Dr. Rajendra Prasad at the conclusion of his visit to India. Text, in The Hindu, 20 December 1956.

discernible in Tanka Prasad Acharya's speeches and statements since he assumed office on 27 January 1956. In a press conference in May 1956, he stated that when the Agreement pertaining to the recruitment of Gurkhas for the Indian and the British Armies is renewed, the basis of the existing terms would be changed. (10) During his visit to India, he described India's help to Nepal as her 'duty' towards the smaller neighbour. (11) He also told the Indian leaders that Nepal's wish and efforts to remain friendly with other countries including China should not be misunderstood. (12)

The Indian leaders seem to have sensed Nepal's mood. It was evident in their favourable response towards her assertive tone, which was an expression of her 'status' motive. Prime Minister Nehru told the visiting Nepalese leader in December 1956, that India was interested in the 'independence' and progress of Nepal. He then talked of "temporary mistakes which might be made" regarding the Indo-Nepalese relations and said: "We will try to learn something from your experience and advice". (n. 11) Dr. Rajendra Prasad also assured the Nepalese leaders in Kathmandu: "We do not threaten the sovereignty or integrity of any other state, nor do we wish to interfere in the internal affairs of

10. The Asian Recorder, 21-27 January 1956, p. 641; 2-8 June 1956, p. 873.

11. For Nehru's and Acharya's speeches during this visit, see: FAR, n. 9, pp. 212-13.

12. Ibid. Also The Asian Recorder, 1-7 December 1956, p. 1177; The Hindu, 5 and 7 December 1956.

other countries." (13) Further, the informality which had earlier marked the visits of King Tribhuvan, Prime Minister M.P. Koirala and other Nepalese Ministers to India, as well as Prime Minister Nehru's visit to Nepal, was replaced by the observance of diplomatic decorum and etiquette during these visits. Tanka Prasad Acharya was the first Nepalese Prime Minister to be accorded a formal civic reception in New Delhi. As for King Mahendra, wherever he went during his visit, formal receptions were organised in his honour. Unlike his father, he addressed farewell messages to Prime Minister Nehru and President Rajendra Prasad on the conclusion of the visit. (n. 9)

Besides paying due regards to Nepal's 'status' motive, the Indian leaders emphasized the intimate ties and mutual interests subsisting between the two countries. Dr. Rajendra Prasad reminded the Nepalese people in Kathmandu:

We are parts of the same subcontinent, standing together in perpetual amity and friendship. India is vitally interested in the peace and prosperity of your great country and I am sure, you are equally interested in ours. ... We are faced with common problems and we cherish common ideals. India and Nepal are inseparably linked together by strong ties since time immemorial. ... Any threat to the peace and security of Nepal is as much a threat to the ~~peace~~ ^{peace} and security of India. (14)

It was also impressed upon King Mahendra that he should make efforts in the direction of setting up a representative government in the Kingdom and until that is done, a 'clean and vigorous

13. Text of the President's speech, *FAR*, n. 9, vol. II, no. 10, October 1956, p. 157.

14. *Ibid.*

administration' should be provided. (15) The King's response was favourable. He told his audience in India that he would spare no pains "for giving a permanent shape to the democratic institutions in Nepal." (16) The theme of democratic setup for Nepal also figured during the rest of the visits. (17)

Relations between India and Nepal operating within the pattern initiated during the preceding years, remained restricted in 1957 and 1958. In 1957, the new Prime Minister of Nepal, Dr. K.I. Singh 'shelved' all suggestions for the expansion of diplomatic relations and advocated 'special ties' with India. (18) But Dr. Singh's Prime Ministership failed to make any impact on Nepal's long term policy towards India. In January 1958, a Nepalese political delegation visited India, reportedly at the initiative of the latter, as also, without the permission of the Nepalese Government. Therefore, a protest was lodged in this connection with the Government of India which apologised. (19) Later in the same year, King Mahendra announced the gradual

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15. Text of the welcome addresses presented to the King in New Delhi and elsewhere in India, The Hindu, 16 and 28 November 1955. It may be recalled here that the governance of the kingdom had been directly under King Mahendra's control since March 1955.
 16. Reply to the Civic Address in New Delhi, Speeches, n. 8, vol. I, p. 21; also pp. 29, 30.
 17. The Hindu, 22 October 1956; also n. 12.
 18. The Hindustan Times, 4 August 1957. Also Chapter III, n. 114.
 19. Nepal Samachar, 20 January 1958.

withdrawal of the Indian Military Mission from Nepal, (20) - an issue which was often referred to in support of the allegations of Indian interference, by various political parties and leaders during King Tribhuvan's period.

MEETING THE PRESSURE FROM CHINA
1959-60

The years 1959-60 constituted the next stage of evolution in Nepal's regional balance of power policy. Popularly elected Government of the Nepali Congress was in power during this period. Nepal's relations with her neighbours during the period were dominated by two factors: i) the disturbances in Tibet, resulting from the Chinese military action against the "Tibetan revolt" and their repercussions on the Sino-Nepalese relations; and ii) the growing tension between India and China owing to the boundary dispute and differences over the question of Tibet, between them. Towards the Sino-Indian dispute, Nepal took a neutral stand which will be discussed subsequently.

The main burden of Nepal's policy in the region during this period was, however, to meet the situation created by the first factor which had become a matter of anxiety and concern in

20. The concerned declaration described the withdrawal of the Mission as such, however, a number of officers of the Mission were retained in Nepal to form an Indian Military Training Advisory Group to advise the Nepalese Government on the matters related to the Army. Tretiya Varsh: Shri 5 Maharajadhiraj Mahendra Bir Vikram Shah Dev Ko Chattarchhaya Ma (Third Year of King Mahendra's rule), Publicity Department, HMG Nepal, Kathmandu, n.d., p. 29.

the kingdom. Nepal adopted two policy-postures towards that end. In the first place, she made serious efforts, marked with success, to settle her outstanding issues with China through peaceful and friendly negotiations. Secondly, and simultaneously, she mobilised her already existing close understanding with India in order to meet any probable threat or pressure from China. The developments in Nepal's relations with India and China during this period will be discussed as the elaboration of these two policy postures.

Settlement of Outstanding Issues with China

The disturbances 'in the Tibet Region of China' in 1959 gave rise to certain issues between China and Nepal. The issues were mostly related to the difficulties of the Nepali traders in Tibet and the demarcation of boundary between Nepal and China. (21) The question of boundary demarcation had a long history. (22) It was raised for settlement by Tanka Prasad Acharya with the Chinese leaders in 1956, but the latter did not respond favourably at that time. (23) Now, the flow of the Tibetan refugees into

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21. For details, see author's "Sino-Nepalese Relations: Two troubled years 1959-60", South Asian Studies, vol. 3, no. 1, January 1968, pp. 33-46.
 22. For historical background of the discrepancies in the boundary line see, Chittaranjan Nepali, Nepal-Cheen Seemana Sandhi (Nepal-China Boundary Treaty), IMG, Department of Publicity, Kathmandu, 1965, pp. 6-15.
 23. Tanka Prasad Acharya, "Nepal-Cheen ko Sambandh: Ek Naya Adhyaya" (Nepal-China Relations: A New Chapter), Miteri Gantho (Friendly Ties), Nepal-China Friendship Association, Kathmandu, 1968.

Nepal and the border violations resulting from the movements of the Chinese Army in its action against the Tibetan 'rebels' added an urgency to its settlement.

The Nepali Congress Government headed by B.P. Koirala, as soon as it assumed office in May 1959, opened correspondence and ambassadorial negotiations with the Chinese Government on the settlement of these issues. (24) The latter was found to be ready to hold a joint meeting of the two sides to discuss the issues. (25) Accordingly, Nepal's Village Development Minister Dr. Tulsī Giri visited China in October 1959. (26) However, no significant outcome of the visit was evident and Dr. Giri was quoted as having said on his return from China, that he "did not believe that the Chinese would be ready to solve their border problem with Nepal." (27)

The failure of Dr. Giri's mission added to the anxiety in Kathmandu. Public pressure in favour of a firm policy towards China, which had been mounting on the Government since the beginning of the disturbances in Tibet, further increased. (n. 21) In view of the pressure and anxiety, Prime Minister Koirala himself visited China from 11 to 22 March 1960. There he had

24. Samai, 4 June 1959; Nepal Samachar, 13 July 1959; The Commoner, 22 August 1959.

25. Prime Minister's disclosure in the Parliament. Kalpana, 6 and 7 September 1959. Also see: Nepal Press Digest, 1-7 September 1959.

26. Samai, 23 September 1959; The Statesman, 2 October 1959.

27. Swatantra Samachar, 24 November 1959; Halkhabar, 24 November 1959.

"free and frank discussion on matters of common interest" with the Chinese leaders. As a result, the two sides reiterated their faith in the Panchshila and "agreed to establish embassies mutually in Peking and Kathmandu". (28) The most important outcome of this visit was the signing of two agreements. The first Agreement was on "the question of the Boundary between the Two countries". It had following features: (29)

1. The boundary was to be scientifically delineated and formally demarcated ... on the basis of the existing traditional customary line. (Art. I)
2. The task of delineation and demarcation was to be performed by "a joint committee composed of an equal number of delegates from each side". (Art. II) Broad guidelines for the committee were also laid down in the Agreement. (Art. III)
3. "In order to ensure tranquillity and friendliness on the border", the two sides agreed to demilitarize an area of twenty kilometers from the Border on their respective sides. (Art. IV)

Thus the Agreement achieved twin objectives: of delineating, formally and finally, the boundary between the two countries; and of reducing tension along the border. Under the second Agreement, China gave economic aid to Nepal amounting to 14 crores of rupees. (30)

B.P. Koirala's visit was returned by the Chinese Prime Minister, Chou En-lai who was in Nepal for three days, from 26 to 28 April 1960. Chou En-lai had come to Kathmandu on his way back

28. Joint communique signed at the end of Koirala's visit. New Developments, n. 3, pp. 17-20.

29. Text of the Agreement. Ibid., pp. 21-24.

30. Text of the Agreement. Ibid., pp. 25-28.

from India where he discussed Sino-Indian boundary question with Nehru. Besides the usual reiteration of Peaceful Co-existence, identity of views and mutual goodwill, (31) the Nepalese and the Chinese Prime Ministers signed a Treaty of Peace and Friendship. (32) The proposal for the Treaty came from the Chinese side during B.P. Koirala's visit to China. It was a substitute for the initial offer of a unilateral non-aggression pact, which did not find favour with the Nepalese side. (33) The signing of the Treaty had been deferred at that time, perhaps, because B.P. Koirala was lukewarm about the idea. (34)

It cannot be said whether China's aim was to have a similar Peace and Friendship Treaty with Nepal as the latter had it with India, but the Chinese Treaty, as signed, was a far less comprehensive and specific document as compared to the Indian Treaty. However, the Chinese Premier, Chou En-lai, while explaining the importance of the Treaty, stated that it was political in nature and had a larger scope than the Agreement on Five Principles of Peaceful Co-existence signed between the two countries in 1956. (35)

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31. Joint communique signed at the end of the visit. Ibid., pp. 32-34.
32. Text of the Treaty. Ibid., pp. 29-31.
33. Kalpana, 4 April 1960; Swatantra Samachar, 4 April 1960; The Hindustan Times, 5 April 1960.
34. The joint communique issued at the end of B.P. Koirala's visit to China (n. 28) mentioned that he had appreciated the proposal of the Treaty. No reason however was given as to why the Treaty was not signed.
35. Chou En-lai's Press Conference in Kathmandu on 28 April 1960. New Developments, n. 3, p. 72. It may be recalled that Nepal's former Prime Minister Tanka Prasad Acharya described the Treaty as unnecessary. (Chapter III, n. 124)

The Treaty in its final form was a simple reiteration of the recognition and respect of the one party in another's "independence, sovereignty and territorial integrity". (Art. I) The two sides undertook to settle their mutual differences through peaceful negotiations. (Art. II) They also expressed their desire to "develop and further strengthen the economic and cultural ties between them "in accordance with the principles of equality and mutual benefit and of non-interference in each other's internal affairs." (Art. III) The Treaty was subject to ratification and was valid initially for a period of ten years. (Art. V)

An important offshoot of the boundary question between China and Nepal, discussed during the Prime Ministers' visits, was the ownership of Mount Everest. The maps exchanged along with the Boundary Agreement in March 1960, formally recorded the conflicting claims of the two countries. Whereas, the mountain belonged to China according to the Chinese maps, it was shown on the boundary-line in the Nepalese maps. (36) Both the countries had drawn the maps on the basis of their respective historical

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36. Chou En-lai in a Press Conference in Kathmandu on 28 April 1960, where B.P. Koirala was also present. New Developments, n. 3, pp. 69-70.

It is noteworthy that B.P. Koirala was received in China as a guest from "the south of the Himalayas", and Chou En-lai, while welcoming him at the Peking airport said: "The towering Himalayas lay between our two countries". Ibid., p. 35; SNP, No. 2218, 17 March 1960, pp. 39, 42.

The dispute was revealed to the public in Nepal by B.P. Koirala in a press conference in Kathmandu after his return from China. Kalpana, 4 April 1960. The Government, however, did not produce the maps exchanged with the Boundary Agreement in the Parliament. Halkhabar, 7 April 1960.

documents. However, B.P. Koirala had held before the Chinese leaders that the Everest belonged to Nepal. Chairman Mao Tse-tung, on the other hand, expressed his readiness to follow the Nepali maps, i.e. to accept the position that the northern half of it belonged to China and the southern half to Nepal. (37) When Chou En-lai visited Nepal, he reiterated the stand taken by Mao Tse-tung and cited the delineation in the Indian and the British maps in its support. (38) Since the evidences were exceedingly in favour of this position - that the Everest was on the boundary line between Nepal and China's Tibet Region and, as such, the southern slope of the mountain belonged to the former and the northern slope to the latter - the Nepalese leaders were also getting closer to it. (39) Nevertheless, the issue was left open for further discussion between the Prime Ministers of the two countries. (40)

While the controversy over the Everest was still fresh, another dispute arose involving the violation of the boundary line and the Boundary Agreement by China. On 28 June 1960, the Chinese

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37. Chou En-lai's Press Conference in Kathmandu. New Developments, n. 3, pp. 69-70.
38. Ibid., pp. 70-71. A spokesman of the British Foreign Ministry also stated that Britain had always regarded the southern part of the mountain as Nepali and its northern part as Tibetan. Nepal Samachar, 8 April 1960.
39. B.P. Koirala in Nepal's House of Representatives. Kalpana, 30 April 1960. Also in a Press Conference on 2 May 1960. Kalpana, 3 May 1960.
40. Chou En-lai's Press Conference in Kathmandu. New Developments, n. 3, pp. 72-73.

troops crossed over to the Mustang region of the north-west Nepal, killed one Nepalese border guard and captured a few others. (41) Only two days before this incident, China had informed Nepal that its troops were to enter into the 20 kilometer-zone on the Chinese side, demilitarized under the Boundary Agreement, in order to deal with the "Tibetan rebels". Nevertheless, the Chinese Note had promised that the troops were not to violate the Nepalese border. (42) Therefore, the incident, which almost followed this Note, took the Nepalese side by surprise.

The Government of Nepal made a strong protest to the Chinese Government and followed it by rejoinders. The latter promptly admitted its responsibility for the Mustang incident which, it said, had happened due to "the carelessness of certain low ranking personnel". Accordingly, Prime Minister Chou En-lai apologized on behalf of the Chinese Government and agreed, as desired by the Nepalese side, to pay compensation for the life of the Nepalese guard. (43) The dispute regarding the place of

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41. Nepal's Home Minister S.P. Upadhyaya's statement on the incident in the House of Representatives. The Communist, 1 July 1960.
42. Nepal's Foreign Office Press Release in Kathmandu. The Hindu, 20 June 1960. Earlier, the Government of Nepal repeatedly refused to protest to the Chinese Government against the movement of troops along the border. It seems that the former had some prior official information about such movements. The Communist, 6 and 14 June 1960.
43. Text of the letters exchanged between D.P. Koirala and Chou En-lai on the Mustang incident. Southampton, 27 July 1960. Also see: The Times of India, 1 July 1960; The Hindu, 4 July 1960; The Indian, 3 and 5 July 1960; The Hindustan Times, 7 July 1960.

the incident - whether it was in the Nepalese territory or the Chinese territory - was left to be resolved by the Joint Committee of China and Nepal constituted to demarcate the border under the Boundary Agreement. The matter was regarded as closed. (44)

Similarly, a minor incident involving the shifting of a traditional boundary pillar by the Chinese troops in Nu Bhofo area of Nepal, along the border in August 1960 was also left for the Joint Committee to settle. (45)

Thus, the issues and the controversies that had arisen between Nepal and China during this period were brought nearer to their final settlement by the end of it. An important factor that made the settlement of the issues possible and smooth was the spirit of accommodation and understanding displayed by China towards Nepal. By peacefully settling the boundary question with Nepal and other neighbours like Burma, China tried to demonstrate that she was open to mutual adjustment and thus, indirectly, show that in her border dispute with India, it was the latter to be blamed. This was in fact, a part of China's strategy in South Asia to extend her influence and isolate India. (46) The progress made in the settlement of the issues by China and Nepal was a major achievement towards the stabilisation of their mutual

44. D.P. Koirala's statement in the House of Representatives. The Hindustan Times, 23 August 1960.

45. The Commerce, 4 August 1960; The Hindu, 14 October 1960.

46. V.P. Dutt, China's Foreign Policy 1949-62, Asia Publishing House, Bombay, New Delhi, 1964, p. 178.

relations, which were further consolidated and utilised by King Mahendra in the following years.

Closer Understanding with India

The emerging pattern of Nepal-India relations was further developed and consolidated during the Nepali Congress rule. Soon after this Government's coming to office in May 1959, India's Prime Minister Nehru paid a goodwill visit to Nepal in June (12 to 14) 1959. It was returned by the Nepalese Prime Minister B.P. Koirala in January (17 to 31) 1960. The two Prime Ministers highlighted the "invincible, indestructible and ever-lasting" nature of the 'age-old' brotherly relations between India and Nepal. (47) They held that these relations were based on the respect for each other's sovereignty, independence and dignity; on common interests, natural ties and identical approach to the fundamental issues of international politics.

In view of the disturbances in Tibet and its repercussions on Nepal and India, a close understanding between them in their approaches towards China was witnessed during this period. The approaches were described as 'similar' and 'identical' by the two sides. (48) B.P. Koirala, during his visit to India in January

47. Speeches of Nehru and B.P. Koirala during these visits. FAR, n. 9, vol. V, no. 6, June 1959, and vol. VI, no. 1, January 1960, pp. 9-14; The Hindustan Times, 13, 14 and 15 June 1959; Gorkhapatra, 15 June 1959; The Statesman, 21 June 1959; The Commoner, 23, 25, 28 and 29 January 1960, 1 February 1960; The Hindustan Times, 25, 28 and 29 January 1960; The Statesman, 30 and 31 January 1960.

48. Ibid. Joint Communiqués issued at the end of Nehru's and B.P. Koirala's visits to Nepal and India respectively. Texts

1960, described Nepal-India friendship as indispensable and the "Himalayas" as the symbol of "friendship and cooperation" between them. (49) He underlined the 'vital interests' of the two countries in each other's security' and said that they would stand together in facing problems of present and future and added "what is good for you is good for us and what is bad for you is bad for us" and vice versa. (50) Prime Minister Nehru had also expressed similar sentiments. (n. 47) In April 1960, the Nepalese Prime Minister did not allow the visiting Chinese Prime Minister Chou En-lai, to criticise India in a press conference in Kathmandu. (51)

The Government of Nepal took the Indian Government into confidence while negotiating the Boundary Agreement and settling other issues with China. Soon after Dr. Tulsī Giri's return from China in October 1959, Nepal's Deputy Prime Minister Subarna Shumshere Rana, made a quiet and quick visit to India, where he met Nehru, presumably, to acquaint him with the outcome of Dr. Giri's mission. (52) Prime Minister Koirala also discussed various

48. (contd. from back page)

in, Foreign Policy of India: Text of Documents 1947-64, Lok Sabha Secretariat, Government of India, New Delhi, 1966, pp. 341-4; also see B.P. Koirala's Press Conference in Kathmandu after the conclusion of Nehru's visit. The Statesman, 21 June 1959.

49. Nepal, 25 January 1960.

50. The Communist, 29 January 1960.

51. New Developments, n. 3, pp. 76-77.

The moment Chou En-lai started criticising Nehru and the Government of India for their stand in the Sino-Indian border dispute, B.P. Koirala, who was present at the press conference, closed it. The Times of India, 30 April 1960.

52. Kalpana, 19 and 20 October 1959; Kalkhabar, 22 October 1959.

aspects of the Sino-Indian and the Sino-Nepalose boundary issues with the Indian leaders on his way to China. During the negotiations that preceded the Boundary Agreement, the Nepalose side insisted on the inclusion of the phrase "on the basis of the traditional boundary line" in the Agreement with the view to strengthen India's case vis-à-vis China's, in the settlement of the border dispute between them. (53) Further, soon after the Mustang incident, King Mahendra had talks with India's Prime Minister, ^{the} ~~Prime~~ Minister and the Defence Minister, in New Delhi. (54) It was followed by D.P. Koirala's discussions with Nehru on the developments across the Himalayan border in August 1960, when he made a brief stopover in New Delhi on his way to Israel. (55)

There existed close understanding and arrangement between India and Nepal in the matters pertaining to their mutual defence and security. The Agreement on the recruitment of the Gurkhas in the Indian Army and the Treaty of Peace and Friendship between the two countries, discussed in the previous chapter, may be recalled in this context. The co-ordination in the military intelligence was evident in the presence of the 'Indian technicians' mainly 'wireless operators', at Nepal's military checkpoints along her border with China. These 'technicians kept a watch on the

53. The Statesman, 14 March 1960.

54. The Hindustan Times, 24 July 1960.

55. The Hindustan Times, 10 August 1960. Officially, this meeting was described as private and the nature of the talks was not revealed.

activities across the border and passed on the relevant information to the Government of Nepal through the Indian Embassy in Kathmandu. An Indian military advisory group, the composition and functions of which underwent substantial changes from time to time, had also been stationed in Kathmandu since 1952. (See n. 20)

Prompted by this mutual understanding in the defence matters and the situation in the region, Nehru declared in Lok Sabha on 27 November 1959 that any aggression on Nepal and Bhutan will be treated as an aggression on India and will be dealt with accordingly. (55) B.P. Koirala welcomed it as a gesture of friendship. (57) However, since Nehru had bracketed Nepal in his declaration with Bhutan, an Indian protectorate, there was a furor in Kathmandu. In this context, B.P. Koirala asserted Nepal's independent and sovereign status and held that the discretion to ask for India's help in any eventuality of an aggression lay entirely with Nepal. He said that if caught, Nepal would readily offer help to India in case of an aggression on her. But, he refused to term Nehru's statement as "uncalled for". (58) Nehru, on his part also explained that the statement was in accordance with the provisions of the Peace and Friendship Treaty

55. India, Parliament Debates (Lok Sabha), II Series, vol. XXXV, 1959, 16-27 November 1959, col. 2211. Similar statement by Dr. Suchila Nayyar, *ibid.*, col. 1773.

57. The Hindustan Times, 30 November 1959.

58. *Ibid.*

of 1950 between the two countries and that he neither meant any unilateral action on India's part nor made any reflection on Nepal's independence and sovereignty. (59) Again, it was in view of this already existing understanding that B.P. Koirala, during his visit to India, rejected the idea of Nepal-India joint defence as being 'unnecessary'. (60)

Significantly, while activising her understanding in political and security matters with India, Nepal played cool towards such Chinese overtures which, in effect, sought to belittle this understanding and strengthen China's position in the kingdom. China's offer to Nepal of a unilateral non-aggression pact and the latter's cold response to it may be recalled here. (n. 33) The non-aggression pact, if signed, would have turned the 'mutual understanding in defence matters' between India and Nepal as obsolete and redundant since the understanding was built around the perception of the two countries that potentially there existed a threat from China. The Nepalese leaders also rejected another Chinese offer to construct a highway joining Kathmandu with the Tibetan border town Kodari (to be discussed). The Kathmandu-Kodari Highway aimed at changing the geo-political context of the kingdom from the defence strategy's point and

59. The Times of India, 28 November 1959; The Commoner, 4 and 9 December 1959.

60. Koirala's Press Conference, The Commoner, 1 February 1960. Koirala also said that even Nehru did not like such idea. It can be inferred from this that the subject of mutual defence of India and Nepal had been discussed by the two Prime Ministers. The Statesman, 31 January 1960. It may be noted that Koirala had talks with India's Defence Minister during this visit. Kalpana, 26 January 1960.

thoroby, to underline the benefits and position enjoyed by India in Nepal through the Tribhuvan Rajpath.

The burden of above mentioned facts is to underline the degree of understanding and mutuality of interests displayed by Nepal and India towards each other during 1959-60. The Nepalese Government's efforts to mobilise this understanding in view of the situation created by China, brought them under attack at home from the Opposition. The government was charged of toeing India's line and having compromised Nepal's independence and sovereignty (Chapter III). This was, however, not true. Prime Minister D.P. Koirala's forthright stand on Nehru's statement has been noted above. (a. 55-59) Further, in economic matters, while signing the Gandak project Agreement and revising the ten year old trade Treaty with India, the Government had taken adequate care to protect Nepal's interests and emphasise her independent and sovereign status.

MEETING THE PRESSURE FROM INDIA, 1961-62

By the end of 1960, the issues that had cropped up between Nepal and China were almost settled and the factors that caused immediate anxiety and a sense of insecurity in the kingdom from the Chinese side were, by and large, removed. But then suddenly, there arose a situation which brought-in pressures on Nepal from the Indian side. This sudden change resulted from a domestic development. Dismissal of the Parliamentary System by King Mahendra and his 'take-over' from the Nepalese Congress Government

on 16 December 1960, had serious and far-reaching repercussions on Nepal-India relations. Many of the Nepali Congress leaders and workers escaped to India in order to avoid arrests following the 'take-over'. From there, they condemned the King's action and directed activities, hostile to the new regime. The Government of India's reaction to the change in Nepal was characterized by Prime Minister Nehru's statement in Lok Sabha on 16 December 1960, in which he regretted that the "experiment of democracy should have suffered a setback". (61) Later, he deplored the anti-Indian attitude of the Nepalese press - which was a reaction to the Indian attitude towards the King's action - and expressed sympathies for the deposed Prime Minister B.P. Koirala. (62) The press and the political parties in India also deplored the King's action and expressed sympathies for the dismissed government. (63)

The Government of India's disapproval of the King's action constituted a morale booster for the Nepali Congress and gave a fillip to its activities. This created a difficult situation for the new regime in Nepal which tried to deal with

61. India, Parliamentary Debates, II Series, vol. XLIX, no. 24, 16 December 1960, col. 8975.

62. The Hindustan Times, 7 January 1961. Nehru's statement in Parliament while speaking on budget demands. India, Parliamentary Debates, II Series, vol. LIII, no. 35, 3 April 1961, cols. 2801-2803.

63. See press reports and editorials on the subject since 16 December 1960 till October 1962.

Among the political parties, none supported the King's action. The leftist parties and the Congress openly denounced it. The PSP was particularly active and vociferous against the King on account of its close contacts with the Nepali Congress. See: The Hindustan Times, 17 and 22 December 1960 and 3 January 1961; The Times of India, 20 December 1960; The Statesman, 5 January 1961.

it at three levels. First by employing all its resources and strength to counteract the activities of the Nepali Congress. Secondly, by making efforts to secure support from the Government of India. Thirdly, by creating counter-pressure on India through mobilising support from other countries, particularly China and Pakistan. The first aspect concerned wholly with Nepal's domestic affairs and so we shall not deal with it. The new regime's dealings at the second and the third levels are discussed below.

Towards securing India's help

Nepal's objective towards India during 1961-62 was to secure approval and recognition of the Government of India for the King's action and then to obtain their help in curbing the 'anti-Nepali' activities of the Nepali Congress. Such approval and help from the Government of India was considered vital since it had had a decisive influence over Nepal's domestic power equilibrium in the similar situations in past.

Nepal adopted a soft and conciliatory approach towards India throughout the year 1961. King Mahendra was reported to have sent a letter to Prime Minister Nehru soon after his action, explaining the circumstances which implied him to do so and assuring that it would not affect the friendly relations subsisting

63. (contd. from back page)

The leader of the Nepali Congress and Deputy Prime Minister in the dismissed government, Subarna Shumshoro Rana from Calcutta, claimed support of the Government of India. Sundanta Senapati, 29 January 1961. His speeches were broadcast by the All India Radio. Hallikumar, 29 January 1961.

between India and Nepal. (64) These points were further elucidated and help to curb the activities of the Nepali Congress was sought from the Government of India by Nepal's Ministers, Dr. Tulsi Giri and R.K. Shah, who visited India in January and December 1961, respectively. (65) King Mahendra also had talks with Prime Minister Nehru in New Delhi in August 1961, with the same objective. (66) On several occasions, the Nepalese leaders discounted any possibility of Nepal going against India and instead, highlighted the intimate ties between the two countries. (67) The Government of Nepal appealed to the press and the public

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64. The Hindustan Times, 16 December 1960; The Indian Express, 20 December 1960.
65. For details, see: Dr. Giri's visit, Kalpana, 20, 21 and 23 January 1961; The Indian Express, 20 January 1961 (Hindi), 20 January 1961; The Statesman, 23 January 1961. R.K. Shah's visit, The Hindustan Times, 23 December 1961.
66. The Hindu, 20 August 1961; Nepal Press Digest, 23 August - 1 September 1961. Dr. Giri's statement on these talks: Corbhunakha, 22 September 1961.
67. King Mahendra: Hindustan Samachar (Hindi), 1 April 1961; The Hindu, 21 April 1961; The Hindustan Times, 20 April 1961; The Sunday Standard, 30 July 1961.

Ministers: Nagendra Prasad Singh, Nepal Sandesh, 10 July 1961; R.K. Shah and Dr. Tulsi Giri, Navabharat Times (Hindi), 17 August 1961.

Vishva Dandhu Thapa, the Minister for National Guidance, criticised the Government of India in some of his speeches but the Radio Nepal, while broadcasting these speeches, dropped references to the adverse comments on India from them. Later, Thapa also denied that he was, or intended to be, "anti-India" in his speeches. The Hindustan Times, 4, 5 and 6 May 1961; The Hindu, 5 and 6 May 1961; The Indian Express, 1 June 1961.

to desist from making comments prejudicial to the "ancient and indispensable" friendship with India. (68) Above all, at one time, it was also indicated that the release of B.P. Koirala and other political detenus would be considered to secure the desired help from the Government of India. (69)

The officially adopted soft and conciliatory approach of Nepal towards India did not yield any result. The increasing activities of the Nepali Congress against the new regime - including an attempt on King Mahendra's life in January 1962 and numerous instances of gun-running and raids, mostly in the Terai, following that, (70) created tension in the Indo-Nepalese relations during 1962. The Nepalese Government, therefore, shifted to a firm posture towards India. King Mahendra impliedly, and his Ministers openly, held the Government of India responsible for these activities. (71) The Government of Nepal produced and

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68. Kalpana, 13 January 1961; Nava Samai, 16 January 1961; The Times of India, 16 January 1961.
69. The Finance Minister R.K. Shah, while he was passing through New Delhi, stated that the Government was contemplating to release B.P. Koirala and others and that Nepal-India friendship was "too valuable to be sacrificed for temporary difference of opinion". The Indian Express, 23 February 1961.
70. The number of the 'raids' by the end of July was stated to be 126. Gorkhapatra, 2 August 1962. In September, it was claimed to be 205 of which 25 were in the hills and rest in the Terai along Indo-Nepal border. The Indian Express, 1 October 1962.
71. King Mahendra: Speeches, n. 8, vol. II, pp. 89, 92-93, 97 and 100. Dr. Tulsī Giri: Dainik Nepal, 11 January 1962; The Commoner, 25 and 27 January 1962; Nava Samai, 13 February 1962; The Hindustan Times, 13 February and 1 September 1962; The Indian Express, 15 February 1962; Gorkhapatra, 16 February 1962. V.B. Thapa: The Indian Express, 8 January and 1 October 1962; The Statesman, 27 February and 15 May 1962; Gorkhapatra, 15, 16 and 17 October 1962.

publicized 'evidences' in support of this contention. A communique issued by the Home Minister said that the arms and ammunition seized from the 'rebels' were manufactured in India and the 'payback' recovered from them further confirmed that they had their base in India. (72) Accordingly, a protest note was sent to the Government of India and the recovered articles were exhibited in Kathmandu. (73) The charges were, however, denied by the Government of India which claimed that it was keen to prevent the smuggling of arms into Nepal and violent activities of the exiles from the Indian side. (74)

Notable in the context of Nepal's official publicity to the allegations against India were two publications. One was named The Friendship on Trial, and the other, Hostile Expeditions and International Law. They were released in Kathmandu in March

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72. Gorkhapatra, 28 February 1962; The Hindustan Times, 28 February 1962.
73. Gorkhapatra, 2 March 1962. The Director of Publicity invited the Indian Press Correspondents in Kathmandu to his office to show these articles. In answer to a question, the Director admitted that the Nepalese Army also had the ammunition of similar make, but he held that it was not of the same period of manufacture. The Statesman, 8 March 1962.
74. The Indian Express, 2 March 1962. Nehru and Mrs. Laxmi Menon in the Indian Parliament on 15 March and 16 March 1962 respectively; India, Parliamentary Debates, Series II, vol. LXI, no. 2, 13 March 1962, cols. 61-64; *ibid.*, no. 5, 16 March 1962, cols. 689-91.

Earlier in an interview to Hindustan Samachar (Hindi) on 7 February 1962, King Mahendra admitted that he had the knowledge of the Government of India's instructions sent to the Indian States bordering Nepal, to prevent smuggling of arms and also to Subarna Shumshere Rana and other Nepali Congress leaders to desist from doing anything against the law of the land. Speeches, n. 8, vol. II, p. 97.

and April 1962 respectively by the Department of Publicity, Ministry of Information and Broadcasting. The release of the first pamphlet preceded the Government's ban on public expression of allegations against India. The pamphlet tried to establish, by quoting the Indian Penal Code and the Indian Extradition Act of 1903, that the Government of India was competent to take action against the Nepali 'outlaws' and/or deport them to Nepal. The second pamphlet was released on the eve of King Mahendra's visit to India. It tried to establish that the attitude of the Government of India towards the activities of the Nepali Congress was against the International Law and established practice. (75)

In continuation of the attempts to bring the Indian Government around his views, King Mahendra visited India from 18 to 22 April 1962. In a 'heart to heart' talk, the King and the Indian leaders reiterated their respective stands towards the activities of the Nepali Congress exiles in India. However, they devised joint informal inquiries to go into the details of any particular incident resulting from such activities and remove the difference of opinion. They also agreed to stop propagandistic publications against each other. As usual, close ties and common interest between Nepal and India were underlined. The Indian side, on its part, requested the King to broaden the scope of the Panchayat System in order to ensure popular participation in it. (76) The

75. For details see, Friendship in Trial (by S.P. Gyanwali, Attorney General for Nepal), Kathmandu, n.d.; Hostile Expeditions and International Law (by Prakash Bahadur, K.C.), Kathmandu, April 1962.

76. Joint Communique issued at the end of the visit. Foreign Policy of India, n. 47, pp. 345-46; Speeches, n. 8, vol. II, pp. 117-31, 345; Gorkhapatra, 25 April 1962.

King told the Indian leaders not to misunderstand Nepal's relations with China and Pakistan. (77) On the whole, the visit concluded on a hopeful note. (78)

The decisions arrived at this visit were not implemented satisfactorily. Soon after the visit, the Government of India registered a protest to their Nepalese counterpart for unauthorised intrusions of the Nepalese police into the Indian territory. (79) It was denied by the Nepalese Government, which, in turn, resented that the lack of co-operation from the Indian police thwarted Nepali police's operations against the 'rebels'. (80) The joint informal committees were also not functioning satisfactorily. However, the two sides dealt the matter with caution.

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77. King Mahendra told a Press Conference after the visit that he had convinced Nehru about the economic rationale of the proposed Kathmandu-Kodari Road to be constructed in Nepal by China. Gorkhanatra, 24 and 25 April 1962.
78. It was evident in the King's speech at his banquet given in honour of President Rajendra Prasad. The Hindustan Times, 23 April 1962.
79. Details about the intrusion were disclosed by Nehru and his junior colleagues in the Indian Parliament. India, Parliamentary Debates (Rajya Sabha), vol. XXXVIII, no. 12, 3 May 1962, Starred Question No. 226, cols. 1655-56. Another such intrusion was reported to have occurred on 24 August 1962. Ibid (Lok Sabha), Series III, vol. VIII, 4 September 1962, cols. 8749-51.
80. Dr. Giri in a press conference in Kathmandu: Gorkhanatra, 15 May 1962; The Statesman, 15 May 1962; also The Hindustan Times, 1 September 1962.

R.K. Shah was appointed the Foreign Minister in July 1962. He believed that the successful implementation of Nehru-Mahendra Joint Communique (April 1962), could improve the relations between the two countries and advocated 'quiet diplomacy' towards that end. (81) To facilitate the said implementation, R.K. Shah visited India in September 1962, where he discussed the then existing arrangements for informal joint inquiries with the view of improving them. Prime Minister Nehru and Bihar Chief Minister B.N. Jha reassured him that strict vigilance would be observed on the Indian side to prevent 'gun-running' by the Nepali 'outlaws' across the border. R.K. Shah also tried to dispel, what he called an "erroneous impression" in India that Nepal was playing China and Pakistan against her. Nehru, on his part, repeated the advice that the King should broaden the Panchayat System and have friendly negotiations with the Nepali Congress leaders. (82)

The outcome of R.K. Shah's September 1962 visit in particular, and his 'quiet diplomacy' approach in general, did not satisfy King Mahendra because it failed to evoke any concrete step on the part of the Government of India against the Nepali Congress "outlaws"

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81. Gorkhapatra, 18 July 1962; The Statesman, 27 July 1962. R.K. Shah had all along favoured a conciliatory and moderate approach towards India. The Statesman, 8 January 1961; Naybharat Times (Hindi), 17 August 1961; The Hindustan Times, 29 December 1961; The Times of India, 28 March 1962; Dainik Nepal, 23 January and 27 March 1962; The Indian Express, 9 April 1962.
82. For the speeches and statements of R.K. Shah and the Indian leaders, see: The Indian Express, 7 and 11 September 1962; The Statesman, 7 September 1962; Swatantra Samachar, 7 September 1962; Naya Samai, 10 September 1962. R.K. Shah's Press Conference in New Delhi, The Hindustan Times, 12 September 1962.

activities. Therefore, R.K. Shah was relieved of his ministerial portfolio on 22 September 1962. The communique issued on the occasion repeated the charges against the Government of India. In relation to Nehru's suggestion for negotiations with the Nepali Congress leaders, the communique said:

Nepalese are capable of sacrificing themselves in the cause of their sovereignty and independence. The gallant Nepalese race has always held its head erected and never learnt to bend it. Nepal is not prepared to enter into any kind of compromise on the basis of the threats of evil actions engineered by fifth columnists and anti-national elements. (83)

The release of the communique was followed by a clash between the Indian intelligence officials and armed Nepalese at the Indian border town, Baxaul, on 29 September 1962. It led to anti-Nepalese demonstrations in Baxaul, and anti-Indian rallies and processions in Birganj, Kathmandu and other parts of the kingdom. The commercial traffic between the two countries came to standstill resulting into a sudden price rise and panic in Kathmandu, particularly so, because it coincided with Nepal's one of the biggest festivals, Dashain. The armed Nepalis involved in the clash were described as Nepali Congress 'rebels' by the Government of Nepal and the 'Nepalese police men' by the Government of India. Charges and counter-charges were exchanged between the two Governments through official communiques and statements. The Government of India offered joint enquiry into the incident but was refused by the Nepalese Government. (84) The Nepalese thinking

83. Text of the communique: The National Herald, 25 September 1962; Gorkhapatra, 23 September 1962; Naya Samai, 23 September 1962.

84. For details of the incident see: Gorkhapatra, 1, 2, 6, 7, 8, 15, 16 and 17 October 1962; Halkhabar, 12 and 16 October 1962;

on relations with India, induced by this incident, was made clear by King Mahendra in his message to the nation on the occasion of Vijay Dashmi in which he emphatically repeated the charges against India and hinted at the "possibility of our age-old friendly relations with friendly country India being spoiled." (85) However, this 'possibility' was averted by the armed conflict between India and China which broke out on 20 October 1962.

Cordial Relations with China

Contrary to India, China's reaction to the establishment of direct rule under the Panchayat System by King Mahendra following the termination of the Nepali Congress Ministry and the Parliamentary System, was all favourable. This reaction was first made public by Vice-Premier Chen Yi who acclaimed King Mahendra's leadership while welcoming the Nepalese delegation to the Joint Committee on Boundary in Peking in early February 1961. (86) To further consolidate this moral support for his political innovations at home, King Mahendra himself visited China from 26 September to 19 October 1961. (87) It may be recalled here that till

84. (contd. from back page)

Nepali, 11 and 14 October 1962; The Hindustan Times, 10 and 14 October 1962.

85. Speeches, n. 8, vol. II, pp. 142-43.

86. Halkhabar, 11 February 1961. Earlier, a press report (Dainik Nepali, 29 January 1961) saying that Chou En-lai expressed support and sympathy to King Mahendra for the steps taken by him was officially denied. Naya Samai, 30 January 1961.

87. King Mahendra's message to the Nation while leaving for China visit. Speeches, n. 8, vol. II, pp. 45-46.

this time, the King's soft approach towards the Government of India had failed to yield any desirable result. In China, the King hoped that from the Chinese side "there will be no chance for any unfriendly behaviour calculated to spoil our good relations." (88)

During this visit, King Mahendra and Liu Shao-chi signed the Boundary Treaty which defined boundary alignments in accordance with the findings of the Joint Committee constituted for the purpose under the previous Agreement on the subject. (89) The task of fixing permanent boundary markers and of drafting the final protocol, were left to the same Joint Committee. (Art. III) As a result of the new alignments, Nepal gained some 300 sq. miles of the territory. (90) Regarding the Mount Everest - called Sagarmatha in the Nepali and Jol-mo Lungma in the Tibetan - the Treaty confirmed the earlier position, accepted by the Chinese, that the boundary line passed through it. (n. 36-39) The Treaty stated:

... the boundary line ... runs generally southwards along the mountain ridge passing through Cho Oyu mountain, Conire Langur (Pumoli mountain), Sagarmatha (Mount Jolmo Lungma) and Lhosta to Makalu mountain; ... (Art. 1 para II). (italics added)

88. Ibid., p. 47.

89. Text of the Treaty, SCMP, No. 2601, 19 October 1961, pp.26-30. Here the quotes and references have been taken from the original English Text made available to the author in Kathmandu.

90. This was disclosed by King Mahendra in Kathmandu on his return from China. Speeches, n. 8, vol. II, p. 56.

King Mahendra on his return to Kathmandu, however, maintained that Sagarmatha "continues to be, as it has been, ours and within our territory". (91) It seems that the King had the southern slope and/or the peak, and not whole of the mountain in his mind while saying so. (92) The Treaty did not clarify the position of the two trijunctions - of China, Nepal and India - each on the east and the west, of the Sino-Nepalese boundary. It involved India's consent and approval which could not be obtained due to Sino-Indian differences on the question of their boundary. (93) Nevertheless, the position of China and Nepal regarding these two-tri-junctions was in conformity with that of India's. (94)

Besides the Boundary Treaty, an Agreement on the construction of a highway was also signed between Nepal and China during

91. Ibid., p. 56.

92. It is a hindsight assumption based on the statements of Nepal's succeeding Foreign Ministers on the subject, from time to time later:

a) R.K. Shah, The Times of India, 10 September 1962.

b) Dr. Tulsi Giri, The Hindustan Times, 25 January 1963; The Commoner, 29 September 1964.

c) K.N. Bista: The Commoner, 25 September 1964; Gorkhapatra, 25 September 1964.

Insertion of the phrase "as it has been" in the King's statement needs attention in this context.

93. This was stated even earlier by Nepal's Foreign Minister Dr. Tulsi Giri. The Hindu, 17 August 1961.

94. It was so accepted by India's Deputy Minister of External Affairs, Mrs. Lakshmi Menon in answer to question in the Lok Sabha, India, Parliamentary Debates, Series II, vol. LXI, no. 5, 16 March 1962, Starred Question No. 75, col. 667; also The Times of India, 19 October 1961.

the visit. (95) The origin of the Highway proposal was as old as January 1957. At that time, the Nepalese traders asked the visiting Chinese Premier, Chou En-lai, in Kathmandu to get the old trade routes between the two countries improved and reactivated. (96) The idea was received favourably by Chou En-lai, who proposed the construction of the Highway to the Nepalese Government during his second visit to Kathmandu in April 1960. (97) The latter did not find it economically beneficial and politically sound project and hence rejected the offer. (98) King Mahendra also did not seem to have thought of it before his visit. He was urged and induced by the Chinese leaders, in the course of his talks with them, to accept the proposal. (99) The ostensible purpose of the Highway was to facilitate trade and intercourse between the two countries as well as within the kingdom. (100)

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95. Text of the Agreement. SCMP, No. 2611, 2 November 1961. The Foreign Ministry at Kathmandu was kind enough to show the original document (No. 16), to the author.
96. The Commoner, 28 January 1957; SCMP, No. 1464, 7 February 1957, p. 33.
97. The Hindu, 27 April 1960; Halkhabar, 27 and 28 October 1960.
98. B.P. Koirala in a press conference on 30 August 1960. The Times of India, 3 September 1960.
99. Speeches, n. 8, vol. II, p. 98. Notable in this context was the absence of any indications regarding the Highway project during the visit of a Chinese economic delegation which concluded its deliberations in Kathmandu on 5 September 1961.
100. Speeches, n. 8, vol. II, pp. 57, 188; also Preamble of the Agreement, n. 95.

However, in retrospect, the presence of China's political and strategic considerations - to improve its position in Nepal vis-a-vis India - behind the offer to construct the project cannot be ruled out. (101)

King Mahendra returned from China fully assured that the Chinese leaders were favourably disposed towards this regime. (102) The latter, on their part, utilised every occasion to declare sympathy and support for the Nepalese Government. Chinese Vice-Premier Chen Yi stated on 4 October 1962:

On behalf of the Government and People of China, I assure His Majesty King Mahendra, His Majesty's Government and the Nepalese people that if any foreign forces attack Nepal, we (the) Chinese people will stand on your side. (103)

This assurance was repeated on 6 October 1962 along with the allegation against India that she was 'imperialist' and 'reactionary'. (104) The timings of Chen Yi's statement added to its significance. It was issued when India-Nepal relations had touched their lowest point owing to the cases of intrusion and the stoppage of goods traffic between them in August, September and October 1962. Further, only two weeks after Chen Yi issued the statements, an armed conflict between China and India broke

101. See author's "Kathmandu-Kodari Road: Justification and Anxiety", Mainstream, vol. VI, no. 7, 14 October 1967, pp. 22-25.

The keen interest shown by China and the concern expressed by India regarding the Highway project, further support the contention. The Times of India, 2 November 1961; The Hindu, 25 November 1961.

102. Speeches, n. 8, vol. II, pp. 42-52, 56-58.

103. SCMP, No. 2835, 9 October 1962, p. 34.

104. SCMP, No. 2836, October 1962, p. 33.

out. Nepal's reaction to the statement was all favourable and she took a sigh of relief. (106)

Thus, King Mahendra's Government was found to be receptive to China's these overtures towards Nepal, which the previous government discouraged for political and strategic considerations. A small but weighty rider of understanding in defence matters against, what may be called, a 'threat from India', appeared to be emerging in Nepal-China friendship. This led to China's demands for the withdrawal of the Indian technicians from Nepal's northern military checkposts, and to stop the use of Gurkhas by India against her during 1961-62 and even later. (106)

The Activation of Relations with Pakistan

Nepal established diplomatic relations with Pakistan on 19 March 1960. (107) The relations were activated after a year and a half, by King Mahendra who paid a state visit to Pakistan from 10 to 16 September 1961. During the visit, King Mahendra and President Ayub exchanged personal congratulations (108) and expressed

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106. This inference is based on the author's interview in Kathmandu with the Nepalese officials and leaders who were dealing with China at that time.
106. Ibid. China had been unhappy ~~about~~ since 1960, for the use of the Gurkhas by India in minor Sino-Indian skirmishes. In reply to a Peking Radio's comment, Foreign Minister R.K. Shah stated that India had right to use Gurkhas for her defence. Janaka, 31 July 1962. Later, China was reported to have pressed on Nepal to put a limit on the recruitment of Gurkhas for the British Army. The Daily Telegraph, 3 January 1964.
107. For details see author's "Nepal-Pakistan Relations: Partnership in Expediency", South Asian Studies, vol. 5, no. 1, January 1970, pp. 63-78.
108. They decorated each other with the highest civic titles of

(contd. on next page)

keen interest in, and support for, each other's political systems - Basic Democracy of Pakistan and the infant Panchayat System of Nepal. (109)

In an oblique reference to India's unfavourable reaction to King Mahendra's direct rule and his idea of the Panchayat System, President Ayub resented the behaviour of such 'friendly' countries which "instead of being helpful, have become a nuisance" and asked the King to go ahead in establishing the Panchayat System in Nepal without bothering for "what anybody else from outside says about it." (110) He also commended King Mahendra's efforts to preserve Nepal's independence and sovereignty, and offered all possible help from Pakistan towards that end. (111) The two leaders stressed that the nations should strictly observe the principle of non-interference in other's internal affairs in order to maintain and promote good neighbourly relations. (112) King Mahendra, on his part, indicated the desire to have cultural and commercial relations with Pakistan. (113) He reiterated the rapport established during this visit between the two countries, with added emphasis. Later, while accepting Pakistan's new

108. (contd. from back page)

their respective countries. Correspondent, 12 September 1961; The Statesman, 12 September 1961.

109. Joint Communiqué issued at the end of the visit. Correspondent, 17 September 1961.

110. Correspondent, 14 September 1961; The Hindu, 14 September 1961.

111. Correspondent, 12 September 1961.

112. Joint Communiqué (n. 100); Spokesman, no. 8, vol. II, p. 44.

113. Spokesman, no. 8, vol. II, p. 49. Dr. Tulsi Giri's statement in Kathmandu, Correspondent, 22 September 1961.

Ambassador to his court on 14 February 1962, the King highlighted Nepal's "newly acquired friendship" with Pakistan and declared: "Nepalis, like Pakistanis shall not deter in the defence and preservation of sovereign rights." (114)

Therefore, Nepal's relations with China and Pakistan during 1961-62, were largely her efforts to demonstrate that she was determined to stand and face the Indian pressures, rather than to succumb to them and as such, also an exercise in creating counter pressures. However, there was no evidence to show that King Mahendra's efforts brought about any softening of the Government of India's attitude towards his regime. Instead, it became more stiff. India's displeasure towards Nepal's growing cordiality with China and Pakistan was made, informally and subtly but definitely, clear to the Nepalese side. (115) The latter had to explain that there was no anti-India design behind its relations with China and Pakistan. (n. 77 and 82) To what extent Nepal would have carried her this policy in the region and what would have been its consequences, could not be seen because the Sino-Indian conflict of October 1962 abruptly changed the entire situation.

114. Gorkhapatra, 15 and 16 February 1962; The Hindu, 15 February 1962.

115. India's Prime Minister Nehru disclosed in the Parliament that the Government had informally communicated their views on the Kathmandu-Kodari Highway proposal, to the Nepalese Government. India, Parliamentary Debates (Lok Sabha), Series II, vol. LIX, no. 4, 24 November 1961, cols. 904-905.

MAINTAINING FRIENDSHIP AND UNDERSTANDING
WITH ALL NEIGHBOURS

The two developments in Nepal's relations with China during 1959-60 and with India during 1961-62, in the background of growing Sino-Indian tension, were extraordinary from the point of the evolution and mobilisation of her regional balance of power policy. The way, the policy operated to cope with these developments, set a pattern for dealing with similar extraordinary situations, if they were to arise in future. This, in general, also became the pattern of Nepal's policy to meet the pressures felt from either of her neighbours.

The Sino-Indian conflict of 1962 marked the crux of the tension in the region and in the following years, the conditions seemed to be gradually settling down. Nepal also adjusted her policy accordingly. Whereas, her concern with India was to restore the cordiality and understanding in mutual relations, which had been damaged in the preceding years, she had to maintain existing friendly relations with China and Pakistan. Moreover, she had to manoeuvre these relations to further her interests, as best as possible, without creating undesirable prejudices among her neighbours.

Restoration of Cordiality and
Understanding with India

The Sino-Indian conflict had immediate repercussions on India-Nepal relations. The Nepali Congress 'suspended' its activities against the King's regime. The Party's President, Subarna Shumshere Rana, explaining the reasons for the suspension

of the activities said in a statement issued in Calcutta on 24 October 1962:

Nepal is very much in the area of conflict and a wrong step at this juncture might jeopardise the future of our country. We do not want the people's democratic movement in Nepal to be an excuse for the King to compromise our country's independence, sovereignty or territorial integrity. (116)

The Government of India, on the other hand, sent in November (21 to 24) 1962 its former Ambassador in Nepal, Bhagwan Sahai, to discuss the Sino-Indian developments with the Nepalese Government and leaders. (117) It was responded by Dr. Tulsī Giri's visit to India from 8 to 11 December 1962, where he met Prime Minister Nehru, Home Minister Lal Bahadur Shastri and Defence Minister Y.B. Chavan. (118) The steps to remove the causes of misunderstanding and restore mutual goodwill between the two countries, essential in view of the Sino-Indian conflict, were discussed during these meetings. Dr. Giri, on his return to Kathmandu declared that there was no basic difference between India and Nepal and whatever 'misunderstandings' had cropped up between them, were also "in the process of being removed". (119)

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116. The Statesman, 25 October 1962. The hint was towards the King's relations with China.
117. Nepal Samachar, 22 November 1962; Motherland, 23 November 1962; Dainik Nepal, 24 November 1962; Gorkhapatra, 25 November 1962.
118. Nepal Samachar, 8 and 10 December 1962.
119. The Hindustan Times, 13 December 1962; Gorkhapatra, 13 December 1962.

The 'process' of removing misunderstandings was streamlined and carried further through several visits exchanged between the two countries by their respective leaders. The visits can be listed as follows:

S.No.	The Visit	When it was undertaken
1.	Home Minister Lal Bahadur Shastri to Nepal	4-6 March 1963. (120)
2.	King Mahendra to India	27-31 August 1963. (121)
3.	President Dr. S. Radhakrishnan to Nepal	4-8 November 1963. (122)
4.	Foreign Minister S. Swaran Singh to Nepal	23-24 August 1964. (123)
5.	Chairman of the Council of Ministers Dr. Tulsī Giri to India - on his way to the visit to Yugoslavia	26 October 1964. (124)

120. For details of this visit see: The Hindustan Times, 5 March 1963; The Indian Express, 5 March 1963; The Times of India, 7 March 1963; Gorkhanatra, 5, 6 and 7 March 1963; Joint Communique, Foreign Policy of India, n. 48; Shastri's statement on his visit in the Lok Sabha, India, Parliamentary Debates (Lok Sabha), Series III, vol. XIV, 7 March 1963, cols. 2751-55.

121. For details of this visit see: The Hindustan Times, 28 and 31 August 1963; The Indian Express, 28 August 1963; Gorkhanatra, 28 and 29 August 1963; Nava Samai, 30 August 1963; Speeches, n. 8, vol. II, pp. 194-96; Joint Communique, Foreign Policy of India, n. 48.

122. For details of this visit, see: Gorkhanatra, 5, 6, 8 and 9 November 1963; The Statesman, 6 November 1963; The Hindustan Times, 6 November 1963; The Times of India, 9 November 1963; Speeches, n. 8, vol. II, pp. 203-06; Joint Communique, Foreign Policy of India, n. 48.

123. For details of this visit see: The Hindustan Times, 24 and 26 August 1964; Gorkhanatra, 25 and 26 August 1964; The Commoner, 24 August 1964; Nepali, 25 August 1964; Samai, 25 August 1964; Joint Communique, Foreign Policy of India, n. 48.

124. For details of this visit see: The Hindustan Times, 27 October 1964; Natri Bhumi, 27 October 1964.

6. Foreign Minister K.N. Bisht to India 24 January to 6 February 1965. (125)
7. Minister of State for External Affairs Mrs. Lakshmi Menon to Nepal. 15-18 February 1965. (126)
8. Prime Minister Lal Bahadur Shastri to Nepal 23-25 April 1965. (127)
9. King Mahendra to India 25 November to 20 December 1965. (128)
10. Chairman of the Council of Ministers Surya Bahadur Thapa to India 11-28 April 1966. (129)
11. Prime Minister Mrs. Indira Gandhi to Nepal. 4-7 October 1966. (130)
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125. For details of this visit see: Gorkhapatra, 30 January, 5, 7 and 8 February 1965; The National Herald, 7 February 1965; Joint Communique; FAR, n. 9, vol. XI, no. 2, February 1965, pp. 38-39.
126. For details of this visit see: Gorkhapatra, 17 and 20 February 1964.
127. For details of this visit see: The Hindustan Times, 24 and 26 April 1965; Gorkhapatra, 24, 25 and 26 April 1965; Joint Communique and Speeches: FAR, n. 9, vol. XI, no. 4, April 1965, pp. 77-78; Speeches, n. 8, vol. II, p. 309. Shastri's statement in the Parliament on the visit on 11 May 1965, FAR, n. 9, vol. XI, no. 5, May 1965, pp. 96-97.
128. For details of this visit see: The Hindustan Times, 21 December 1965; Gorkhapatra, 21 December 1965; Speeches, vol. II, pp. 357-371; Joint Communique and Speeches: FAR, n. 9, vol. XI, no. 11 and 12, November and December 1965.
129. For details of this visit see: FAR, n. 9, vol. XII, no. 4, April 1966, pp. 111-115; Gorkhapatra, 12, 13, 16, 17 and 29 April 1966; The Commoner, 15 April 1966.
130. For details of this visit see: FAR, n. 9, vol. XII, no. 10, October 1966, pp. 255-260; Gorkhapatra, 5, 6, 7 and 8 October 1966; The Rising Nepal, 6 October 1966; The Hindustan Times, 7 October 1966; The Times of India, 8 October 1966; Foreign Minister M.C. Chagla's statement on this visit in the Parliament on 21 November 1966, India, Parliamentary Debates (Lok Sabha), Series III, vol. LXI, no. 14, 21 November 1966, cols. 4367-75; FAR, n. 9, vol. XII, no. 11, November 1966, p. 302. Mrs. Gandhi in Parliament (Question-Answer) on 21 March 1966, The Tribune, 22 November 1966.

12. Defence Minister Burathoki
to India

3-17 November 1966. (131)

Besides these visits, King Mahendra informally visited India from 17 to 27 January 1963. (132) India's Minister, Manubhai Shah made two visits to Nepal in February 1964 and January 1965, and Dr. K.L. Rao visited Nepal from 22 to 25 February 1964. Since these visits were largely concerned with the economic matters, we have not included them in the above list. (133)

During these visits (n. 120 to 131) an attempt to appease Nepal was clearly discernible in India's approach. Contrary to their earlier stand, the Indian leaders quickly reconciled with the establishment of the Panchayat System and the King's supremacy in Nepal. King Mahendra's poetic and philosophic bent of mind and other personal qualities were highlighted. Mrs. Gandhi described him in October 1966 as the incarnation of Plato's ideal: 'The Philosopher King'. This change in attitude of the Indian leaders

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131. For details of this visit see: The Times of India, 4 November 1966; The Commoner, 4 November 1966; The Tribune, 9 November 1966.
132. The purpose of the visit was described as to see ailing Queen Mother at Calcutta. He made a stop over at Lucknow where he met Chief Minister C.B. Gupta and participated in the Republic Day Celebrations on 26 January 1963. Gorkhanatra, 28, 30 and 31 January 1963; The Hindustan Times, 28 January 1963.
133. The purpose of Manubhai Shah's visits was confined to the discussion and settlement of issues between the two countries related to Trade and Transit. Gorkhanatra, 20, 21, 22 and 23 February 1964, and 7, 8 and 9 January 1965.
- Dr. Rao participated in the inaugural function of Tadi and Trishuli bridges, and discussed draft amendment on the Gandak Agreement. Gorkhanatra, 19, 23, 25 and 26 February 1964.

was viewed by King Mahendra as vindication of the strength and viability of his policy towards India. (134) The Indian leaders stressed that the Government of India neither did, nor will, encourage unlawful activities of the Nepali Congress 'outlaws'. (135) Nevertheless, there were reports that they quietly dropped hints to their Nepalese counterpart to adopt a sympathetic attitude towards the Nepali Congress 'rebels'. (136)

To dispel Nepal's apprehensions, the Indian side reiterated its respect for the latter's independence, sovereignty and territorial integrity, assuring that it will never interfere in her internal affairs. However, it held that since there were close ties and natural interests in each other's security and stability, mutual understanding and co-operation were necessary between the two countries. The two sides discussed international situation and declared that they had similar approach in this context. It is notable that the Sino-Indian and the Indo-Pakistan relations (the latter after 1965) invariably figured during these visits - mostly at India's initiative - wherein the emergence of Sino-Pak "collusion" in the region and its implication on the security of India and Nepal was underlined. In October 1964,

134. The Motherland, 2 September 1963.

135. The Government of India proscribed a pamphlet entitled The Indian Nepali Congress and King Mahendra, written by J.B. Singh and printed at Lucknow in 1964, under the Defence of India Rules, 1962. The Motherland, 29 December 1964. The pamphlet contained "slanders" against King Mahendra.

136. The Times, 24 November 1964; The Hindustan Times, 26 April 1965.

Dr. Tulsī Giri's talks with Nehru in New Delhi were held in the background of China's first nuclear blast. The matters related to mutual co-operation in the economic field gradually acquired an increasing importance in the discussions between the two sides. India offered assistance for Nepal's economic development taking care also of the latter's psychological impulses. Mrs. Gandhi renamed the 'Indian Aid Mission' in Kathmandu as the 'Indian Co-operation Mission' in October 1966.

The Nepalese leaders were particular in asserting the "independent and distinct personality" of Nepal. Along with this assertion, they reciprocated the views expressed by the Indian leaders regarding close ties and common interests. (137) They appreciated India's economic assistance and wished that it be continued.

In the environment of understanding and goodwill, developed during these years, India and Nepal also took up matters of mutual adjustment. These included: the transfer to His Majesty's Government of a Post and Telegraph Office run by the Indian Embassy; the movement of one country's vehicles into the territory of the other; the transfer of foreign exchange to Nepal earned by her as a result of the Gurkha recruitment in the British Army[†] but deposited with the Government of India; Nepal's demand for an increase in the number of Nepalese checkpoints along the border for the entry of the foreigners coming via India; the reorganisa-

137. On the request of the Government of India, King Mahendra did not attend the RSS (Hindu cultural organisation) Rally at Nagpur in January 1965. The Motherland, 23 January 1965; For more details about Nepal's appreciation of India's stand and interests, see Shriman Narayan, India and Nepal: An Exercise in Open Diplomacy, Bombay, 1970.

tion of Indian Military Advisory Group (n. 20) stationed in Kathmandu; the issues pertaining to trade, transit and economic co-operation and the border dispute in Susta region and Narshani forests, in the Lumbini Zone of Nepal and adjoining UP and Bihar provinces of India. The initiative in most of the cases came from Nepal which, looking at the nature of the issues, manifested her urge for the assertion of independent identity vis-a-vis India. They were discussed at the level of joint secretaries as well as high dignitaries. Slowly and gradually, the Government of India accommodated most of these demands. (138) Thus by the end of 1966, the understanding and goodwill, damaged during 1961-62 was restored. This was evident in King Mahendra's comments, made while being interviewed by the Indian Express on 29 November 1966. He said:

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138. a) For P & T office transfer, movement of vehicles and Gorkha earned foreign exchange transfer, see: Gorkhapatra, 16, 17, 18 and 24 October and 9 November 1963; The Statesman, 24 October 1963. Rashtriya Panchayat: Kariya-vahi ko Samkshipt Viveran (Hereafter, Summary Records), IV Session, 1 and 2 Shrawan 2021 (July 1964).
- b) Checkposts for the foreigners entry into Nepal: Mrs. Lakshmi Menon in the Indian Lok Sabha, Nepal Sanschar, 19 November 1963; Gorkhapatra, 29 January and 21 April 1964.
- c) Indian Military Advisory Group's reorganisation: Naya Sandesh, 28 December 1963.
- d) Border dispute in Susta and Narshani: Motherland, 29 January 1964; Naya Samal, 31 January 1964; Gorkhapatra, 4 and 15 February and 16 April 1964, 2, 3, 4 June 1965; Dainik Nepal, 20 April 1964; Summary Records (9), II Session, 3 Bhadra 2020 (August 1963); III Session, 20 Magh 2020 (February 1964); IV Session, 14, 19 and 21 Shrawan 2021 (July 1964).

The settlement of the problem is still under negotiation.

- e) Issues pertaining to Economic Co-operation and trade transit matters will be discussed in Chapter VII.

The misunderstandings that had appeared some years ago in Nepal-India relations are being gradually dispelled. Mutual understanding is developing between the two countries in a satisfactory manner. I welcome any opportunity that is available to extend cooperation in any matter that will benefit both nations in the right manner. ... I do not think there are any serious differences between Nepal and India at present. If there is any, we can solve it in an amicable manner. (139)

Maintenance of Friendship with China

China's image as a dependable friendly neighbour facilitated her contacts with Nepal in the following years^x until this image suffered a serious jolt in 1967 owing to the consequences of the Cultural Revolution in China. Friendly contacts between the two countries were evident in a number of state visits to China undertaken by the Nepalese dignitaries. The visits were:

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| 1. Rishi Keshabhah, Nepal's Permanent Representative at the UN (Ministerial level) and former Foreign Minister | November-December 1962 |
| 2. Dr. Tulsi Giri, Foreign Minister | January 1963. |
| 3. Surya Bahadur Thapa, Vice-Chairman of the Council of Ministers | September-October 1964 |
| 4. Kirti Nidhi Bista ^{ht} , Vice-Chairman of the Council of Ministers | August-September 1965 |
| 5. Birendra Bikram Shah Dev
Crown Prince | June-July 1966. |

Rishi Kesh Shah visited China as a special envoy of King Mahendra. The armed conflict between China and India in October 1962 created a situation which was both grave and embarrassing for

139. Swatantra Samachar, 1 December 1966; The Sunday Standard, 30 November 1966.

Nepal. Shah's mission was, therefore, to impress upon the Chinese Government that Nepal wished to remain, and so be left, aloof from the conflict. He met the Chinese leaders, including Liu Shao-chi and Chou En-lai, and told them that Nepal was interested only in the friendship, understanding and peace between her neighbours. (140)

This was emphasised by Dr. Tulsi Giri during his visit, since the tension continued to exist between India and China even after the ceasefire on the border. (141) Besides, Dr. Giri signed the protocol on the Boundary Treaty between Nepal and China on 20 January 1963. It may be noted here that ^Notes on trans-frontier cultivation pasturing and citizenship, pertaining to the inhabitants of the border areas to be transferred from one country to the other under the provision of Article I of the Treaty, had been exchanged between the two countries earlier in August 1962. (142) Dr. Giri also explored possibilities of further economic co-operation between the two countries and had preliminary discussions with the Chinese leaders regarding the conclusion of a trade treaty. This Treaty was signed later on 19 May 1964. (143)

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140. R.K. Shah's speeches in Peking: SCMP, No. 2868 and 2869, 28-29 November 1962, pp. 36-38; 39-40, respectively. Press Conference in Hongkong on his way back home: Nepal Sanshar, 13 December 1962. In Kathmandu on return: Gorkhanatra, 23 December 1962.
141. Dr. Giri's speeches in China: SCMP, Nos. 2906 to 2908, 28 to 30 January 1963; Gorkhanatra, 20, 21, 24 and 25 January 1963; The Times of India, 21 January 1963.
142. Text of the Notes: Gorkhanatra, 17 August 1963; SCMP, No. 2804, 22 August 1962, pp. 28-30.
143. Nepal Press Digest, vol. VII, no. 19, 16 to 22 May 1964; SCMP, No. 3226, 26 May 1964, p. 34.

The emphasis during the visits of S.B. Thapa, K.N. Bishtg and Prince Birendra was largely on the matters of economic co-operation between the two countries. (144) Prince Birendra's visit was marked by an additional Chinese grant of 150 million Rupees in aid. (145) More about economic matters between the two countries will be discussed later.

From the Chinese side, Vice-Premier Marshal Chen Yi visited Nepal from 30 March to 3 April 1965. Earlier, Premier Chou En-lai had planned to visit Nepal, but the visit did not materialise due to various reasons. (146) During Chen Yi's visit also, economic matters of mutual interest figured prominently. (147) Besides, it was underlined during this visit that Nepal and China had similar views on the issues like Vietnam question and Afro-Asian solidarity. This identity in outlook was reiterated when

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144. S.B. Thapa's visit: Gorkhanetra, 6 and 12 October 1964; SCMP, No. 3314, 4 October 1964. K.N. Bishtg's visit: Joint Communique: Gorkhanetra, 8 September 1965; SCMP, No. 3536, 14 September 1965. Prince Birendra's visit: Gorkhanetra, 26 to 28 June and 4, 8, 12 and 15 July 1966; SCMP, No. 3729, 30 June 1966, pp. 36-40 and No. 3734, July 1966.
145. Sansya, 8 July 1966. A formal Agreement to this effect was signed on 21 December 1966. Gorkhanetra, 22 December 1966.
146. Chinese Premier disclosed this in Peking to the leader of the visiting Nepal's National Panchayat Delegation, Vishwa Bandu Thapa in November 1963. He was reported to have said to the latter that he planned to visit Nepal when he had offered to visit India. But due to "Nehru's reluctance", the latter visit did not come up and, therefore, he could not visit Nepal. Gorkhanetra, 13 November 1963; Motherland, 13 November 1963.
147. Joint Communique issued at the end of Chen Yi's visit. SCMP, No. 3433, 7 April 1965, pp. 37-38.

K.N. Bisht~~x~~ visited China after four months. (n. 144) Touching upon international issues during his visit, Prince Birendra reiterated Nepal's stand that China's participation in the efforts towards disarmament and world peace was necessary for the success of these efforts. (n. 144)

Thus between 1963 and 1966 Nepal was found to be more keen and active, as compared to China, in maintaining her friendly relations with the latter, as evident from the number of visits exchanged between the two countries. China's response was favourable and the relations between them remained cordial, though restricted and formal, particularly, as compared to Nepal-India relations. The emphasis in the Sino-Nepalese relations was largely on the matters of economic co-operation. In that context, we shall see later, that with regard to both trade and aid, China's responses were casual, fraught with demonstration effects and punctuated by only occasional enthusiasm.

Normal Friendly Relations with Pakistan

King Mahendra's September 1961 visit to Pakistan was returned by President Ayub who visited Nepal in May (9 to 12) 1963. The visit was initially scheduled for October 1962, but due to the breakout of Sino-Indian conflict, it could not take place. Meanwhile, the two countries worked out details for economic co-operation between them. A Trade Agreement was signed in Karachi on 19 October 1962, which provided for 'the most favoured nation' treatment to each other in commercial matters. (148) It was followed by another

148. Gorkhapatra, 20 and 27 October 1962. (more details later)

Agreement on transit of the goods. (149) Besides, in March 1963, Air service between Dacca and Kathmandu was inaugurated and an agreement, in principle, was reached on having telecommunication link between them. (150)

During his visit, President Ayub underlined various common features between Nepal and Pakistan and stated that both the countries were determined to preserve their independent sovereign status. He hoped in this context that the "leaders of this region and the world" will adopt a sympathetic attitude and dispel their (Nepal and Pakistan) apprehensions. (151) The President in his talks with King Mahendra raised the question of 'tensions and problems' which include Kashmir dispute (152) as also, presumably, Sino-Indian conflict and Western arms aid to India. (153) The

149. Gorkhapatra, 1 February 1963. Earlier a Pakistani delegation visited Nepal in this connection. Gorkhapatra, 11 January 1963.

150. National News Agency Report, 12 and 13 March 1963. (Quoted in Nepal Press Digest)

151. National News Agency Report, 10 and 11 May 1963. (Ayub's address to the National Panchayat, Summary Records, n. 138, I Session, 10 May 1963 (Vaishakh 2020). (Quoted in Nepal Press Digest)

152. It was disclosed by Dr. Tulsi Giri after his talks with President Ayub on 10 May 1963. The Statesman, 11 May 1963.

Significantly, the Pakistan Embassy was reported to have distributed a special issue of its bulletin 'Pakistan News' to the guest at the State Banquet given by King Mahendra in honour of President Ayub Khan on 9 May 1963. The brochure gave population statistics of Kashmir and stressed the need for a plebiscite there. The Times of India, 10 May 1963.

153. This presumption is based upon Ayub's speeches in Kathmandu which contained oblique reference to India. His condemnation of the Western Military aid to India on the eve of leaving Pakistan for the visit was another indication to that effect. Nava Samai, 5 May 1963.

King did not take sides on these issues. The Joint Communique, issued at the end of the visit, stated:

... keeping in view the tensions and problems of the area, they (the King and the President) reiterated their belief that the settlement of all problems as well as the elimination of the causes of friction by peaceful means would be in the highest interest of the countries and peoples of this region, as of the world at large. (154)

The concern of the Nepalese side was largely with the bilateral ties, with particular emphasis on economic intercourse and other non-controversial matters. (155) As in 1961, the exchange of personnel adulation, (156) and expression of mutual interests in each other's political systems by the two leaders was evident. (157) Further, it was agreed to establish residential embassies on a reciprocal basis in both the countries. (158)

Relations between Nepal and Pakistan remained casual after this visit. Except for inauguration of the long proposed telecommunication link between Dacca and Kathmandu and Pakistan's agreement to allow Nepal, the use of Chittagong port for transit of goods to and from a third country in August 1965, (159) and the offer of a few Pakistani scholarships for the training and

154. Text of the Communique. The Pakistan Times, 13 May 1963.

155. Ibid.; Speeches, n. 8, vol. II, pp. 182-84.

156. King Mahendra and President Ayub conferred the Honorary rank of Field Marshal of their respective armies on each other. Ibid.

157. Ibid.

158. Ibid.

159. Gorkhapatra, 6, 11 and 13 August 1965.

study to the Nepalese, (160) even the economic intercourse between the two countries was restricted. This was in spite of King Mahendra's unofficial visit in June (15 to 17) 1964, Foreign Minister K.N. Bisht's official visit in January (25 to 31) 1966 (details below) to Pakistan, and the exchange of a number of trade, industrial and other delegations between them.

FUNCTIONAL PRE-REQUISITES OF THE REGIONAL
BALANCE OF POWER

For the evolution and functioning of Nepal's regional balance of power, discussed in the foregoing pages, the clash of interests between her neighbours - India on the one hand and China and Pakistan on the other - and her declared non-alignment with either of the sides, were essential. The conflict and competition that characterised the behaviour of the two sides towards each other, placed Nepal in a vantage position and made her an object to be wooed by each of them against the other. This position enabled her to exercise discretion and extend the scope of her manoeuvrability in the region. This further enabled her to ward off pressures on her, from one side by mobilising support from the other, as also to secure benefits, economic and otherwise, from one side by playing the other against it. And all this without much of commitments and liabilities.

160. Ibid. In August 1966, Foreign Minister K.N. Bisht disclosed in Nepal's National Panchayat that out of a total of 1, 137 foreign scholarships received by Nepal during last five years Pakistan gave 38. Gorkhapatra, 23 August 1966.

If we examine the proposition negatively, the policy of regional balance of power would be ~~d~~isfunctional under following conditions:

- 1) When the relations between China and India are cordial and their behaviour towards each other is characterised by convergence and co-operation instead of conflict and competition, particularly in the region.
- 2) When Nepal allies herself with either of the two neighbours. (161)

Conditions almost identical to those mentioned above, existed during the Tribhuvan period (1951-54). Nepal - both in the military and the political sense - was virtually that of an ally of India. (Chapter IV) Besides, India and China had very cordial relations and the convergence in their policies in the region was evident in India's recognition of China's suzerain status in Tibet and China's recognition of India's special interests and position in Nepal. (Chapter IV, n. 48). As a result, the balance of power policy was non-existent. Even the establishment of diplomatic relations with China, which were imperative in the situation, could not materialise.

Neutrality in the Sino-Indian Dispute

There was a third condition under which the balance of power policy though in existence, became ~~d~~isfunctional. It was in 1962 when the tension between India and China turned into an armed conflict. During the tension period (1959-1962), Nepal

161. Pakistan being a secondary factory, throwing her weight on the Chinese side against India, has not been mentioned specifically.

could afford to take a neutral stand vis-a-vis the Sino-Indian dispute. Prime Minister Koirala maintained a non-committal stand regarding the validity of McMahon line between India and China and advocated silence in their mutual differences. (162) The growth of tension between Nepal's two neighbours posed a threat to her neutrality and resulted into embarrassing situation for the Government. (163) During 1961-62, even in the height of Nepal-India differences, King Mahendra did not take China's side in the Sino-Indian dispute. His Government scrupulously observed silence on the subject and it was denied that Nepal was playing off her one neighbour against the other. (164)

As soon as the conflict broke out on 20 October 1962, the balance of power policy of Nepal, which was vigorously operating, came to a standstill and remained so, as long as the fighting continued. But after the ceasefire between India and China, since the hot war had again regressed into a tension situation, Nepal could proclaim her neutrality. Accordingly, King Mahendra sent his emissaries R.K. Shah and Dr. Tulsi Giri to China and India in November and December 1962, respectively, to impress upon each of them that Nepal desired to be left alone in the conflict. The King stated: "Nepal sees no reason why she should become a victim of the struggle between her two neighbours, nor in fact does she

162. Kalpana, 5 September 1959; The Commoner, 12 September 1959.

163. Reports of the ruling party Nepali Congress's General Secretaries: The Commoner, 10 November 1959; The Hindustan Times, 9 May 1960.

164. Speeches, n. 8, vol. II, pp. 123-30; The Indian Express, 12 April 1962; also n. 77 and 82.

want to be in that position". (165) Though the King also expressed the desire that Nepal would work for easing the tension between India and China, (166) she did not have enough potential to do that. (167)

However, behind Nepal's declared neutrality in the dispute, there was a ^mmild attitude of sympathy and support for India. It was evident in the quickness and sincerity, after the conflict, with which Nepal buried all her complaints against India and responded to the latter's initiatives for the restoration of mutual goodwill and understanding. King Mahendra in his statement (n. 164) had also said that Nepal had sympathies for a 'friend in distress' - which implicitly meant India. Chairman of the National Panchayat, Vishwa Bandhu Thapa, who was in the forefront of India's critics till recently, stated on the occasion of India's Independence Day in 1963:

165. Speeches, n. 8, vol. II, pp. 147-8.

166. Ibid. Prime Minister Tanka Prasad Acharya had also expressed similar views in 1956, though no tension was evident between India and China at that time. The Hindu, 7 December 1956; The Times of India, 5 December 1956.

167. Nepal did not join even the group of non-aligned Asian countries which jointly put forth the 'Colombo Proposals' for the settlement of differences between India and China.

Earlier, Dr. Tulsi Giri's statement in October 1959, offering Nepal's mediation in the Sino-Indian dispute did not find favour with other leaders of the Nepali Congress. Nepali, 4 November 1959; Nepal Samachar, 10 November 1959; Janata, 11 November 1959; Sansar, 13 November 1959. Prime Minister D. S. Koirala later declined that Nepal wanted to make any offer of mediation between India and China. The Commoner, 1 February 1960.

In April 1966, Chairman Surya Bahadur Thapa, when asked during his state visit to India whether Nepal would help India and China in solving their boundary dispute, said: "We are a small nation and have good relations with both India and China. I do not think it is proper for us to interfere in this matter." The Commoner, 15 April 1966.

We felt anxious when India's northern borders were encroached upon ... our brave Gurkha soldiers then shed their blood for India on many fronts. Everybody can imagine what every Nepali mother, wife or brother felt at that time ... (in future it would be only after) trampling over the dead bodies of the Nepalese people that any invader would be able to enter India through our territory. (168)

Besides, heavy recruitment of the Gurkhas for the Indian Army was reported in Nepal. (169) Later, Nepal and India negotiated an Agreement under which the former agreed to purchase all her arms and ammunition requirements from the latter. (170) As against this, the reports of Nepal receiving any military assistance from China were firmly denied. (171)

Nepal and the Kashmir Dispute

Nepal's role in the Kashmir dispute between India and Pakistan, and the war between them resulting from the dispute in September 1965 was basically the same as her stand in the Sino-Indian dispute. Officially, Nepal kept silence on the Kashmir question up to 1956. In 1957, Nepal's Prime Minister Dr. K.I. Singh

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168. Nepali, 16 August 1963; The Times of India, 16 August 1963.
169. Samaj, 25 September 1963; Lumbini, 20 October 1963.
170. Commander-in-Chief of the Nepalese Army Surendra Bahadur Shah visited India in January 1966 where he was believed to have negotiated the Agreement. Gorkhanatra, 4 and 5 January 1966; Motherland, 4 January and 15 February 1966. Also Samaj, 4 September 1964.
171. The denial was issued in a statement by Foreign Minister K.N. Bisht contradicting the US Defence Secretary Robert McNamara's statement, saying that China had provided military assistance to Nepal. Gorkhanatra, 31 January 1964.

stated that Kashmir belonged to India. (172) However, in view of Dr. Singh's short-lived Prime Ministership and the subsequent developments, his statement does not merit serious consideration. King Mahendra's refusal to take sides on the Kashmir question when it was raised before him by President Ayub in 1963, can be recalled as an evidence. (n. 154) When Indo-Pakistan war broke out in September 1965, Nepal expressed her concern and urged for peace. (173) King Mahendra addressed identical letters to the Presidents of India and Pakistan on that occasion, wherein he explained that Nepal had "taken no sides on the question of Kashmir." (174)

Nevertheless, under this overt neutrality of Nepal, there was a discreet stand in favour of India, particularly in view of the war. In his identical letters (n. 173), King Mahendra had also favoured the bilateral settlement of the differences "without interference or counsel from any third party" and had asked both the sides to accept the UN Security Council Resolution for cease-fire, in the interest of peace. (175) Both these points were in conformity with India's stand as against Pakistan's. Then, the Foreign Ministry in Kathmandu promptly denied Radio Pakistan's reports which said that Nepal had sided with Pakistan in the war and had asked India not to use Gorkha troops in the war against her. (176) Besides, it was promised that Nepal would not allow

172. The Hindustan Times, 4 August 1957.

173. Sanksha, 7 September 1965; Gorkhapatra, 6 September 1965.

174. Speeches, n. 8, vol. II, pp. 348-9 (Text of the letters).

175. Ibid.

176. Gorkhapatra, 13 and 17 September 1965.

Pakistan to indulge in such false propaganda against India any more. (177) The fact of Nepal's sympathies for India's cause became further evident when King Mahendra, during his state visit to India in November-December 1965, along with the Indian President maintained: "that the principle of self-determination can apply only to dependent and trust territories and cannot be extended to integral parts of sovereign states." (178) By implication, the declaration dismissed Pakistan's demand for plebiscite in Kashmir.

This made Pakistan unhappy. Lest it damage their relationship, Nepal's Foreign Minister K.N. Bisht visited Pakistan from 25 to 31 January 1966. There he explained to the Pakistani leaders about Nepal's Treaty obligations towards India, which rendered the former helpless regarding the use of Gurkha troops by the latter against a third country. Bisht was reported to have stated in this context that Nepal was seriously considering to change the existing agreement on the use of Gorkha troops by India and Britain. (179) It seems that this was only to appease Pakistan, because on his return to Kathmandu, Bisht ruled out the possibility of revising the ^uGorkha Agreement "for the present". (180) He also delivered a personal communication from King Mahendra to President Ayub Khan in which the former was said to have expressed his desire to meet the latter. (181) Besides, Bisht's main

177. Sanksha, 16 September 1965.

178. Joint Communique, n. 128.

179. Motherland, 26 January 1966.

180. Gorkhapatra, 2 February 1966.

181. Gorkhapatra, 30 and 31 January 1966.

concern during this visit was with the economic matters between the two countries. (182)

Military Protection from India

Nepal's tacit leaning towards India in the latter's conflicts with China and Pakistan was, in the first place, dictated by, apart from the socio-cultural and economic factors, mutual understanding and arrangements related to the matters of defence and security between the two countries. This did not only involve commitments on the part of Nepal but, in turn, also ensured India's military protection for her. The protection, instead of being a hurdle, facilitated her political manipulations in the region. Its absence in view of Nepal's power potential and geopolitical situation, would have enhanced her vulnerability in the region and thus have adversely affected the evolution and functioning of the policy of balance of power.

There can be another plausible explanation also. The Sino-Indian conflict had upset the power balance in the region to China's advantage. It was a step in the direction of one power (China's) hegemony in the region. If the hegemony could be established Nepal's balance of power would not work, since India would have ^{ceased} ~~created~~ to be an effective counter-weight against China. Similar threat was inherent in the emergence of Sino-Pak "collusion" against India during September 1965 Indo-Pak conflict. Nepal's action of throwing her weight, militarily, in favour of

182. Bisht's speeches in Pakistan. Gorkhanatra, 26, 28, 30 and 31 January and 2 February 1966; The Dawn, 26 and 30 January 1966.

India was, therefore, a clear step towards the preservation of the power equilibrium in the region, irrespective of her awareness of this fact.

To sum up, Nepal's regional balance of power policy operated within the framework constituted by its three dominant features spelled out in the beginning of this chapter. The functional pre-requisites of this policy were: that she, while enjoying military protection from one of her big neighbours, took a politically neutral stand in the regional disputes; that there was tension and not war, nor cordiality, between the major powers of the region, who competed with each other for allies and influence and that the power equilibrium between them was not seriously jeopardised.

Chapter VI

THE GLOBAL NON-ALIGNMENT

The breakthrough in the regional dimension of Nepal's foreign policy was matched by the breakthrough in its global dimension. The Nepalese leaders who succeeded the Panch had prepared the theoretical and ideological basis for the policy of non-alignment during 1951-54. Accordingly, Nepal criticised the formation of power blocs and the conclusion of military pacts. Strong disapproval of the United States arms aid to Pakistan and to the Arms Agreement between the latter and Turkey may also be recalled as an evidence here. (1) Besides opposition to the power blocs, Nepal condemned colonialism, imperialism and racialism and lent her support to the freedom movements in Asian and African countries. (2) She also lauded the existence of the UN as well as the principles and objective for which it stood, but resented the hurdles thrown by the cold-war politics in her admission to the world body. (3)

All these features of Nepal's non-alignment were, however, true only in theory. A breakthrough in the practical content of the policy was marked by Nepal's participation in the Bandung Conference in April 1955, her admission to the UN in December 1955,

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1. Prime Minister M.P. Koirala and Foreign Minister D.R. Bogni's statements. Mantra Pur Bakhya Samgrah, Department of Publicity, Kathmandu, n.d., pp. 23, 60, 63-64. (Chapters II and IV)
 2. Speeches of the King, the Prime Minister, the Foreign Minister and the Ambassadors, *ibid.*, pp. 20, 27, 30, 61-67.
 3. *Ibid.*

and the establishment of her relations, on the one hand, with the Soviet Union in July 1963 and on the other, with non-aligned powers like the UAR and Ceylon in April and July 1967 respectively. This completed the basic requirements for her to practice a non-aligned foreign policy. She had relations with the leaders of both the power blocs as well as uncommitted non-aligned countries and had availed the opportunity of identifying herself with the Afro-Asian countries.

Nepal's policy of non-alignment operated in the global context in three directions and areas. They were: towards the super powers and their allies; towards the small uncommitted nations and towards the UN and other international forums. In general, the policy was in conformity with the broad framework of the non-alignment enunciated and pursued by India along with other Afro-Asian countries. In this chapter, we shall study the dominant features of Nepal's global non-alignment in the directions and areas mentioned above.

RELATIONS WITH THE SUPER POWERS AND THEIR ALLIES

Nepal's policy towards the Super Powers and their allies was, in general, one of friendship and peaceful co-existence. Conscious of the fact that the Super Powers realised her strategic position in South Asia, Nepal was found to be mainly concerned with securing as much benefits, particularly economic, from them as possible. Towards mutual conflict and cold-war politics between them, her stand was one of declared neutrality and aloofness. In the background of these dominant features of Nepal's policy, we

shall discuss below her relations with the Super Powers.

(A) Relations with the USA

It has been noted already that till 1954, Nepal, though willingly received American aid, was averse to her political and strategic motives in the region. (n. 1, Chapter II and IV) This attitude continued during 1955-63 and was expressed mostly through the criticism of the American aid. (4) Its intensity was evident in the press reaction on the incident reported in April 1953, pertaining to the alleged smuggling of American arms into Tibet to help fight against the Chinese communist authorities there. (5) On the other hand, America had also become suspicious towards Nepal during this period, in view of the latter's growing cordiality with China and the USSR. (6)

Growing Understanding

Towards facilitating better communication and understanding with the USA, Nepal decided in November 1953 to establish

4. Replying to such Nepalese criticism, the US Ambassador Elsworth Bunker stated that the American assistance was without any strings attached and had "no ulterior motives" behind it. Garhapatra, 23 August 1957; The Statesman, 23 August 1957. This argument was repeated by the Ambassador on other occasions also. See: Hallshabar, 29 April 1953; Naya Sanaj, 18 December 1953.
5. Kalpana, 25 April 1953; Nepal Times, 23 April 1953; Naya Sanaj, 2 May 1953; Sanyukt Pravas, 10 May 1953 (quoted in Nepal Press Digest, hereafter NPD); Nepal Samachar, 23 May 1953.
6. The fact of America's suspicion was impliedly evident in Prime Minister Tanka Prasad Acharya's attempt to explain to the American Ambassador that there were no "ulterior motives" behind Nepal's relations with the communist countries. The Statesman, 11 March 1957. Also n. 4.

her residential diplomatic mission in Washington. (7) The establishment of democratic government in Nepal in May 1959, which coincided with the disturbances in Tibet and their repercussions on the Sino-Nepalese relations, brought the two countries further closer. The US Charge d'Affaires in Nepal, Brown, discussed the Tibetan events with Prime Minister Koirala and ^{congratulated} the Nepalese Government for having successfully conducted the first General Elections in the kingdom. (8) A few months after Brown's meeting with Koirala, the US Ambassador designate to Nepal, Henry E. Stebbins, declared that Nepal was militarily a strategic area and, therefore, needed protection against communist imperialism. (9)

With the tone set for mutual understanding between the two countries, King Mahendra undertook a state visit to the USA beginning from 27 April 1960. (10) There he highlighted Nepal's firm "belief in the efficacy of the democratic system" and her independent and non-aligned foreign policy. (11) President Eisenhower assured King Mahendra of the US readiness to assist Nepal "in its high objective of developing the resources of the

7. King Mahendra, H.M., Proclamations, Speeches and Messages, Department of Publicity, RIG Nepal, Kathmandu, 1967 (hereafter Speeches), vol. I, part Two, p. 123.

8. Halkhabar, 30 June 1959.

9. Sandak, 13 September 1959.

10. The US Government was prompted to invite the King after his state visit to the USSR in June 1953. Mihaly, E.D., Foreign Aid and Politics in Nepal: A Case Study, Oxford, London, 1955, pp. 59-60.

11. See King Mahendra's speeches during this visit. Speeches, n. 6, vol. I, pp. 131-33.

country for the welfare of its people." (12) Recalling the long-standing relations between their two countries, both the President and the King expressed their concern with the vital world problems of achieving "lasting peace" and "international justice". They underlined their "profound belief" in "the sovereignty and independence of nations and in genuine non-interference in the affairs of others". (13) The visit was marked by the signing of Nepal-US Investment Guarantee Agreement on 17 May 1960. It provided for the security of the American capital, which was expected to be invested in the kingdom. (14)

King Mahendra seems to have discussed Nepal's border problem with China with the US leaders quietly, under the "review of international situation". In an oblique reference to the situation along Nepal's northern border, the King stated:

In matters of self-defence of the country, we are confident that our human and material resources are sufficient to meet any eventuality but that should not mean that we rule out all extraneous help in times of real need. (15)

This statement can be interpreted to mean that Nepal did not envisage any immediate danger from China but was willing to seek the USA's help in times of real danger. The King further added

12. The New York Times, 28 April 1960.

13. Text of the Joint Communique issued at the end of the visit. The Statesman, 30 April 1960. Also see: The Commoner, 28 April 1960.

14. Corkhapatra, 20 May 1960; The Commoner, 17 May 1960.

15. Speeches, n. 7, vol. I, p. 184.

during this visit that there were no differences between Nepal and China, that the latter did not violate the former's border and that the relations between the two were strictly formal and cordial. (16)

Three months after the King's visit, Prime Minister B.P. Koirala met President Eisenhower at New York while attending the UN General Assembly session. It appears that the main purpose behind this meeting was to acquaint the US President with the developments regarding the Sino-Nepalese relations in general and the settlement of border disputes between them in particular. (17)

AFER KING Mahendra's Takover

King Mahendra quickly moved to secure the US recognition for his takover. His message of "goodwill" to the newly elected President Kennedy was favourably responded. Kennedy assured that his goal was to preserve the friendly relations between the two countries. (18) In May 1961, Nepal's former permanent representative at the UN, and newly appointed Finance Minister, R.K. Shah met President Kennedy at New York and explained the

16. The Cornerer, 20 April 1960. Also Asian Recorder, vol. VI, no. 35, 27 August - 2 September 1960, p. 3503.

17. A joint statement was issued after the talks. The Cornerer, 23 September 1960; Naya Samai, 23 September 1960.

The White House Press Secretary refused to answer a specific question whether the two leaders had discussed "China's infringement of Nepal's border". He did not say no. Ibid.

18. Halkibazar, 19 February 1961. In its initial reaction, the US Department of States described it as an internal matter having nothing to do either with the Soviet Union or the Communist China. That being so, there was nothing to worry about. The Hindu, 17 December 1960.

'rationale' of King Mahendra's action to him. As a result, Shah secured the President's continued sympathy and co-operation for the King's regime in Nepal. (19) Towards the same end, King Mahendra himself granted an audience to the US Ambassador in Kathmandu, Henry E. Stebbins, and the USOM Director, John L. Roch. (20) In the following few months, Nepal's growing cordiality with China caused a little anxiety and concern in the USA. (21) Nepal tried to remove such misgivings through normal diplomatic channel. The Nepalese Ambassador to the United States, M.P. Koirala stated in July 1962 in this context:

When the new political system was introduced in Nepal, there had been some misunderstanding in the United States. This misunderstanding has been dispelled now. The Americans do not want to interfere in Nepal's internal affairs and there was no plan to curtail American aid to Nepal. (22)

Military Aid

In the following years, Nepal sought the United States' help, particularly in two fields: in building her military defence and in strengthening the newly established Panchayat System. The need for the first was felt after the Sino-Indian conflict of October 1962. The request for military assistance was made during Nepal's Chairman and Foreign Minister, Dr. Tulsī Giri's state

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19. Gorkhapatra, 3 May 1961. Also see Gorkhapatra, 2 May 1961.
20. Gorkhapatra, 30 May 1961.
21. Interview with the American diplomats in Kathmandu. The coldness between the two on this aspect was also evident in the implementation of American aid programme in Nepal. Mihaly, n. 10, pp. 120-23.
22. Matribhumi (Daily), 24 July 1962.

visit to the USA in September 1963. He discussed the implications of the Sino-Indian conflict, which he described as of "great concern" to Nepal, with the President and the US Secretary of State, Dean Rusk. (23) The American leaders were found willing to help Nepal, as well as India, in their defence against the threat of Chinese aggression. (24)

The Agreement on the US military help seems to have been signed sometime in March-April 1964. The terms of the agreement, which ^{were} kept secret, included:

- a) The USA was to supply light modern weapons and other military and medical equipments to Nepal along with technical advice and practical training in handling the equipments supplied.
- b) The weapons and equipments to be supplied were given as 'military aid'. It did not involve any 'purchase of arms' by Nepal.
- c) No military mission from the United States was to be stationed in Nepal in this context. (25)

Britain also joined the USA in this "arms aid" to Nepal, as will be seen. Nepal's request for western arms aimed at reducing undue burden on her traditional supplier India which was busy in building

23. Gorkhapatra, 20 September 1963; Samaj, 25 September 1963.

24. It was disclosed by Dr. Tulsi Giri after his meetings with the American leaders. Gorkhapatra, 20 and 27 September 1963. Also see Samiksha, 6 February 1964, which quoted Robert MacNamara, US Defence Secretary as saying that Nepal faced danger from China.

25. These points emerge from Dr. Tulsi Giri's statements on the subject. Gorkhapatra, 25 April 1964; Nepal Samachar, 28 September 1964.

(c)
Notwithstanding, a team of the US military experts arrived in Kathmandu on 20 January 1965 to stay for a few months and demonstrate the use, repair and maintenance of the equipments. Gorkhapatra, 21 January 1965.

her defence potential since the October-1962 conflict. (26) Nepal had no plans to buy arms from "any other sources", i.e. the Communist countries. (27) Both the USA and Britain also claimed to have consulted with the Government of India in this matter and secured the latter's approval before finalising the proposals. They described that the 'arms aid' to Nepal was only to supplement what was already given by India and that it was to improve the Kingdom's armed forces and her 'internal security capacity'. (28)

The first instalment of the supplies under the western arms aid from the USA was received by Nepal on 17 October 1964. (29) After that, another round of negotiations started between the two countries. Nepal's Ambassador to the United States Major-General Padma Bahadur Khatri, met the US Secretary and the Deputy Secretary of State on 23 October and 2 November 1964 respectively (30) On 4 December 1964 Foreign Minister K.N. Bisht had talks with the US Secretary of State Dean Rusk, Ambassador Adlai Stevenson and senior US officials on "matters of mutual interest" and found them friendly and sympathetic. (31) William J. Handley,

26. Statement of a Foreign Ministry spokesman in Kathmandu. The Statesman, 14 March 1964; The Hindustan Times, 14 March 1964; The Indian Express, 19 March 1964.

27. Ibid.

28. It was disclosed by the US State Department and the British Foreign Secretary. Ibid.

29. It included medical supplies and equipments. Gorkhanatra, 14 and 18 October 1964.

30. Gorkhanatra, 27 October and 5 November 1964.

31. Gorkhanatra, 6 December 1964; Motherland, 26 December 1964.

Deputy Assistant Secretary in the US Department of State visited Kathmandu in January 1965 and had talks with Chairman Dr. Tulsi Giri and Foreign Minister K.N. Bishit on the same subject. (32) Perhaps further details of the "arms aid" agreement had been worked out during these visits and negotiations.

Strengthening the Panchayat System

The most important role in strengthening Nepal's Panchayat System was played by the US economic aid which will be discussed in the next chapter. On the ideological front - in propagating 'democratic values' of the system - the role of the US Peace Corps volunteers and of the American Embassy officials, particularly of Ambassador Henry E. Stebbins, was noteworthy.

Nepal signed an agreement with the USA in June 1962, under which the Peace Corps Volunteers were to be sent to the Kingdom. (33) The number of these Volunteers visiting Nepal under this agreement rose from 101 in December 1963 to more than 200 by the end of 1966. (34) The Volunteers' fields of activity included the training of villagers in Panchayat philosophy and institutions, Nepali language, agricultural extension, forest development and other economic and social matters. (35)

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32. Gorkhapatra, 17, 18 and 19 January 1965.
33. Nepal Samachar, 5 June 1962; Samaj, 8 June 1962.
34. For numbers of the Volunteers, see: Gorkhapatra, 8 December 1963, 24 January 1964, 6 July and 7 November 1965, and 13 February 1966; Motherland, 5 February and 20 October 1966.
35. Gorkhapatra, 31 March 1964 and 13 February 1966; The Rising Nepal, 7 October 1966; Motherland, 20 October 1966.

The activities of the Peace Corps Volunteers in Nepal were objected to by some members of the National Panchayat and a section of the Nepalese press. (36) But the Nepalese official circles continued to patronise the Volunteers. Minister Khadga Bahadur, at a reception in Kathmandu arranged for the Volunteers, hoped that they would render "satisfactory cooperation in the implementation and development of the Panchayat System". (37) Both King Mahendra and the Crown Prince Birendra, granted special audiences to these Volunteers at the residence of the US Ambassador in May 1964 and June 1966, respectively. (38) The Economic Planning Ministry promptly contradicted reports of the Government's decision to stop the services of the Volunteers. (39)

Besides the Peace Corps Volunteers, the American diplomatic staff also indulged openly in strengthening the ideological base of the Panchayat System. The emphasis in their approach was on the anti-communist features of the System. The American Consular and other Embassy staff directly contacted the students, (40) peasants, (41) panchas and villagers. (42) Above all was the role of Ambassador Henry E. Stebbins. He frequently visited various districts and villages in the Kingdom and highlighted the US

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36. Gorkhapatra, 6 July 1964. They were alleged to have been collecting economic and military information and indulging in the local politics. Samiksha, 5 and 14 October 1962, 5 February 1964 and 12 December 1966.
37. The Commoner, 12 October 1963.
38. Motherland, 13 May 1964; Nepali, 23 June 1966.
39. Gorkhapatra, 9 January 1964.
40. The Commoner, 18 May 1963.
41. Santahik Kisan, 27 June 1964 (quoted in NPD).
42. Lumbini Weekly, 17 October 1966 (quoted in NPD).

objectives to strengthen political and economic bases of the Panchayat System and the role played by the American aid in it. (43) He disclosed that King Mahendra had asked him to arrange for the US assistance, both financial and technical, for the Panchayat programme and that such assistance had been assured, "until Panchayat System produced results". He also claimed that the US advice in the land reform measures was sought by, and given to, the Nepalese Government. (44) On the pattern of the Panchayat Democracy, the Ambassador was quoted as having said:

Democracy takes different forms and Nepal is experimenting with its own type. ... H.M. King Mahendra and I have often spoken of the need to give the people of Nepal adequate opportunities, leadership and encouragement to help them realise that they too can be participants in decisions affecting them. (45)

The new American Ambassador Miss Carol C. Laise, who arrived in Kathmandu on 3 December 1966 also had plans to visit sites of Nepal's developmental projects and meet "every kind of Nepali" in order to widen her knowledge about the history, culture and tradition of the kingdom. (46) The fact that the Government of Nepal, fully connived with these activities of the US diplomats, is evidently clear from the above-mentioned statements of Ambassador Henry E. Stebbins.

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43. Nepal Samachar, 3 February 1964; Naya Samai, 5 March 1964; Gorkhapatra, 13 March 1964; Janavrata, 21 November 1965. (Quoted in NPD)
44. Janavrata, 21 November 1965. (Quoted in NPD)
45. The Rising Nepal, 31 December 1965.
46. Gorkhapatra, 7 December 1966.

Nepal and the Vietnam Problem

The co-operation between the two countries in Nepal's domestic field naturally led to a rapport between them on international issues. Vietnam can be taken as an example. The United States kept Nepal fully informed about the major steps she took in Vietnam. President Johnson sent letters to King Mahendra and his Government in that context. (47) Nepal, on her part, never clearly held the US as an aggressor in Vietnam but condemned, in general, "all possible external intervention" there, which included the Soviet and the Chinese intervention besides the US. (48)

Nepal's Vietnam policy seems to have been guided by two factors: firstly, that Nepal, in real terms, was incapable of influencing the course of developments there (49) and secondly, that both the USA and China were Nepal's friends and so she should not take sides in the issue. (50) Accordingly, she pleaded for

47. Gorkhapatra, 7 August 1964 and 11 February 1965.
Also Motherland, 9 February 1965.

48. King Mahendra's speech at the Second Summit Conference of non-aligned powers at Cairo, on 8 October 1964. Speeches, n. 7, vol. II, p. 274. Also, King Mahendra's Address to the 8th Session of the Rastriya Panchayat. Text of the Address, Department of Publicity, HMG Nepal, Kathmandu, 1966.

49. In a Press Conference King Mahendra stated in response to a demand for Nepal's strong protest against the US bombing of North Vietnam: "I think our Government has already expressed its views on this question but in a situation where despite the functioning of the UNO, bombing of one country by another is possible, I see no good merely in voicing loud protests. Nor can we admire any action of that type." Speeches, n. 7, vol. II, p. 330.

50. Minister of Publicity and Broadcasting, Vedanand Jha told the Nepalese journalists: "We do not want that there should

a peaceful negotiated settlement in Vietnam based on the Geneva Agreement of 1954. (51) She also joined 16 non-aligned countries in appealing to all the parties in the dispute for peace (52) and welcomed the Conference called by Malaysia, Thailand and the Philippines towards that end. (53) Nepal criticised the escalation of the 'tension' in Vietnam resulting from the US bombing of the Gulf of Tonkin and Hanoi and Haiphong, as well as the use of gas. (54) However, the criticism was mild. The expressions used were 'regrets' and 'serious concern' and not "condemn". Probably, the US economic and military assistance and support for the Panchayat System mellowed down Nepal's otherwise strong stand against big powers' pressurisation and intimidation of the small nations.

(B) Relations with Britain

After the Panas' fall, Nepal's relations with Britain remained largely restricted to the recruitment of the Gurkhas in

50. (contd. from back page)

be outside interference in Vietnam. Both China and the USA are our friends and we should not therefore indulge in one-sided propaganda against the other." Swatantra Samachar, 2 October 1965.

51. n. 48. Foreign Minister, K.N. Bisht's statement in the UN General Assembly on 5 October 1965. Gorkhapatra, 7 October 1965. (Text supplied by HMG Foreign Ministry Archives)
52. Speeches, n. 7, vol. II, p. 339.
53. Gorkhapatra, 11 August 1966. Also The Commoner, 8 August 1966.
54. Gorkhapatra, 27 August 1964, 30 March 1965 and 5 July 1966; Swatantra Samachar, 30 June 1966.

the British Army. (55) The intercourse between the two countries increased after 1959. King Mahendra, accompanied by Deputy Prime Minister Subarna Shumshere Rana, paid a state visit to Britain in October 1960. He was the first Nepalese monarch to visit Britain. There, both he and Queen Elizabeth recalled the long-standing friendship between the two countries and their 'comradeship' in the 'defence of peace and freedom' during the two world wars. King Mahendra expressed his desire that the British co-operation in Nepal's economic development be increased. (56) Queen Elizabeth bestowed British honorary rank of Field Marshal upon King Mahendra who in turn, conferred Nepalese honours upon the distinguished personalities of Britain including Sir Winston Churchill, Professor Arnold Toynbee, etc. (57)

After King Mahendra's Takeover

Queen Elizabeth's return visit to Nepal, which was scheduled for February 1961, raised a controversy owing to King Mahendra's action against the Democratic Government and the Parliamentary System. The British Labour Party disapproved of the King's action and asked for the postponement of the Queen's visit to Nepal. (58)

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55. The nature of co-operation between them in other fields was limited and was signified by a couple of British survey experts working in Nepal. The Hindu, 20 November 1955. The British constitutional expert Ivor Jennings helped in the framing of the "Constitution of the Kingdom of Nepal (1959)".
56. The Daily Telegraph, 18 October 1960; Kalpana, 18 October 1960; Speeches, n. 7, vol. I, Part Two, pp. 190-92.
57. The Statesman, 15 October 1960; The Hindustan Times, 19 October 1960; Swatantra Samachar, 19 October 1960; The Commoner, 18 and 19 October 1960.
58. The Statesman, 7 and 13 January and 16 March 1961.

Perhaps, to make a first-hand assessment of the situation in Nepal, the British Minister of War paid a short visit to Kathmandu in January 1961. (59) In Nepal also, the members of the erstwhile ruling party, circulated pamphlets calling upon the Queen to cancel her visit. (60) All this, however, did not deter the Queen who visited Kathmandu from 26 to 28 February 1961.

During the visit, Queen Elizabeth and King Mahendra reiterated the traditional bonds of friendship and understanding between the two countries and expressed the desire to further extend and strengthen those bonds. (61) Both the Heads of the State bestowed their respective country's highest honours upon each other. (62) King Mahendra in an attempt to explain his action against the Parliamentary System which he had earlier lauded during his visit to Britain in October 1960, told the Queen:

Although on account of many and diverse errors and shortcomings, my desire to work out a strong and unalloyed form of parliamentary democracy for the betterment of my kingdom could not be a success at the moment, I am still firm in my earlier belief that your experiences in the development and working of your institutions can be and are of great value to us. At the same time, it is but natural for any good and successful system to take time to strike roots. (63)

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59. Naya Samai, 23 January 1961.
60. The Hindustan Times, 4 February 1961; The Statesman, 12 February 1961. Also, Nepal Samachar, 3 February 1961; Dainik Nepal, 5 February 1961.
61. The Companion, 27 February and 2 March 1961; Gorkhapatra, 27 and 28 February 1961; Speeches, n. 7, vol. II, pp. 14-15.
62. The Times of India, 28 February 1961; Gorkhapatra, 27 February and 1 & 2 March 1961; Nepal Samachar, 25 and 27 February 1961; Naya Samai, 1 March 1961.
63. Speeches, n. 7, vol. II, pp. 14-15.

Undertaken as it was, in the face of a controversy, the Queen's visit implied an approval of the King's action. However, the approval was slightly diluted by a last-minute small change introduced in the Queen's speech, at the state banquet given in her honour by King Mahendra on 26 February 1961. The change was disclosed by the difference in the actual speech and its radio-version broadcast from the draft supplied earlier. The draft stated:

I wish to tell Your Majesty that you are not alone in your concern. Around Your Majesty are many friends who are watching with sympathy Your Majesty's efforts to organize the Nepalese Nation into a manner that would lead Nepal firmly to progress and a happy future on lines, in keeping with Nepal's national traditions and human dignity.

Instead, the Queen was reported to have actually said:

I want you to know that you have many friends both near and far who wish your people well and pray for a happy and prosperous future. (64)

Obviously the support for the King's action was more clear in the draft version. Therefore, the change was resented in Nepal. (65) The British Government was reported to have expressed regrets, since the disclosure about the change pushed the King's regime in an awkward situation. (66) The episode, however, made it abundantly clear that the British Government did want to take a

64. The Times of India, 28 February 1961.

65. Samiksha, 1 March 1961; Dainik Nepal, 2 March 1961; Motherland, 2 March 1961; Halkhabar, 3 March 1961. Also, The Statesman, 5 March 1961.

66. The Hindustan Times, 7 March 1961; The Manchester Guardian, quoted in The Indian Express, 6 March 1961; Halkhabar, 22 March 1961.

clear side in Nepal's domestic conflict and did not want to displease either the King or the ousted Nepali Congress - as also the Government of India who had sided with the latter. (67)

The British desire to play a mediatory role was evident from its Ambassador's readiness to meet the deposed Prime Minister in jail and persuade ^{for} ^{ing} him to accept the King's system. (Chapter III, n. 59)

Military Aid

The next significant development in the Anglo-Nepalese relations was Nepal's Chairman Dr. Tulsī Giri's visit to Britain in October 1963. During this visit, Dr. Giri expressed Nepal's concern about the Sino-Indian conflict of October 1962 and its consequences in South Asia. (68) In his talks with the British Government Dr. Giri made a specific request for military aid. As we have noted earlier, the British Government agreed to provide such aid to Nepal in response to this request. (69) The amount of this assistance was disclosed as £15,229,500. (70)

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67. The Nepalese Press attributed the changes in the Queen's speech to the British Foreign Secretary Earl Home's talks with Prime Minister Nehru in New Delhi before the former joined the Queen in Kathmandu. Swatantra Samachar, 5 March 1961; Halkhabar, 6 March 1961; Nepal Samachar, 6 March 1961; The Times of India, 28 February 1961; The Statesman, 5 March 1961.
68. Gorkhapatra, 20 October 1963.
69. It was later disclosed by the British Foreign Secretary Mr. Butler in the British House of Commons in answer to a written question. Britain, Parliamentary Debates (Hansard) (House of Commons), Series V, vol. 691, 13 March 1964, cols. 97-99. Also see, n. 26 to 28.
70. Matribhumi, 23 December 1964.

The Gurkha Recruitment in the
British Army

The provision for the Gurkha recruitment for the British Army constituted an anomaly in Nepal's foreign policy. It impinged upon her independent status and prestige in the international field and was contrary to her non-aligned, anti-imperial and anti-colonial stand, since the Gurkha troops had been stationed in South-east Asia to protect Britain's commitments as a colonial and imperial power, as also to fulfil the British obligations in military pacts with the USA like the SEATO. (71) Besides, it did not have any relevance with Nepal's defence policy, as was the case with her similar arrangement with India.

The Government, though well aware of these evident contradictions, was found to be interested in perpetrating the arrangement. This emanated from the 'benefit' aspects of the arrangement. Britain had eight battalions of the Gurkha troops, with a total strength of about 15,000 persons. Nepal earned about £800,000 (\$2.4 million) in hard currency, in the form of pensions and remittances of the troops as well as the expenditure made on the recruiting depots. The stoppage of the recruitment would not only have deprived Nepal of this major source of foreign exchange earnings, but was bound to create an immediate problem of rehabilitation and re-employment in the kingdom. Thus, the Government justified the arrangement on economic grounds. Reacting to a comment, asking for the stoppage of the recruitment, King Mahendra said in a press conference:

71. Foreign Minister D.R. Regmi's statement. The Hindustan Times, 14 August 1954.

... not only I but no Nepali is happy over it. But so long as there is no other arrangement, nothing definite can be said in this matter at present. (72)

It was the "benefit aspect" which led Nepal to extend the recruiting facilities to Britain in the Nepalese territory for ten years in April 1958. (73) After 1962, the British Government decided to curtail the strength of the Gurkha troops. This made the Nepalese Government worried. (74) In pursuance of complete reorganisation of the British infantry divisions and cut in the total defence expenditure, the British Field Marshal Slim visited Kathmandu in March 1963 to seek the Nepalese Government's approval for the British plan of reduction in the number of Gurkha troops. He had an audience with King Mahendra in this context. (75) Formally announcing the mutual agreement in Kathmandu, the Foreign Ministry stated that His Majesty's Government of Nepal regarded the proposed reduction as 'proper and timely'. (76)

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72. Speeches, n. 7, vol. II, p. 315; Gurkhanatra, 25 May 1965. See also Motherland, 28 January 1965; The Hindu, 27 April 1963.
73. Bhuwan Lal Joshi and Leo E. Rose, Democratic Innovations In Nepal, Berkeley, California, 1966, p. 245.
74. The Daily Telegraph, 3 January 1963.
75. The Rising Nepal, 9, 10 and 12 March 1963; Motherland, 14 March 1963.
76. Text of the Communique issued to that effect, National News Agency, 15 March 1963 (quoted in NPD). For more details, Naya Sandesh, 15 March 1963; also The Hindustan Times, 15 March 1963; The Statesman, 27 March 1963.

However, the decision pertaining to the reduction of Gurkhas in the British Army could not be implemented owing to the fresh trouble in the British Borneo and the explosive situation in South-east Asia, which emerged soon after the said agreement was reached. As a result, Britain asked for an increase in the number of Gurkhas. This aspect figured during Dr. Tulsī Giri's visit to Britain in October 1963. Referring to the rethinking about the Gurkhas, Dr. Giri said that it was for the British Government to decide whether to employ these troops in Borneo or not. (77) This implied that Nepal had no objection towards that. Nevertheless, Dr. Giri asked for shifting the basis of friendly relations between the two countries from the services of Gurkha troops to the British economic aid for Nepal's development. (78) Following Dr. Giri's visit, the cancellation of reduction decision (n. 74) and the British proposal to increase the Gorkha troops strength were announced in November and December 1963, respectively. (79)

The issue of reduction in the Gurkha troops number was again opened by Britain after improvement in the situation in South-east Asia. It was discussed by the two countries during the exchange of visits that took place between them in 1966. (80)

77. The Commoner, 17 October 1963.

78. Gorkhapatra, 18 October 1963.

79. Gorkhapatra, 15 November 1963; also 8 November 1963.

The new decision was disclosed in the British House of Commons on 20 November 1963. Britain, Parliamentary Debates (Hansard) (House of Commons), Series V, vol. 684, 20 November 1963, col. 98. Also, vol. 686, 8 December 1963, cols. 97-99 and 115; 11 December 1963, cols. 368-70. Also Gorkhapatra, 17 April 1964.

80. Please see next page.

The decision to reduce the number of Gurkha troops in the British Army was again announced by the British Minister for Defence in Kathmandu at the end of his 4-day visit to Nepal on 7 December 1966. (81) The terms of the retrenchment process were largely the same as in 1963. The British Government also agreed to help the Nepalese Government in resettlement of the retrenched soldiers. (82)

(C) Relations with France, West Germany and Allies of the Western Powers

Nepal's relations with other two Western powers, France and West Germany, were formal and restricted as compared to those with the United States and Britain. With France, she had a Treaty of Peace and Friendship under negotiations in 1964 which did not materialise. Nepal's Chairman Dr. Tulsī Giri and Foreign Minister K.N. Bisht paid visits to France in October 1963 and October 1964

80. Nepal's Commander-in-Chief Surendra Bahadur Shah visited Britain in April 1966. Gorkhapatra, 18 April 1966. However, the Defence Ministry later contradicted the reports that he had discussed the issue of Gurkha troops strength. The Rising Nepal, 19 August 1966.

Lord Walston, Parliamentary Under Secretary in the British Foreign Office, was reported to have assured during his visit to Nepal in June 1966, that the Gurkhas from the British Army would not be retrenched. The Hindu, 5 July 1966.

King Mahendra paid a private visit to Britain in October 1966. Foreign Minister, K.N. Bisht's talks with the British Foreign Secretary, George Brown in October. Gorkhapatra, 24 October 1966.

81. The Times, 7 December 1966; Gorkhapatra, 4 and 8 December 1966.

82. Ibid.; Gorkhapatra, 6 December 1966.

respectively to secure economic aid. (83) But nothing substantial appeared to have emerged out of these visits till the end of 1966.

The only noteworthy development in Nepal-France relations was King Mahendra's state visit to France in October 1966. The King and the French President General De Gaulle discussed matters of mutual interest and discovered identity of views on various issues including "the odious conflict and foreign intervention in Vietnam. (84) They highlighted their respective achievements and appreciated each other's leadership and dynamism. A particular mention was made of the independent foreign policies pursued by them. The two sides also agreed to exchange residential diplomatic missions. (85) The French response to King Mahendra's request for economic assistance, though favourable, was not generous. She agreed to send a few technical experts to Nepal. (86)

With West Germany, Nepal's relations were confined largely to the matters of economic co-operation. In this context, the West German Minister of Foreign Economic Co-operation, Walter Sheel, visited Kathmandu in November 1963 and had talks with King Mahendra. As a result, West Germany agreed to provide a loan

83. Gorkhapatra, 11 October 1963; Matribhumi (Daily), 29 October 1964. Dr. Giri also discussed Nepal's relations with China and the implications of the Sino-Indian conflict with the French leaders.

84. Gorkhapatra, 26 and 28 October 1966. Text of the Joint Communique issued at the end of the visit. Gorkhapatra, 5 November 1966.

85. Ibid.

86. Ibid.

of two million marks to Nepal Industrial Development Corporation through His Majesty's Government. (87) To further facilitate such assistance, King Mahendra and Foreign Minister K.N. Bisht visited West Germany in May 1964 and November 1966 respectively. (88) Private industrialists of West Germany also showed interest in investing in Nepal. (89) West Germany also kept Nepal informed about her stand on the German question. (90)

Besides, the four major Western powers - the United States, the United Kingdom, France and the Federal Republic of Germany -, Nepal also had relations with their allies. With these allies - Australia, New Zealand, Philippines, Iran, Turkey, Canada, etc. (See Appendix I) - Nepal's relations were of very recent origin and besides being nominal, were limited to the matters of economic co-operation. Nepal tried to secure economic aid from these countries but with very little success.

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87. Gorkhapatra, 28, 29 and 30 November 1963.
88. Nepali, 22 May 1964; Motherland, 25 and 28 May 1964; Gorkhapatra, 22 and 23 May 1964; Speeches, n. 7, vol. II, pp. 244-52; Nepal Times, 6 December 1966.
89. Name of Krupp organisation of industrialists may be mentioned in this context. Gorkhapatra, 15, 17 and 18 February 1964; Motherland, 24 April 1964; Gorkhapatra, 19 May 1964; Speeches, n. 7, vol. II, pp. 249-50.
90. A note in this context was handed over by the German Charge d'Affaires to the Nepalese Foreign Secretary. Gorkhapatra, 6 April 1966.

While a Commercial Mission from East Germany was visiting Nepal in May 1966, a West German diplomat called on the Nepalese Foreign Ministry to "explain its position on various questions concerning the Federal Republic of Germany". The Commoner, 19 May 1966.

(D) Relations with the USSR and her Allies

Diplomatic relations at embassy level were established between Nepal and the USSR on 20 July 1956. (91) Informal moves in this direction had been initiated soon after Nepal's admission to the UN in 1955, (92) which was, till then, blocked by the USSR's consistent use of veto (details below). A change in the USSR's attitude on the Admission Question, (93) coincided with the changes in Nepal's domestic and external milieu (Chapter IV), and led to these moves and their culmination.

For 'promoting goodwill' and 'strengthening' the newly established relations with the USSR, King Mahendra paid a state visit to that country in June 1958. (94) The Soviet President Voroshilov hailed King Mahendra's visit as a 'new and important' step and he welcomed Nepal's policy of expanding diplomatic relations. (95) King Mahendra expressed his admiration for the economic progress made by the USSR and her 'endeavours' towards establishing universal peace. He also underlined that Nepal was committed to the Democratic and Parliamentary way of progress. (96)

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91. Gorkhapatra, 21 July 1956; The Statesman, 21 July 1956.
92. The Statesman, 9 April 1956.
93. The change was welcomed by Nepal's Foreign Minister D.R. Regmi. Gorkhapatra, 1 October 1954; The Statesman, 6 November 1954.
94. King Mahendra's speech in Kathmandu while leaving for the visit. Speeches, n. 7, vol. I, Part Two, p. 113.
95. Gorkhapatra, 6 and 7 June 1958.
96. Speeches, n. 7, vol. I, Part Two, pp. 113-125. Also Naya Samai, 22 June 1958; Halkhabar, 23 June 1958.

The two leaders affirmed their faith in the principles of peaceful co-existence and denounced war as a policy. China's right to be admitted to the UN was also upheld. (97) King Mahendra discussed the possibilities of the Russian economic aid for Nepal with his host who responded favourably. (98)

Understanding and Irritants During
the Nepali Congress Rule

King Mahendra had invited Soviet President Voroshilov to visit Nepal, during his visit to the USSR. The invitation was carried out in February 1960. During the visit, the Soviet President highlighted his country's unilateral decision to reduce armed forces as also the proposal to suspend nuclear tests. He also lauded Nepal's foreign policy and her role in the UN which, he said, had helped the cause of world peace. (99) King Mahendra hailed the Soviet initiatives in the cause of world peace and pledged Nepal's full co-operation in that direction. The King also praised the scientific and technological progress achieved by the Soviet Union and described it as a source of inspiration for others. (100) The two leaders reiterated their faith in the

97. Text of the Joint Communique in original made available by the Ministry of Foreign Affairs, HMG Nepal, Kathmandu. Also see, Samaj, 24 and 25 June 1958; The Commoner, 25 June 1958; Kalpana, 25 June 1958.

King Mahendra inspected rockets, jet fighters, tanks and other war materials at the Military Training Centre at Moscow. Kalpana, 23 June 1958.

98. Joint Communique, *ibid*; also see, Gorkhapatra, 13 June 1958.

99. The Commoner, 3 and 4 February 1960.

100. Speeches, n. 7, vol. I, Part Two, pp. 164-66.

peaceful co-existence and underlined that they had "common views" on many international issues". (101)

The questions of China's border disputes with Nepal and India must have figured at the discussions between the Soviet and the Nepalese leaders during this visit, but the two sides scrupulously avoided making any reference in that context. (102) The question was discussed at length by Prime Minister B.P. Koirala and Premier Khrushchov who met in October 1960 at New York, where they were attending the UN General Assembly. B.P. Koirala later told the press that the Soviet Premier was happy about the amicable settlement of the Sino-Nepalese border dispute. (103) The two leaders also had identical approach to issues like China's admission in the UN and the liquidation of colonialism. However, B.P. Koirala disagreed with Khrushchov's proposal to replace the UN Secretary General with a triumvirate. (104)

Apart from this understanding and closer contacts, there emerged a few minor irritants in Nepal-Soviet Union relations during 1959-60. The first irritant related to the reports saying that the Russian maps had shown parts of Nepal as belonging to

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101. Joint Communiqué issued at the end of the visit. The Hindustan Times, 7 February 1960. Also Kalpana, 11 February 1960.
102. Soviet Vice-Premier Koslov accompanying President Voroshilov did not express any opinion on this question in a press conference in Kathmandu. The Communist, 5 February 1960; The Hindustan Times, 5 February 1960.
103. The Statesman, 8 October 1960.
104. Ibid.

China. (105) When asked about such maps, Prime Minister B.P. Koirala pleaded complete ignorance. (106) But the Press stressed its demands to know about the origin and authenticity of these maps. (107) Secondly, the Soviet Embassy in Kathmandu by-passed the Nepalese Government in selecting candidates for Russian scholarships. (108) The Nepalese Government strongly protested against the Embassy's 'questionable' behaviour. (109) About the same time, the First Secretary in the Soviet Embassy in Kathmandu was alleged to have indulged in undesirable activities and encouraged Communist demonstrations against the Nepalese Government. (110)

Another point of irritation was caused by the Soviet Premier Khrushchev's uncomplimentary remarks about Nepal and its Parliament in the UN General Assembly in October 1960. (111) Khrushchev's remarks were taken as an affront to Nepal's independence and prestige and thus were resented by the Nepalese delegation. To voice its protest, and also to correct the Soviet Premier, a fact sheet about Nepal's Parliament was circulated by the Nepalese

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105. Nepal Samachar, 21 October 1959; also of 29 February 1960.
 106. Halkhabar, 21 October 1959.
 107. Kalpans, 22 October 1959; Samaj, 23 October 1959.
 108. Kalpans, 2 and 4 June 1960.
 109. The Commoner, 6 and 7 June 1960, Home Minister S.P. Upadhyaya's statement in the Pratinidhi Sabha in this context. The Commoner, 9 June 1960.
 110. The Times of India, 15 July 1960; Nepal Samachar, 9 July 1960; Halkhabar, 12 July 1960.
 111. Kalpans, 24 October 1960; The Times of India, 26 October 1960.

delegation in the UN General Assembly. The fact sheet reminded the Soviet Premier that at the time when he questioned the existence of the Nepalese Parliament, a Nepalese Parliamentary delegation was in his country on a goodwill visit. (112)

After King Mahendra's Takeover

There was no adverse reaction from the USSR to the King's takeover in Nepal. The economic and cultural intercourse between the two countries continued uninterrupted for the first half of 1961. (113) Later, however, the Soviet Union did not seem to have liked King Mahendra's efforts to woo China. The cancellation of Dr. Giri's earlier publicised plan to visit Moscow, (114) and the Soviet Union's indifferent and lukewarm attitude towards those and projects in Nepal in which she had earlier shown keen interest, may be taken as evidence in this context. (115)

The misunderstanding that had arisen between the two countries, was removed by October 1963 when Nepal's Chairman Dr. Tulsī Giri, paid a visit to the Soviet Union. A 'wide and useful' exchange of views on "international problems of mutual interest" and on issues of further development and strengthening" of their

112. Ibid.

113. It was evident from a Soviet loan of 30 million roubles to Nepal in April 1961 and an Agreement for the cultural and scientific exchanges between the two countries. Asian Recorder, 7-13 May 1961, p. 3940; The Commoner, 18 May 1961

114. The Times of India, 27 September 1961; The Statesman, 29 September 1961.

115. Survey of East-West Highway may be mentioned here. The Sunday Standard, 12 November 1961. Also Asian Recorder, February 26 - March 4, 1962, p. 4447. (More details later)

relations took place between the two sides during this visit. (116) The two sides reiterated their faith in 'peaceful co-existence', condemned colonialism and advocated general and complete disarmament. (117) Prospects of more Soviet aid to Nepal and progress of the existing aid projects were also discussed. (118) The emergence of China in the region after the Sino-Indian conflict seems to have been assessed by the two leaders. Dr. Giri disclosed in Kathmandu on his return from this visit, that Khrushchev considered the Sino-Soviet rift as an ideological affair which would be settled soon. (119)

More co-operation and mutual understanding between Nepal and the USSR on international issues followed Dr. Giri's visit. In January 1964, Soviet Premier Khrushchev sent a communication to King Mahendra sounding his views on having an International Agreement for the settlement of territorial disputes through peaceful means. (120) King Mahendra, while endorsing it in principle, held that instead of concluding a formal Agreement on the matter it should be discussed in the UN and adopted as a general guideline of policy. (121) With these considerations, Nepal announced her support for inclusion of the Soviet proposal to renounce the use of force in settling territorial disputes, in

116. Text of the Joint Communique made available by the Ministry of Foreign Affairs Archives, HMG Nepal, Kathmandu, Document No: 87. Also, Gorkhapatra, 29 October 1963.

117. Ibid.

118. Ibid.

119. Gorkhapatra, 31 October 1963; Motherland, 31 October 1963.

120. Nava Sandesh, 18 January 1964.

121. Gorkhapatra, 29 February 1964.

the agenda of the UN General Assembly session in 1964. (122)
Nepal was also kept in touch by the Soviet Union on the question of her relations with West Germany. (123)

Bilaterally, the cultural exchanges between Nepal and the Soviet Union marked an increase. Since 1961, yearly plans for cultural and scientific exchanges had been signed by them. In June 1964, Foreign Minister K.N. Bisht visited the USSR. He had talks with the Soviet Foreign Minister Andrei Gromyko (124) and on behalf of the Nepal Government signed a cultural exchange Agreement with the Soviet Union. (125) The next year's programme was signed during the Russian Deputy Minister Sergei K. Rouranvosky's visit to Nepal in May-June 1965. (126) Similar Agreement for 1966 was signed in Moscow. (127) Nepal and the Soviet Union also signed an Agreement on 3 June 1966 for the exchange of news service between them. (128)

Among the allies of the USSR, Nepal had diplomatic relations with Poland, Czechoslovakia and Hungary. (See Appendix I) She had also opened contacts with the German Democratic Republic in

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122. Gorkhapatra, 25 September 1964.
123. A copy of 10-point Soviet note sent in reply to the West German proposal regarding disarmament and European security was also forwarded to Nepal. Gorkhapatra, 27 May 1966.
124. Nepal Samachar, 5 June 1964.
125. Text of the Agreement, Ministry of Foreign Affairs Archives, HMG Nepal, Kathmandu, Document No: 69. Also Gorkhapatra, 4 and 14 June 1964.
126. Gorkhapatra, 1, 3 and 4 June 1965; Matribhumi, 3 June 1965.
127. Gorkhapatra, 9 April 1966.
128. Gorkhapatra, 4 June 1966.

1964 (n. 90). Economic co-operation was the main subject of interest between Nepal and these countries. She also signed a trade Agreement with Poland on 10 August 1966. (129) However, these relations were largely formal and restricted in nature.

NAPAL AND THE 'UNCOMMITTED' NATIONS

By the end of 1966, Nepal's diplomatic relations had extended to more than 15 such countries which were not the members of any of the military pacts and power blocs in the formal sense. Most of these countries were proclaimed non-aligned. Nepal co-operated and identified herself with these countries in the UN and other regional, as well as, international conferences. However, her bilateral relations with them, individually, were formal and ^a ^{but} devoid of any particular significance. Below we shall discuss Nepal's relations with Yugoslavia, Burma and Israel from among the uncommitted countries.

The selection of these three countries for the discussion has been made in view of the fact that Nepal's intercourse with each of them was considerable as compared to the other countries of the same category. These three countries also represented three sub-categories of the uncommitted group. Whereas Yugoslavia was a prominent leader of the non-aligned nations, Burma was a small and largely passive member. Israel, on the other hand, though uncommitted formally, was a camp follower of the Anglo-American bloc.

129. Text of the Agreement. Ministry of Trade and Commerce, HMG Nepal, Kathmandu. Also, Gorkhapatra, 16 August 1966.

Relations with Yugoslavia

Nepal established diplomatic relations with Yugoslavia in November 1959. Since then, there was only nominal contact between them till 1964 except for King Mahendra's visit to Belgrade to participate in the First Non-aligned Summit Conference in September 1961 and his talks with the Yugoslav leaders at that time. The process of getting closer between the two countries was initiated by the Nepalese Chairman Dr. Tulsī Giri with his goodwill visit to Yugoslavia in October 1964.

Dr. Tulsī Giri discussed the international situation and matters of mutual interest with the Yugoslav leaders. The two sides expressed satisfaction at the international recognition won by the policy of non-alignment and "active and peaceful co-existence". In this context, they hailed the contribution of the Belgrade and the Cairo Non-aligned Summit Conferences. They also condemned colonialism and asked for the general and complete disarmament. Underlining the significance of the UN in preserving peace, Dr. Giri and the Yugoslav leaders pleaded for application of the principle of universality in its organization. They further called upon the world body to engage itself in the task of economic development of the underdeveloped and the developing countries.

(130) During this visit, Dr. Tulsī Giri made a request to his hosts for economic assistance to Nepal. He received an encouraging response. (131) In order to facilitate mutual economic

130. Joint Communique issued at the end of Dr. Tulsī Giri's visit. Text made available by the Nepalese Ministry of Foreign Affairs Archives, Document No: 99, FMG Nepal, Kathmandu.

131. Ibid.; Nepal Samachar, 3 November 1964.

co-operation, the two countries also agreed to raise their diplomatic relations to the ambassadorial level. (132)

To enhance mutual co-operation, an economic and political delegation from Yugoslavia visited Kathmandu from 29 August to 5 September 1965. The delegation concluded a Trade Agreement between the two countries. (133) The leader of the Yugoslav delegation, Radivoj Uvalic delivered a letter from the Yugoslav Prime Minister to the Nepalese Chairman, S.B. Thapa, expressing the hope that the two countries would have more of "economic and cultural contacts". (134) Later, he also disclosed that the two countries shared identical views on the Vietnam problem and agreed to evolve a mutually co-ordinated approach towards it in the UN. (135)

The signing of the Trade Agreement and the commitment for increased co-operation was followed by Yugoslav Premier Peter Stambolic's visit to Nepal in March 1966. The Yugoslav Premier strongly criticised the US intervention in Vietnam and called for an end to the foreign intervention in Africa. (136) He had talks with the Nepalese leaders. In a joint communique issued at the end of the visit, the two sides reiterated their stand on

132. Joint Communique, n. 130; Gorkhapatra, 19 November 1964.

133. Cyclostyled text of the Trade Agreement supplied by the Commerce and Foreign Trade Ministry, HMG Nepal, Kathmandu. Also, Gorkhapatra, 6 September 1965.

134. Motherland, 1 and 2 September 1965.

135. Motherland, 15 September 1965.

136. Gorkhapatra, 8 and 9 March 1966.

colonialism, disarmament and non-alignment, and asked for the codification of the principles of peaceful co-existence. They expressed anxiety over the prolongation of conflict in Vietnam and pleaded for its solution on the basis of the Geneva Agreement of 1954. However, the US intervention was not named in the context of Vietnam. They felt concerned over the widening economic gap between the developed and the underdeveloped nations and decided to develop mutual economic relations. (137)

Relations with Burma

The Consular relations between Nepal and Burma existed since 1948. The status of these relations was raised to embassy level as a result of Nepal's Prime Minister B.P. Koirala's state visit to Burma in March 1960 and his talks with the Burmese Premier Ne Win. During this visit, the two Prime Ministers discovered "a strong similarity" between the foreign policies of their countries and recalled the co-operation between Nepal and Burma, within and outside the UN "in the cause of peace and for the promotion of good neighbourly relations". (138)

Following King Mahendra's takeover in Nepal - which was contemporaneous of the change in leadership in Burma - the Nepalese Consulate office in Rangoon was expanded into an Embassy and the Nepalese Ambassador to China was accredited to Burma also. (139) In September 1961, King Mahendra established personal contacts

137. Joint Communiqué. Gorkhapatra, 11 March 1966.

138. Joint Communiqué. The Guardian (Rangoon), 10 March 1960.

139. The Times of India, 1 May 1961.

with the Burmese Prime Minister, U Nu, at Belgrade where both of them were attending the Non-aligned Nations Summit Conference. (140) Presumably, the King secured U Nu's support for his take-over during this meeting.

Premier U Nu visited Nepal in January 1962. Welcoming him, King Mahendra underlined the "similar compulsions and complexities" confronting the two countries and their "common international approach" which brought them "closer still". He also hoped for "further intensification" of their relations. (141) U Nu reciprocated similar sentiments. (142) He described the political change in Nepal as an internal matter and refused to show any interest in it because, he said, it is "tantamount to interference". (143) He disclosed that he was in favour of trade relations between Burma and Nepal but denied that the subject was discussed in his talks with the King. (144)

While reviewing the international situation, King Mahendra and U Nu reiterated their support for the elimination of all forms of colonialism and for the universal and complete disarmament. They rededicated their faith to the policy of non-alignment and peaceful co-existence and lauded the role played by the Belgrade

140. Speeches, n. 7, vol. II, p. 75.

141. Ibid., pp. 74-75.

142. The Commoner, 8 January 1962.

143. Naya Samai, 10 January 1962. This was stated in a press conference where U Nu said that he did not comply with the request of U Ba Swe, the Burmese opposition leader, to have talks with King Mahendra about the release of B.P. Koirala.

144. Ibid.

Summit Conference in that context. (145) The question of the Nepalese living in Burma also figured at the discussion between the two leaders. King Mahendra hoped that the Burmese Government "will never fail to give due consideration to their legitimate interests". (146) U Nu, though admired the "forthrightness" and "high personal valour" of the Nepalese living in Burma, pointed out that instead of assimilating with the indigenous Burmese people, they have "maintained their culture, customs and traditional way of life". (147)

The issue of Nepalese settlers in Burma assumed a serious magnitude with the enforcement of the Burmese nationalisation measures in 1964. The Burmese Ambassador to Nepal Mrs. Daw Khin Kyi had an audience with King Mahendra on 1 April 1964 and stated that the Nepalese settlers were treated equally in Burma. (148) Not satisfied with this version, the Nepalese Government asked its Ambassador to visit Rangoon and report on the matter. (149)

The findings of Ambassador Kesar Bahadur, K.C., revealed that only a small number of the Nepalese settlers had obtained certificates of foreign (Burmese) citizenship and ^{they} were finding their prospects in Burma discouraging. The rest were in the

145. Joint Communique. The Commoner, 12 January 1962; Gorkhapatra, 12 January 1962.

146. Speeches, n. 7, vol. II, p. 75.

147. The Commoner, 8 January 1962.

148. Gorkhapatra, 31 March and 2 April 1964; Nava Samaj, 2 April 1964.

149. Samaya, 20 July 1964; Gorkhapatra, 30 July 1964.

process of repatriation and were facing difficulties and hardships. (150) In view of this, the Government of Nepal requested the Burmese Government to extend the stay of the Nepalese in Burma by one year. (151) The request was intended to facilitate the arrangements for their rehabilitation in Nepal. However, the Nepalese kept on returning home from Burma under difficult conditions. (152)

Therefore, the problem was discussed during Nepal's Foreign Minister K.N. Bisht's visit to Rangoon in September 1966 as well as during the Chairman of Burma's Revolutionary Council, Ne Win's visit to Kathmandu from 30 November to 3 December 1966. King Mahendra thanked General Ne Win in Kathmandu for providing training facilities to the Nepalese in Burma and hoped that they would be provided with opportunities to live in happiness and prosperity according to the Burmese laws. (153) General Ne Win's response was, however, not very encouraging. With an implied reference to King Mahendra's comments, he stated: "We do not interfere in the internal affairs of other countries since we believe that every country has the right to build up its future as it likes". (154) The joint communique issued at the end of General Ne Win's visit, stated in this context that he, specially appreciated the "honest

150. Gorkhapatra, 28 September 1964.

151. Gorkhapatra, 9 October 1964.

152. It was given out that by the end of 1964 ^{Some} 6,000 Nepalese had already returned from Burma. Matribhumi (Daily), 28 January 1965.

153. Gorkhapatra, 1 December 1966.

154. Ibid.

services" rendered by the Nepalese living in Burma and that King Mahendra thanked him for the sympathy and goodwill shown towards them. (155) Thus, the Nepalese-side seemed to have reconciled with the stand and steps taken by the Burmese Government in the matter. Besides discussing the question of the Nepalese living in Burma, the two leaders also reviewed international developments and reiterated the identity in their approach. They expressed grave concern over the worsening situation in Vietnam and called for the right of self-determination to the Vietnamese people. (156)

Relations with Israel

The Israeli Minister in Burma visited Kathmandu in April 1960 at the invitation of Nepal's Prime Minister B.P. Koirala and discussed the prospects of diplomatic relations between Israel and Nepal. (157) Soon after this visit, Nepal's Village Development Minister Dr. Tulsī Giri visited the UAR and other Middle East countries including Israel, perhaps, to continue the negotiations for diplomatic relations with Israel and assess the Arab reaction to this step. (158) That being done, Nepal announced the establishment of diplomatic relations with Israel on 31 May 1960.

Following the establishment of diplomatic relations, Prime Minister B.P. Koirala visited Israel in August 1960. (159) There

155. Joint Communique. Gorkhapatra, 5 December 1966.

156. Ibid.

157. Swatantra Samachar, 29 March 1960; Janata, 12 April 1960.

158. The Hindustan Times, 25 April 1960.

159. He had gone in the capacity of Nepal's official representative

he visited Israel's defence establishments and studied the structure of 'people's militia', which highly impressed him. On his return to Kathmandu, he stated: "For a small country like ours, Israel's military system is not a bad thing". In order to evolve a similar pattern for Nepal, the army experts were sent to Israel to study the techniques of mobilisation and the defence establishments. Koirala had also asked for Israel's technical assistance in agriculture and construction projects. (160) There were reports that an arms deal had been finalised between the two countries during B.P. Koirala's visit. These reports were officially contradicted. (161) Later, however, the Israeli Ambassador to Nepal confirmed that Israel had presented a gift of forty sub-machine guns to Nepal. (162)

Since the Nepali Congress Government had had very close relations with the Israeli Government, the relations between the two remained somewhat cold for some time, following the dismissal of the former by King Mahendra. (163) It took two years for the two countries to normalise their relations. In September 1963 King Mahendra visited Israel where he was taken to a number of

159. (contd. from back page)

to the Conference on National Development held in August 1960 at Rehovoth under the auspices of the Weizman Institute of Science. Richard J. Kozicki, "Nepal and Israel: Uniqueness in Asian Relations", Asian Survey, May 1969, vol. IX, no. 5, pp. 331-43.

160. The Statesman, 1 September 1960.

161. The Commoner, 11 October 1960.

162. Nepal Samachar, 2 March 1962. The Israeli Ambassador was contradicting press reports saying that B.P. Koirala - the ousted Prime Minister - had purchased arms from Israel.

163. Israel Government Yearbook 1961-62, p. 167, quoted in

(contd. on next page)

development projects and defence establishments, and a special display of weapons was arranged for him. (164) King Mahendra underlined the friendship and understanding existing between the two countries and pointed out that both being small, were confronted with similar limitation. (165) In an indirect reference to the Arab countries, he stated that Nepal would like to see happiness and prosperity of Israel as also of "other friendly powers of this region." (166) He had also requested Israel for economic assistance to Nepal for her development projects. (167) Israeli President Zalam S. Shazar stated in this context that his country was always ready to provide Nepal with experts and technical know-how. (168) Both King Mahendra and President Shazar pleaded their full support for the integrity and independence of all nations and opposition to all forms of foreign domination and discrimination. (169)

The King's visit was returned by the Israeli President Shazar who arrived in Kathmandu for a week on 15 March 1966. King Mahendra described this visit as a big step towards strengthening and enhancing Nepal-Israel friendship. (170) President Shazar

163. (contd. from back page)

Kozicki, n. 159. Various press reports in Nepal alleged that B.P. Koirala's Government had secret military dealings with Israel. The Statesman, 28 July 1961; The Sunday Standard, 30 July 1961.

164. Gorkhapatra, 14 September 1963.

165. Gorkhapatra, 11 September 1963.

166. Speeches, n. 7, vol. II, pp. 197-98.

167. Ibid.

168. Gorkhapatra, 11 September 1963. Joint Communique issued at the end of the visit. Gorkhapatra, 15 September 1963.

169. Ibid.

170. Gorkhapatra, 16 and 17 March 1966.

stated during this visit that Israel attached great value to her friendship with an Asian nation like Nepal and pointed out that both the countries were "dedicated to the preservation of their unique cultural heritage." (171)

King Mahendra and President Shazar exchanged views on the general world situation and matters of mutual interest. They reaffirmed their unwavering faith in the principles of the UN Charter and of 'Peaceful Co-existence'. The two Heads of State welcomed the Tashkent Declaration between India and Pakistan and were of the opinion that the principle underlying it "should be followed in other tension affected areas of the world". Perhaps, the indication was towards Middle East and Arab-Israeli tension. They expressed satisfaction with the nature of mutual co-operation between Nepal and Israel and agreed to explore possibilities of developing trade between them and extending technical co-operation in new fields. (172)

NEPAL IN THE UNITED NATIONS

Nepal applied for the UN membership in 1949. Her application was supported by India, the UK, the USA and other Western countries. Owing to the conflict between the power blocs and the cold-war resulting from it, Nepal could not secure admission into the world body until December 1955. The question of her admission

171. Ibid.

172. Text of the Joint Communique (cyclostyled), copy supplied by the Ministry of Foreign Affairs Archives, HMG Nepal, Kathmandu. Also, Gorkhapatra, 23 March 1966.

was linked up with the admission of other countries including some allies of each power bloc. ~~This led to the use of veto by the Soviet Union against the admission of the countries including some allies of each power bloc.~~ This led to the use of veto by the Soviet Union against the admission of the countries of the opposite camp, including Nepal, in order to secure the admission of her own allies. Later, however, the Soviet Union stated that she had nothing against Nepal's admission in particular. (173)

The deadlock between the two power blocs on the question of new members admission was resolved on 14 December 1955 when under the 'package deal', the countries supported and sponsored by either side were admitted. (174)

Thus admitted, Nepal participated enthusiastically in the UN which since 1956 became an important forum for ^{the} operationalisation of her policy of global non-alignment. Nepal's participation in the UN had two dimensions. First, she pursued her self-interests emanating from Security, Stability and Status motives. Secondly, she projected and pursued her world view which resulted from the interaction between her self-interests and the issues of international politics.

Pursuance of self-interests

Being a small and weak nation, Nepal viewed the UN as a 'bulwark' of her independence and security and the protector of

173. R.K. Shah, Foreign Policy of Nepal (Typed manuscript), p. 13.

174. See, GAOR, 1955 (10th Session) 552 and 555, Pl. Mtgs., 8 and 14 December 1955.

'her rights and freedom'. (175) Perhaps guided by the objective of securing international recognition for it, Nepal underlined her status as an independent nation and the fact that she was proud of it. (176) This point can be better understood in background of the queries made in this context by the UN committee while processing Nepal's application for admission. (177) Besides her independent and sovereign status, Nepal also underlined the distinctiveness of her socio-cultural composition in order to undo the impression that she was only an extension of India or China in that respect. (178) Conscious of her limitations as a small state and guided by the considerations of Security both (T) and (P)^{aspects}, she strongly argued in favour of non-interference by one country in the domestic affairs of the other and fully supported the UN declaration of 1965 on the subject. (179) Nepal also took pains in drawing the world body's attention towards the regional

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175. It was repeated almost every year in the Nepalese delegation's speech in the UN General Assembly. For examples, GAOR 1966 (16th Session), 1031 Pl. Mtg., para 102; 1963 (18th Session), 1218 Pl. Mtg., para 118; and B.P. Koirala's speech at the UN in 1960, Text, Policy Speech, Department of Publicity and Broadcasting, HMG Nepal, Kathmandu, n.d., p. 4.
176. GAOR 1956 (11th Session), 602 Pl. Mtg., para 3; 1958 (13th Session), 771 Pl. Mtg., para 3; in Policy Speech, n. 175, p.4.
177. The pattern of relations with the British before 1947 seems to have raised the queries about Nepal's past Treaties and Agreements underlining her status as an independent and sovereign nation. For Nepal's response to them see: Reply to Enquiry of United Nations Committee on the Admission of New Members (Typed script supplied by a former Foreign Minister of Nepal). Also, A.S. Bhasin (Ed.), Documents on Nepal's Relations with India and China, 1949-66, New Delhi, 1970, pp. 1-22.
178. GAOR, 1956 (11th Session), 602 Pl. Mtg., para 4.
179. GAOR, 1966 (Cyclostyled text of the Speech supplied by Ministry of Foreign Affairs Archives, HMG Nepal, Kathmandu, p.5. (Hereafter, Text)

conflicts in her neighbourhood - Sino-Indian of 1962 and Indo-Pak of 1965 - which directly threatened her security and peace.

(180) She took a great deal of interest in the peace-keeping operations of the UN and consistently pleaded for a small but effective, force to be kept at the disposal of the world body. (181) She regarded it as a great step towards perfecting the world body (182) and described it as a source of comfort and strength to the smaller countries. (183)

Nepal's attempt to seek the solution of her problems of economic development through the UN found first expression in 1958, when she called in the General Assembly, for increased economic and technical co-operation between the 'rich-advanced' and the 'poor-developing' nations. (184) Gradually this point was put forth more emphatically and the UN was asked to make efforts in this direction. (185) Nepal welcomed the initiatives taken in

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180. GAOR, 1963 (18th Session), 1218 Pl. Mtg., para 108; 1965 (20th Session), 1349 Pl. Mtg., paras 142-43; 1966 (Text), para 1; also see, Speeches, n. 7, vol. II, pp. 199-200 and 355.
181. This argument was made by Nepal every year in the UN General Assembly's regular sessions as well as in its special Emergency Sessions.
182. GAOR, 1958 (11th Session), 602 Pl. Mtg., para 16.
183. GAOR, 1958 (13th Session), 771 Pl. Mtg., para 13; 1959 (14th Session), 820 Pl. Mtg., para 17; 1961 (16th Session), 1031 Pl. Mtg., paras 99 and 100.
184. GAOR, 1958 (13th Session), 771 Pl. Mtg., para 6.
185. GAOR, 1959 (15th Session), 820 Pl. Mtg., para 19; 1961 (16th Session), 1031 Pl. Mtg., para 126; and 1966 (Text), p. 8.

this context, in the form of the UN Decade of Development and the United Nations Conference on Trade and Development (UNCTAD). However, she was sore that in concrete terms, the outcome of these initiatives was far less than the expectation aroused. (186)

The UN was also used by Nepal as a forum to secure international recognition for domestic institutions and policies. In this respect, the significance of Monarchy, with particular reference to the role of King Tribhuvan and King Mahendra in bringing democracy, was highlighted. (187) In 1959, Nepal informed the UN that for the economic and political progress of her people, liberal political institution had been brought into being. (188) Similarly, the characteristics of the Panchayat System and the progress made under it in the fields of law and land reforms were outlined. (189) The basic features of her foreign policy - non-alignment and peaceful co-existence - were invariably explained to the world body every year.

Projection and Pursuance of the World-View

Nepal looked at the UN as a very useful institution where she could identify her self-interests with the varied and complex

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186. GAOR, 1963 (18th Session), 1218 Pl. Mtg., para 117; 1964 (19th Session), 1300 Pl. Mtg., paras 125 to 127; 1965 (20th Session), 1349 Pl. Mtg., para 1066.
187. GAOR, 1956 (11th Session), 602 Pl. Mtg., paras 7, 8; 1957 (12th Session), 698 Pl. Mtg., paras 68, 69.
188. GAOR, 1959 (14th Session), 820 Pl. Mtg., para 6.
189. GAOR (18th Session), 1218 Pl. Mtg., 1963, para 116; 1964 (19th Session), 1300 Pl. Mtg., paras 120 to 124.

global issues and could project her world view resulting from such identification. As a small Asian nation, she had a longing for world peace, a firm commitment to resist all forms of intimidation and exploitation of small nations by the bigger and powerful ones, and a deep faith in the utility and efficacy of the UN. This was reflected in the position taken by her on various issues that came up before the world body.

Nepal took an uncompromising stand against colonialism, imperialism and racial discrimination. It was symbolised in her regular condemnation of the colonial and imperial powers, mainly, France, Portuguese and South Africa and unequivocal support for the freedom struggles in Asia and Africa. She lent her support to the organisation of African unity as well as, to the decisions taken by the Summit Conference of Independent African States at Addis Ababa in May 1963, (190) and by the African Heads of State and Government at Cairo in July 1964. (191) Nepal condemned the apartheid policies pursued by the white minority regime of South Africa and South Rhodesia. (192) She took active interest in the UN Special Committee on apartheid which had recommended the severance of diplomatic relations with, and economic boycott of, South Africa by the members of the UN. (193)

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190. GAOR, 1963 (18 Session), 1218 Pl. Mtg., para 107.
191. GAOR, 1964 (19 Session), 1300 Pl. Mtg., para 116.
192. GAOR, 1963 (18 Session), 1218 Pl. Mtg., para 110; 1964 (19 Session), 1300 Pl. Mtg., para 115; 1965 (20 Session), 1349 Pl. Mtg., paras 163, 164, 165; 1966 (Text), p. 5.
193. GAOR, 1963 (18 Session), 1218 Pl. Mtg., para 110; 1964 (19 Session), 1300 Pl. Mtg., para 117; 1965 (20 Session), 1349 Pl. Mtg., paras 160-162.

Nepal was equally emphatic in her demand for general and complete disarmament and nuclear non-proliferation. She reflected the fluctuations between hopes and dismay, resulting from the checkered progress of the efforts in this direction, both within and outside the UN. It was evident in her views on the disarmament negotiations between big powers and the work of the 18-Nation UN Committee on the subject. (194) As a way out from the rigid positions taken, at times, by the Super Powers, she asked for placing the disarmament issues before public opinion (195) and convening a world disarmament conference. (196) In view of the complex issues involved, Nepal stood for progressive disarmament towards the ultimate objective of general and complete disarmament (197) and urged that this need not necessarily be coupled with the question of ban on nuclear tests. (198) Led by these considerations she welcomed the Moscow Partial Test Ban Treaty, however, pleading that it should be extended to cover ban on underground tests also. (199)

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194. GAOR, 1958 (13 Session), 771 Pl. Mtg., paras 10, 11, 19; 1963 (18 Session), 1218 Pl. Mtg., paras 98, 99 and 102; 1964 (19 Session), 1300 Pl. Mtg., paras 97 and 98; 1965 (20 Session), 1349 Pl. Mtg., paras 155 to 159; 1966 (Text), pp. 3-4.
195. GAOR, 1963 (18 Session), 1218 Pl. Mtg., para 101.
196. 1966 (Text), p. 4.
197. GAOR, 1961 (16 Session), 1031 Pl. Mtg., paras 120 to 123; 1963 (18 Session), 1218 Pl. Mtg., para 103; Policy Speech, 1960, p. 8.
198. GAOR, 1962 (17 Session), 1143 Pl. Mtg., para 60.
199. GAOR, 1963 (18 Session), 1218 Pl. Mtg., para 101; 1964 (19 Session), 1300 Pl. Mtg., para 95.

Nepal's objective behind the demand for disarmament and denuclearisation was to relieve the world from the growing sense of insecurity and mutual suspicion. She also resented the colossal expenditure incurred on the nuclear and arms race and passionately pleaded for diverting these resources towards the economic development of the human race gripped in poverty and misery. She even claimed her vested interest in disarmament and denuclearisation, if the resources thus saved were to be directed towards the developmental purposes. (200)

For the preservation and consolidation of world peace, Nepal looked upon the UN with great hope and expectation. She proclaimed her unwavering faith in the UN Charter (201) and considered that through it, a process of adjustment and conciliation can be carried out in resolving the conflicts and in lessening the tensions in the world. (202) However, Nepal felt that a lot needed to be done on the organisational side of the UN in realising the expectations.

The major powers^s, particularly the super powers, due to clash in their interests, were held responsible for the ineffectiveness of the Organisation. It was evident in the failure of the Security Council to take any decision on Korea in 1950 which led

200. GAOR, 1964 (19 Session), 1300 Pl. Mtg., para 96.

201. GAOR, 1957 (12 Session), 698 Pl. Mtg., para 63; 1959 (14 Session), 820 Pl. Mtg., para 7; 1964 (19 Session), 1300 Pl. Mtg., para 94; 1965 (20 Session), 1349 Pl. Mtg., para 170.

202. GAOR, 1958 (13 Session), 771 Pl. Mtg., para 61; 1961 (16 Session), 1031 Pl. Mtg., para 92.

to the new role of the General Assembly's "Uniting for Peace" resolution in 1950 over the Korean question, may be recalled in this context. Nepal underlined this new, significant role of the General Assembly, though considering that the new role was more of a compulsion and the Assembly was structurally ill-equipped to discharge such functions. (203) Nepal also pointed out that the role and functions of the Secretary General were undergoing drastic changes. (204) In the midst of the controversy about the Secretary General's office, when the Soviet Union proposed a triumverate, of one representative each of the two power blocs and the uncommitted nations, in place of the existing provision, Nepal opposed it. Her contention was that a triumverate in a delicate and complex situation, would not only make the UN ineffective and slow, but by preserving the concept of power blocs, would also drag it into prejudices and clash of interests at a time when positive action would be badly needed. (205)

203. GAOR, 1957 (12 Session), 698 Pl. Mtg., paras 41, 44, 55-58; 1961 (16 Session), 1031 Pl. Mtg., paras 93-97.

204. GAOR, 1957 (12 Session), 698 Pl. Mtg., paras 53, 54; 1961 (16 Session), 1031 Pl. Mtg., paras 82, 88, 89 and 98; 1965 (20 Session), 1349 Pl. Mtg., paras 142 and 143.

This office had drawn into controversy since 1960 with the then Secretary General Dag Hammarskjold's role in the Congo crisis. Nepal sided with Hammarskjold and paid glowing tributes to his statesmanship after his death during the crisis. GAOR, 1961 (16 Session), 1031 Pl. Mtg., paras 80 and 81.

205. Policy Speech (1960), n. 176, p. 4; GAOR, 1961 (16 Session), 1031 Pl. Mtg., paras 81, 84-87. Also, n. 102.

Another organisational aspect of the UN which received Nepal's special attention was the question of representation and membership. She called for the principle of universality to be adopted in this regard and welcomed every new member. (206) She strongly advocated for People's Republic of China's admission to the UN. The argument extended in support of it said that politically, it was unwise and unrealistic to keep such a great mass of people - about 1/5th of the total world's population - unrepresented in the world body. Particularly so, when China had acquired nuclear status, because with China's absence, all efforts towards disarmament and nuclear non-proliferation were incomplete. Legally, Nepal held that China had a stable and legitimate Government functioning in the mainland since 1949. (207) She supported China's right to control its offshore island, though objected to the use of force by the former in acquiring this right. (208) On the question of China's admission, she disapproved of the stand taken by the United States and lauded that of India. (209) She thought that China's admission to the world body

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206. GAOR, 1956 (11 Session), 602 Pl. Mtg., para 19; 1957 (12 Session), 698 Pl. Mtg., para 67; 1958 (13 Session), 771 Pl. Mtg., para 14; 1959 (14 Session), 820 Pl. Mtg., para 9; Policy Speech (1960), n. 175, pp. 1-2; 1961 (16 Session), 1031 Pl. Mtg., para 109; 1964 (19 Session), 1300 Pl. Mtg., para 89; 1965 (20 Session), 1349 Pl. Mtg., para 139; 1966 (Text), p. 2.
207. GAOR, 1956 (11 Session), 602 Pl. Mtg., para 19; 1957 (12 Session), 98 Pl. Mtg., para 67; 1961 (16 Session), 1031 Pl. Mtg., paras 110-112; 1962 (17 Session), 1143 Pl. Mtg., paras 62 and 63; 1964 (19 Session), 1300 Pl. Mtg., para 99; 1965 (20 Session), 1349 Pl. Mtg., para 157; Policy Speech (1960), n. 175, p. 2; and 1966 (Text), p. 3.
208. GAOR, 1958 (13 Session), 771 Pl. Mtg., para 9.
209. Ibid.; GAOR, 1963 (18 Session), 1218 Pl. Mtg.

would in a way, discipline the growing power of the colossus in her neighbourhood. It may be recalled that Nepal's support for China's admission to the UN facilitated her friendly relations with the latter. (Chapter V)

It has been noted above that Nepal blamed the big powers for ineffectiveness of the UN. This was so because the agreement and co-operation envisaged between them in the UN Charter was not forthcoming. Further, she felt that the International situation was dominated by "Big-Power complex". (210) The smaller and weaker nations were not taken into confidence in the solution of the world problems. In this context, she made a strong attack on the big-powers, particularly the Western, for their lack of faith in the small-powers and their move to deprive the latter of equal voting rights in the UN. (211) In reply, she asserted that the small, uncommitted nations could play a very useful and positive role in realising the UN ideals. Particularly so, because they had very few commitments and could stay away from power conflicts. (212) Therefore, she called upon all the uncommitted small nations to demonstrate unity and understanding amongst themselves and give positive response to each question facing the UN. (213) Though

210. Policy Speech (1960), n. 175, p. 1.

211. GAOR, 1957 (12 Session), 698 Pl. Mtg., paras 39 and 45; 1965 (20 Session), 1349 Pl. Mtg., para 152.

212. GAOR, 1957 (17 Session), 1143 Pl. Mtg., paras 46, 47 and 59; 1961 (16 Session), 1031 Pl. Mtg., paras 103-105.

213. Ibid.; Policy Speech (1960), n. 175, pp. 6-7.

Conscious of the fact that in terms of power, the small nations would not count for much, Nepal was confident of the 'moral influence' of their collective action on the big-powers. (214)

Voting Behaviour

Apart from the discussion of the general stand taken by Nepal on various issues facing the world community, her participation in the UN can be studied by analysing her voting behaviour on some of the important questions. The voting pattern on 10 important regional, colonial and cold war issues related to political and security matters has been tabulated in Appendix III. The issues taken are: the Hungarian question, the Suez crisis, the Algerian question, the Cyprus question, the Cuban question, the questions of Tibet and China's representation in the UN, the Korean question, the Congo crisis and the question of disarmament.

The voting pattern on these issues shows that Nepal took an independent stand in the UN. She sided mostly with the small, non-aligned countries and as far as possible, did not take clear sides between the super powers. In some of the cases, she displayed initiative by sponsoring moves and introducing amendments, either alone or in collaboration with others. (215) The collaboration she preferred was with non-aligned countries. Nepal's stand on the issues directly affecting her - like the questions of Tibet and

214. GAOR, 1961 (16 Session), 1031 Pl. Mtg., paras 103-105; 1964 (19 Session), 1300 Pl. Mtg., paras 100-103.

215. Nepal sponsored moves on the questions of West Asia in 1958, Algeria in 1958, 1959, 1960 and 1961; Congo in 1960 and Cyprus in 1965. (See Appendix III)

China's representation in the UN - was cautious and calculated. She took every care to avoid any situation which could harm her larger national interests.

PARTICIPATION IN APRO-ASIAN AND NON-ALIGNED
NATIONS' CONFERENCES

Afro-Asian Conferences

The first Afro-Asian Conference took place in Bandung in April 1955. At that time, Nepal had diplomatic relations with very few countries and was new to the complexities of international politics. Therefore, in spite of great interest and enthusiasm, her participation in the Conference was modest. Her delegation was headed by the Foreign Secretary as against the Heads of State and Foreign Ministers in case of other countries.

At the Conference, Nepal traced the history of intra-Asian relations and underlined the role of Lord Buddha - a Nepalese Prince - in that context. She welcomed the revival of Afro-Asian unity and co-operation in the changed international environment. Making a special reference to the Five Principles of Peaceful Co-existence - Panchshila - evolved by India and China, Nepal stressed that international understanding and collaboration can be, and should be, built on ^{these principles} ~~them~~ as the basis. Nepal emphasized her strong desire for economic development and pleaded for the UN membership to all "peace loving, sovereign and independent" nations. She also called for the small nations to be placed on "unassailable foundation". (216)

216. Text of the statement by Head of the Nepalese delegation. Asian African Conference, Information Service Indonesia, Embassy of the Republic of Indonesia, New Delhi, n.d., pp. 110-13.

It may be borne in mind that Nepal had not succeeded in securing the UN-membership by April 1955.

More important than the views expressed by the Nepalese delegation in the Conference session was the informal contacts established with other delegates at Bandung. The informal talks with the Chinese delegation regarding the establishment of diplomatic relations between Nepal and China can be recalled here. (Chapter V, n. 3)

The Second Afro-Asian Conference scheduled to be held at Algiers in 1966 fizzled out on the question of Soviet Union's participation. In the preparatory meeting for the Conference, China strongly opposed the Soviet Union's participation and India staunchly supported it. This created a difficult situation for Nepal since two of her great neighbours had made it prestige issue against each other. Besides, Nepal herself had friendly relations with the USSR and received aid. She, therefore, refused to take sides on this question and decided to abstain when it was put to vote. (217) Explaining Nepal's stand, Foreign Minister K.N. Bisht^{held} at Algiers that though the Soviet Union was an Asian power geographically, she was not so politically. The Bandung Conference regarded her as a European power and she had never been a member of the Afro-Asian group in the UN. (218) Later he denied that Nepal's decision was influenced by China. (219)

217. Gorkhapatra, 1 November 1965. Earlier, Foreign Minister K.N. Bisht said that Nepal would follow the consensus developed among the Afro-Asian Foreign Ministers on the question. Gorkhapatra, 24 June 1965.

218. Gorkhapatra, 1 November 1965.

219. Motherland, 8 November 1965.

Non-aligned Summit Conferences

There had been two Non-aligned Nations Summit Conferences, at Belgrade in 1961 and at Cairo in 1964. Nepal described these Conferences as "a moral movement dedicated to the creation of world opinion in favour of peace". (220) She raised "some of the more important issues like colonialism, imperialism, racialism, disarmament, world peace and economic co-operation at the Conferences. Her stand on these issues was the same as taken in the UN which has been discussed above. (221)

The significance of non-alignment and peaceful co-existence in a tension and fear-ridden world, was emphasised by Nepal at the Conferences. She was, however, not in favour of forging a neutralist bloc. Stressing the necessity of the observance of 'non-interference', Nepal drew the attention of non-aligned colleagues towards the "direct and subtle ways" of "Big Power interference" in the internal affairs of small countries. (222)

Nepal did not go into the details of controversial international issues which had a direct bearing on world peace. She mentioned Berlin and Congo questions in the first conference and Vietnam and Cuba in the second, but without going deep into them and taking sides, she pleaded for their settlement through peaceful negotiations. To the other areas of tension and specific questions, she made only a passing reference. (223)

220. Speeches, n. 7, vol. II, p. 277.

221. Text of the Head of Nepal's delegation King Mahendra's speeches at the Conferences. *Ibid.*, pp. 35-42 and 270-77. These texts have been followed in the analysis here.

222. *Ibid.*, p. 277.

223. *Ibid.*, p. 275.

The vagueness and an element of escapism in Nepal's stand on these specific issues emanated from her consciousness of being a small and weak country as also owing to her friendly ties with all the countries concerned. Therefore, she wanted to keep away from the controversies. She was also opposed to the discussion of bilateral disputes and the use of the Conferences as a forum for propaganda by one member-country against the other. (224) These considerations led her to dissociate herself from unfavourable references to Israel in the Joint Communiqué of the Second Conference. (225) Except for indirect references, Nepal did not criticise either of the Super Powers by name on any specific issue. It was evident in her silence in the first conference over the resumption of nuclear tests by the USSR, (226) and in the Second Conference over the US intervention in Vietnam and Cambodia. Unlike India, Burma and others, she also did not express any concern at the Second Conference about the expected Chinese first nuclear explosion.

The participation in these conferences gave Nepal a sense of international protection and identification. She placed a clear stress on the need for economic development of poor countries and strongly urged the non-aligned nations to co-operate amongst them-

224. Gorkhapatra, 29 September 1964; The Commoner, 29 September 1964.

225. Samaya, 2 November 1964; Gorkhapatra, 2 November 1964; Motherland, 24 December 1964.

226. Other countries including India, the UAR, Ghana expressed regrets and shock on this point. Nepal expressed her disapproval in this matter in the UN General Assembly. GAOR, 1961 (16 Session), 1031 Pl. Mtg., para 122.

selves. She also underlined the need for developing "positive points of contact" amongst them. In the Second Conference, Nepal asked for a "useful code of conduct" to be evolved, not only to guide the relations between the Big Powers and the small non-aligned nations but also amongst the latter themselves. King Mahendra, who led Nepal's delegation in both the Conferences established "personal contacts with the leading personalities in the international world." A clear mention by him of this objective in the first conference was significant in view of the disturbed situation at home and Nepal's deteriorating relations with India following the King's takeover in the Kingdom.

MAJOR CHARACTERISTICS OF THE GLOBAL NON-ALIGNMENT

In the foregoing pages we have discussed the details regarding Nepal's policy of global non-alignment in relation to the Super Powers and their allies, the small uncommitted nations and the UN as well as Afro-Asian and Non-aligned Nations' Conferences. Now we shall have an integrated look at the policy.

Active and Independent Policy

It has been seen in the Second Chapter that Nepal's non-alignment had three broad characteristics; it was dynamic and positive; it was independent in operation and the element of morality and idealism was pronounced in it. We have noted many facts above which support the assumption made in the Second Chapter. From the point of the emergence of these characteristics as practical features of this policy, the year 1956 was important.

Nepal's stand on the two incidents of immense international significance, that took place in that year amply demonstrated the independent and active nature of Nepal's non-alignment.

The first incident was the aggression of the UK, France and Israel on Egypt to control the Suez Canal. In spite of her close relations with the UK and France, Nepal condemned the aggression. She sided with Egypt when the question came up for discussion in the First Special Emergency Session of the UN and asked for the immediate withdrawal of the Western forces from Egypt before the political settlement of Suez Canal could be taken up. (227) The second incident was the Soviet Union's armed intervention in Hungary. Notwithstanding her newly established diplomatic relations with the USSR, Nepal deplored the "armed intervention" and pleaded for the restoration of Hungary's independence and sovereignty. (228) Her vote in the second Emergency Special Session of the UN General Assembly on the Hungarian question demonstrated that she could behave independently of India, her great immediate neighbour.

This indication in the very first year of her participation in the world body was significant as an emerging trend. It may be

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227. GAOR, 1956 (11 Session), 602 Pl. Mtg., paras 11 and 13; (I Emergency Special Session), 563 Pl. Mtg., paras 373-77; 1958 (13 Session), 771 Pl. Mtg., para 8.
228. GAOR, 1958 (II Emergency Special Session), 571 Pl. Mtg., paras 91-97; (II Session), 602 Pl. Mtg., paras 11, 15; 1957 (12 Session), 698 Pl. Mtg., para 60.
229. Nepal's permanent representative at the UN, R.K. Shah told the author that on the Hungarian question, Indian leaders - V.K. Krishna Menon, Jaiprakash Narayan, etc. - tried their best to influence him to the effect that Nepal should follow India at the UN. But he had strict instructions from Kathmandu to the contrary. (Kathmandu, April 1968). Also see, Chapter II, n. 71.

recalled that around that time, Nepal had initiated the policy of shift from the 'Special Relations' with India. It is important to note that in both the incidents, on the one hand Nepal sided with the countries - Egypt and Hungary - with which she did not have any diplomatic relations and on the other opposed the big powers with which she was to have long term ties and interests. These incidents showed that Nepal was capable of an independent decision vis-a-vis the Super Powers as well as vis-a-vis the major power in her neighbourhood. They ^{is} also demonstrated Nepal's sympathy and support for the small nations against big-power's pressurisation.

However, Nepal's expanding diplomatic contacts and her increasing participation in the international affairs brought-in certain constraints on the active and independent pursuance of non-alignment. Unlike on Hungary and the Suez issues in 1956, Nepal largely took a passive and non-committal stand on controversial issues. Without going deep and taking any sides, she pleaded for a peaceful settlement of the German question, Cyprus problem and the Quban question. On Vietnam, she neither directly blamed the USA for intervention nor justified her stand there. It may be recalled that the friendly relations of Nepal with China and the USA were referred while explaining her stand on the Vietnam issue. On the confrontation between Malaysia and Indonesia, Nepal kept silence. Her position on this issue, however, was prejudiced due to the presence of Gurkha troops in Malaysia under the British Command. This led to the Indonesian President Soekarno's sharp reaction against King Mahendra's statement that

the dispute be settled peacefully. President Sokarno, in this context, denounced co-existence with the imperialists and added:

If the King of Nepal advocates a peaceful settlement of this dispute, why does he let his subjects, the Gurkha mercenaries, fight with the north Kalimantan freedom fighters and the Indonesian volunteers. (230)

President Sokarno's statement was taken as "a breach of diplomatic etiquette" in Nepal and it was explained that Gurkha's presence in Malaysia under the British Command was the result of long-standing Treaty obligations between Nepal and Britain. (231)

Similarly, after the establishment of diplomatic relations with Israel in 1959, Nepal's stand on the Arab-Israel conflict also underwent change. Unlike her earlier stand in favour of the UAR, Nepal pleaded for a 'realistic and practical' solution of the problem in 1960 and thereafter, without taking sides. (232) Her refusal to be associated with the criticism of Israel in the final communique issued at the end of Second Non-aligned Nations' Summit Conference in Cairo in 1964, can also be recalled here.

In all the cases cited above, Nepal had friendly relations with both the parties in the conflict. Taking one side would have adversely affected her relations with the other. To remain aloof and non-committal on and plead for peaceful settlement of these issues was, therefore, in Nepal's best interests. Again, it was in view of her larger interests that in contrast to the stand on

230. The Times of India, 30 December 1964.

231. Foreign Minister K.N. Bisht's statement. Gorkhapatra, 31 December 1964.

232. Policy Speech, 1960, n. 175, pp. 2-3.

Hungary, Nepal fully supported China's action in Tibet in 1959 and even refused to accept that the question of human rights was involved there in any manner. (233)

Exercise in Balance of Power

The whole concept of non-alignment has been viewed as a balance of power policy (234) through which the non-aligned countries aimed, on the one hand, at maximising their power and influence vis-a-vis the Super Powers by forging closer ties amongst themselves and thus evolving united response to the international issues and, on the other, tried to make best of both the power blocs by having friendly and cordial bilateral relations with each and keeping aloof from their mutual conflict. Nepal's non-alignment was also in conformity with this.

As an exercise in the balance of power, Nepal's policy in the global context had two major components, namely, her ties with:

1. Uncommitted nations along with her membership of the UN and participation in the Afro-Asian and the non-aligned conferences;
2. Super Powers and power-bloc countries.

The first component of the policy helped Nepal to work towards the maximisation of her power and influence and the minimisation of her 'vulnerabilities' vis-a-vis the Super Powers. Left to herself, Nepal was too small and weak to be of any

233. GAOR, 1959 (14 Session), 820 Pl. Mtg., para 13; 831 Pl. Mtg., paras 51-62; 1960 (15 Session), 898 Pl. Mtg., paras 132-133. Also, Chapter III, n. 127 to 129; Appendix III.

234. Max Beloff, The Balance of Power, London, 1967, pp. 24-49.

consequence in the international politics. ~~and exposed to the pressures and influence of the power blocs.~~ She, therefore, threw her weight with the countries similarly placed in the international system. In this context, her participation in the UN where she identified her interests with the 'Afro-Asian group' as well as in the Non-aligned and Afro-Asian Nations Summit Conferences, where she raised her voice against the actions of Super Powers and evolved a common approach towards them along with others, stand as clear evidences. Her call for solidarity among the smaller nations and her fight for equal voting rights in and adequate protection through the world body, were of particular significance.

The second components of Nepal's non-alignment secured the involvement of both the power blocs in her economic development. Her strategic location in a region of vital interests to the Super Powers, led the latter to focus their attention on the Kingdom. In view of it, through the policy of encouraging involvement of both the sides, Nepal neutralised the influence and pressure on her from one side with that of the other. The establishment of diplomatic relations with the USSR in 1956 and quickness with which Nepal expanded these relations later can be recalled as an example.

Leaning towards the Western Powers

However, if we take a comparative look at Nepal's attitude towards the Super Powers, we find that her policy had a leaning towards the West. It was evident in more than one ways. The number of countries belonging to the Communist bloc with which Nepal had diplomatic relations, was only four including the USSR as against more than 15 of those belonging to the Western bloc

dominated by the USA. (See Appendix I) Besides the number, the amount of intercourse was also greater with the Western bloc. Nepal accepted arms from the USA and the UK and allowed the latter to employ Gurkhas. But nothing of this sort existed between Nepal and the USSR or any of ^{her} the latter's allies. In the economic and political matters also, Nepal's dependence upon the Western bloc was greater (details later).

Two factors explain this leaning. First, Nepal found the Western bloc more powerful and resourceful to fulfil her needs as also, more keen to take interest in her affairs. (Chapter I) This was evident from the fact that whereas Nepal figured in the US global strategy since 1945, for historical and strategic considerations, the Soviet Union moved to cultivate the Kingdom only in the late fifties. The second factor was largely ideological. Whether it was the Parliamentary or the Panchayat Systems of democracy, it had anti-communism as its base, and for the protection and consolidation of this base, the USA and her allies were the countries to be relied upon.

The leaning towards the Western bloc did not seriously obstruct the pursuance of non-aligned policy by Nepal. Primarily so because, owing to her smallness, this posture did not have any larger consequences in the international politics as such. Besides, since the emergence of the Sino-Soviet rift in 1959-60, Nepal gradually became an area of agreement between the two Super Powers, who seem to have decided to neutralise the Chinese influence in the Kingdom. The displeasure with Nepal's growing cordiality with China during 1961-62, (Chapter V), by both the USA and the USSR can be recalled as an example. The convergence

in the objectives of the USA and the USSR policies in Nepal - against China - became more clear since the emergence of China in the South Asian region after 1962. This was clearly evident in the economic matters which will be discussed in the next chapter.

To sum up, it was the small and weak stature of Nepal that made her global non-alignment little different from the one followed by India and others. This stature introduced subtle nuances in the frame-work as well as, in the practical application of the parent policy and gave it a distinct Nepali look. Nepal's concern accordingly, was not restricted to the Super and Major powers. She was equally, and at times even more, pre-occupied with the 'regional' and non-aligned powers. This further led to her greater reliance upon the collective approach and the international bodies and forums in the solution of the problems facing the world, as also the achievement of her objectives.

Chapter VII

FOREIGN ECONOMIC POLICY

The foreign policy of an underdeveloped country like Nepal had a strong economic bias. Its objective, of domestic economic development through foreign policy, corresponding to the stability (E) motive, has been outlined in the Second Chapter. The significance of the objective is borne out by subsequent references to economic matters in Nepal's relations with various countries. Highlighting the economic content of Nepal's foreign policy, or in other words, the objective and strategy behind her foreign economic policy, the Chairman of the Council of Ministers Dr. Tulsī Giri said:

We do not say that other values do not matter, but for us, economic development is a challenge which we can only ignore at our own peril.

Our foreign policy, therefore, is directed towards highlighting not the ideological differences, however important they may be, but the economic differences which unless minimized are bound to become a threat to the world peace. (1)

Nepal's emphasis on matters pertaining to economic development in her bilateral relations as well as in the UN and other international forums noted in previous chapters can be better understood in the background of this statement.

The foreign economic policy of Nepal had two major dimensions, concerning respectively, with foreign aid and foreign trade. Below we shall discuss the policy under these dimensions.

1963

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1. General Assembly Official Records (GAOR), 18th session (1963), 218 Pl. Meeting, September 1963, paras 113 and 114.

FOREIGN AID

The economic development of Nepal remained neglected under the Rana rulers. Their fall and the consequent liberalisation of the regime, as well as the opening of the country to the outside world, led to a growing awareness towards this neglected aspect. Internal resources being non-existent, Nepal had to look for external assistance to give initial push to the stagnant economy. (2) As evident from Table I, ^(end of the chapter) till 1961-62 the developmental expenditure of the Kingdom was almost wholly met by the external assistance. Afterwards also, the domestic contributions remained modest and till 1966-67, it was less than 50%.

Nevertheless, the rate of growth in domestic contributions for the developmental expenditure had been impressive. From 4.48% in 1962-63, it rose to 46.98% in 1966-67, more than 40% increase in four years. This was owing to the fact that while accepting indispensability of foreign aid for many more years to come, Nepal had not been unaware of the long term ill effects of too much dependence on it. (3) Serious thought had, therefore, been

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2. Y.P. Pant, Nepal's Economic Development on International Basis, Nepal Council of Asian Relations and World Affairs, Kathmandu, 1956, pp. 4-6.
 3. As early as February 1958, a high Nepali official commented:

I personally believe that any country always depending upon foreign aid will invariably become lazy. Yet in the present circumstances, I cannot but welcome foreign aid without strings attached to it.

Nepal Times, 12 February 1958. Also see: Nepal Rastra Bank, (Report of the Board of Directors to His Majesty's Government for the Fiscal Years 1957-58, 1958-59, 1959-60, 1960-61), Kathmandu, p. 13.

given to the means to stimulate and mobilise internal resources in order to reduce the dependence on foreign aid, with the ultimate goal of doing away with it. (4) This is further borne out by Nepal's willingness to invite foreign loans besides aid, (5) significant changes in its fiscal and monetary policies and financial administration (6) and increasing emphasis on the growth and expansion of foreign trade as against aid. (7)

Nepal mobilised assistance from almost every one of her 'friendly countries'. She received aid from rich countries like the USA and the USSR on the one hand and India, who herself was a major aid recipient of the former, on the other. Securing aid was an important consideration before Nepal while establishing diplomatic relations with various countries. (Chapter II, n. 35) Her bilateral relations with the Super Powers and other developed countries were, to a great extent, concerned with aid and related economic matters.

There was, however, one self-imposed condition for Nepal to accept aid that it should be given without any conditions

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4. H.M. King Mahendra, Proclamations, Speeches and Messages, Department of Publicity, Ministry of Information and Broadcasting, HMG Nepal, 1967 (Henceafter, Speeches), vol. II, pp. 254-5, 341-2. Also Budget Speech(es) (for the Fiscal Years 1964-65 to 1967-68), His Majesty Government, Ministry of Finance, Nepal, Kathmandu.
 5. Nepal received the first foreign loan from the United States in 1960.
 6. For details see: Y.P. Pant, Problems In Fiscal and Monetary Policy: A Case Study of Nepal, Kathmandu, 1970; B.P. Shrestha, An Introduction to Nepalese Economy, Kathmandu, 1962.
 7. Statement of Vedanand Jha, Head of the Nepalese Delegation. Trade And Development Proceedings of the United Nations Conference on Trade and Development, Geneva, 23 March - 16 June 1964, United Nations, New York, 1964, vol. II, Policy Statements, pp. 285-89.

attached. (8) As a protection against pressures from the donor, Nepal diversified the sources of aid and preferred it through the UN and other international organisations like the Colombo Plan, Asian Development Bank, etc. The Nepalese delegation in the UN in 1956 strongly supported the move for the establishment of the Special United Nations Fund for Economic Development (SUNFED). (9) Later Prime Minister B.P. Koirala said: "I feel that all foreign aids to underdeveloped countries should be directed to the receiving countries through the UN". (10)

India and the United States were the first countries to make their mark as aid donors to Nepal in 1951. China and the USSR came to the scene in 1956 and 1958 respectively but became effective only after 1959. The United Kingdom, New Zealand, Australia, Canada, Japan and Pakistan provided aid under the Colombo Plan schemes. Others included Switzerland, West Germany, Israel, etc. Besides, the UN - through its specialised Agencies like WHO and ILO - and the Ford Foundation had also been assisting Nepal regularly.

By 1966-67, Nepal received a total of Rs.1255.611 (Million, Nepali) as foreign aid, of which the highest contribution, approximately 44%, was made by the USA. (Table II). The next was India

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8. It was underlined by the Nepalese leaders in almost every statement concerning foreign aid. For example, see S.P. Upadhyaya's statement, The Statesman, 29 April 1959.
 9. GAOR (11th Session, 1956), Second Committee, 434th Meeting, p. 245.
 10. The Commoner, 7 October 1960.

This argument was repeatedly put forth by the Nepalese delegations in the UN and elsewhere (Chapters II and VI).

with 37% (approx.) share. Initially, foreign aid intake of Nepal was very low. It was only Rs.27.323 (Million, Nepali) in 1958-59, as compared to Rs.175.300 (Million, Nepali) in 1965-66 and Rs.142.236 (Million, Nepali) in 1966-67. If the actuals of foreign aid (Table II) are compared with its estimates as given in Table III, it shows that Nepal did not have enough capacity even to absorb the estimated aid out of the total, that was made available to her. The situation was described as 'aid-indigestion' in economic terms. This was due to various factors like the lack of proper economic environment, the inadequate administrative and financial institutions, the imperfect monetary and fiscal policies and the absence of well thought priorities in development projects. (11) Confusion in the political situation created by frequent changes of the governments, proved an additional hurdle. In this context, King Mahendra, in his call to the nation in 1958, remarked:

On account of the political instability in our country, what should have been achieved was not achieved. For that very reason, the aid received from friendly countries could not be used to the maximum advantage. (12)

Gradually with the improvement in these aspects, the aid absorption increased.

Foreign assistance came to Nepal generally in four forms - cash, capital and consumer goods, technical assistance, and training

11. Dr. Bhekh Bahadur Thapa, "Foreign Aid and Economic Development in Nepal", Souvenir Issue, The Nepal Council of World Affairs, Kathmandu, June 1967, pp. 86-93.

12. Speeches, n. 4, vol. I, p. 105.

facilities. China was the first and the only country to have given cash grant in 1956 amounting to Rs.20 million in the Indian currency. China was also the first country, followed by the USSR, to give aid in consumer goods. The sale proceeds of these goods were used to meet the local costs of the projects undertaken by them. Rest of the modes were used by every donor. Now we shall discuss the main developmental works undertaken in Nepal by the aid from four major donors: the USA, India, China and the USSR.

The US Aid

Expressedly, the US aims in Nepal were "bolstering democracy and preventing aggression" as also preserving political independence. (13) The implied source of threat was from communism and communist countries. (14) Economic development was considered an essential and vital aspect of the defence against this threat. (15) Elaborating upon the point, the US Ambassador to Nepal commented in December 1958:

... the revolution of rising expectations begins concurrently with the achievement of independence.
... Unless these expectations can be met, political independence cannot be secured.

Since my country is firmly convinced that this is so, it follows that it believes it to be in its own self-interest to assist the newly independent and less developed countries to raise their living

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13. Ambassador Chester Bowles's statement in Kathmandu. The New York Times, 19 February 1953; The Times of India, 20 February 1953. Also Chapters I and IV.
 14. E.B. Mihaly, Foreign Aid and Politics In Nepal, Royal Institute of International Affairs, London, 1965, pp. 28-30.
 15. The National Herald, 9 July 1953.

standards to develop sound social institutions and to achieve a degree of well being which will make it possible to strengthen and maintain their political independence. (16)

Within this broad objective, the United States placed emphasis on building up democratic institutions and training people in Nepal through aid. (17)

The US economic assistance to Nepal commenced with the signing of the Point Four Agreement between the two countries on 23 January 1951. In the context of the USA's political and strategic objectives, it may be recalled that the signing of this agreement was preceded by the establishment of Communist China's authority in Tibet. This agreement was of a general nature which provided for the exchange of "technical knowledge and skill" for economic development of Nepal and the relevant information related to that. (18) Agreements for specific programmes and projects were to be concluded separately between the two sides within the framework of this agreement.

Exploratory surveys were conducted by the US experts in Nepal in the fields of agriculture, health and mineral resources following the signing of the agreement. (19) Specific programmes and projects which were undertaken by the US aid after these

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16. Text of the speech, Nepal Economist, 26 December 1958, No. 1, pp. 16-17.
 17. The Rising Nepal, 27 January 1966; Gorkhapatra, 7 June 1966.
 18. Text of the Agreement, Ministry of Foreign Affairs Archives HMG of Nepal, Kathmandu, Document No. 23.
 19. The New York Times, 23 December 1951.

surveys during the period under study, covered the fields of agriculture, education, health, water supply, transport and communication, administration, industry and power, forest resources and village and panchayat development.

There was a strong bias in the US aid programme in favour of such projects which had political value. It is evident from Table IV which shows the major fields of the US aid activity. The bulk of the aid was spent on the projects like agriculture development, education, malaria eradication, panchayat development, etc. All these projects, except the agriculture development, had questionable economic value. The agricultural development project was also not devoid of political potential. On being badly executed, the size of the project was considerably reduced after 1962. (20) All these projects enabled the Americans to establish direct contact with the land and people in the kingdom and facilitate the desired values and influence.

The aid was granted in two currencies: the Dollar and the Indian Rupee. The USA's PL-480 funds in India provided the source for the Indian Rupee grant which was first started in 1960. It was, in fact, often preferred by Nepal because the kingdom's monetary and fiscal calculations to a great extent depended upon the Indian Rupee reserves.

(An important feature of the US aid programme was its collaboration with India, particularly in road building. It started in January 1958 when the US, India and Nepal agreed to)

20. Mihaly, n. 14, pp. 125, 133.

establish a Regional Transportation Organisation (RTO). It was proposed to construct 900 miles of roads in Nepal through this organisation within a period of five years, with an estimated cost of \$10.7 million. (21) The financial obligations of the parties individually were: the US = \$7.5 million; India = Rs,12.5 million; and Nepal = equivalent in kind of \$0.7 million. (22) However, (the RTO could not function smoothly. It became virtually defunct (by June 1962 and was formally dissolved on 10 January 1963. The causes of its failure were: lack of co-operation between its major partners, the US and India, particularly at the technical and the administrative levels; initial underestimation of the nature and the cost of the project; lack of proper communication facilities between the headquarters and construction sites and the inadequate supply of skilled workers. (23) Naturally, the achievements of the RTO fell far short of the goals originally set. (24)

Three years after the dissolution of the RTO, the United States decided to provide certain equipments to the Government of India for use in the construction of the East-West Highway in

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21. Texts of the Primary Agreement and Agreement No.1 concerning RTO (Texts supplied by the Indian Co-operation Mission, in Nepal, Kathmandu).
 22. Agreement No. 1, n. 21, Art. I.A.
 23. Text, Final Report of RTO accomplishments (supplied by the Office of the Chief Engineer, B and R, IMG Nepal, Kathmandu).
 24. The RTO till June 1962, had paved 380 miles of 2 feet track and 134 miles of 10' track, constructed 152 miles of full width roads and 43 miles of truckable roads, laid gravelling on 60 miles, metalled and surfaced 28 miles, completed survey and alignments of 361 miles and constructed culverts and small bridges totalling 296. Ibid.

Nepal. (25) The US/AID Director in Nepal, Joseph S. Toner, described it as a better arrangement to expedite the construction of the road. (26) The arrangement also reflected the US reluctance towards road building projects after their experience in the RTO.

The US collaboration with India underlines the similarity in the approaches of the two countries towards Nepal. This similarity had been indicated earlier by the American Ambassador to India and Nepal, Chester Bowles. (n. 13) It was reiterated in the preamble of the RTO agreement which stated that the contracting parties' objectives were "to safeguard basic rights and liberties and to protect the security and independence of free and independent people. . . ." It may be recalled here that the idea of the RTO was conceived at a time when Nepal had started cultivating relations with China and the USSR much to the displeasure of both India and the US. Similarly, both India and the US joined the East-West Highway project, only after China had been dislodged from it (details later).

The US aid programmes largely failed to achieve their targets. Mention has been made about the agricultural development and road building (RTO) programmes. The expenditure of the administrative machinery of Nepal brought about by the US aid and advice, in the ultimate analysis, made the government heavily dependent upon the US aid, thus creating a vicious circle. (27)

25. Facts About, American Aid to Nepal, Programme Office, Economic Planning Section, US/AID, Nepal, Kathmandu, 1967, p. 1.

26. Gorkhapatra, 13 June 1966.

27. Samiksha, 21 February 1964, 25 July 1965; Samai, 29 March 1965; Naya Samai, 28 July 1965.

The educational development was fairly successful but not without such wastage and delay. (28) However, the Ropeway and the Malaria Eradication programmes were by and large successful ventures. The failure of the programmes was attributed to faulty planning, lack of understanding about the social conditions and economic environment in the kingdom before launching a particular project and the technical and administrative difficulties. (29) Besides, a substantial proportion of the aid allotments was spent on the technicians alone, most of which, in a way went back to the United States. (30)

How far the US aid programme in Nepal served the objectives of the donor, is difficult to say. But one thing became very clear by the end of 1966. The US gained immense influence in Nepal. It was evident from the free access of the US diplomats in Nepal to almost every quarter, the confidence reposed in them by the King, and the activities of the Peace Corps Volunteers. Earlier during 1958-59, King Mahendra consulted the US Ambassador regarding the fields to be allotted to the Soviet aid, and on his advice, did not permit the Soviet aid to enter into the fields of education and aviation which were preferred by the USA for herself. (31) In 1962-63, the USA was reported to have asked the Nepalese Government for discouraging the Chinese and the Soviet

28. Jannabhumi, 29 March 1966.

29. For details, see Mihaly, n. 14.

30. It was 50.3% of the total dollar aid expenditure in 1964, 56.3% in 1965, 58% in 1966 and 45.1% in 1967. (Source: US/AID Nepal, and Research Section of the Economic Planning Ministry, HMG Nepal, Kathmandu).

31. Mihaly, n. 14, p. 81.

aids and for disclosing budgetary estimates as conditions to the signing of new US aid agreements. (32) The fact that these agreements were signed after a considerable delay and controversy and following the release of the revised budget estimates lends support to the alleged pressurization of the Nepalese Government by the USA. (33) The US Ambassador and the US/AID Director also reacted very strongly to the officially sponsored paper The Rising Nepal's adverse comments on the US aid, and that too in presence of HM Queen Ratna. As a result, the paper had to render apologies. (34)

There was considerable resentment in the Nepalese press regarding the working of the US aid. 'Ulterior motives' were suspected behind the aid and it was charged of misplaced priorities and improper execution. (35) Even the semi-official paper, The Rising Nepal (20 January 1966) demanded a "radical change of attitude" in the US aid programme and asked the US to give up its bias against the capital projects which could help stimulate economic activities in Nepal. However, the US aid enjoyed official

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32. Motherland, 28 December 1962, 3 January 1963; Sanaal, 1 January 1963; Samiksha, 3 January 1963.
33. Motherland, 8 January 1963; Gorkhapatra, 18 January 1963, 8 February 1963, 18 February 1963.
34. Nepal Press Digest, vol. X, no. 5, 29 January - 4 February 1965, pp. 35-36.
35. Nepal Press Digest, No. 1, 12-17 May 1957, p. 17; Naya Sanaal, 25 and 26 February 1958; Kalpana, 2 June 1958; Naya Sandesh, 28 August 1964; Naya Sanaal, 5 September 1965; Dainik Nepal, 18 September 1966 and also n. 28.

patronage and appreciation. In the midst of public controversy around the US aid in May 1963 King Mahendra stated:

My Government is very much obliged to our friendly country, the United States of America for their pure-hearted help and co-operation in development projects to be undertaken by the Panchayats. (36)

Evidently, it was King Mahendra's acknowledgement of the US aid's contribution in maintaining and stabilising his regime.

The Indian Aid

There was no basic difference in the objectives of the USA and India in Nepal. Both wanted to keep the communist influence out of the kingdom, preserve its political stability and encourage democratic progress. However, since Nepal was of vital importance to India both strategically and politically, her concern and interest were immediate and extensive. We have discussed India's strategic and political objectives in Nepal in earlier chapters (Chapters I, IV and V). It was in the background of these objectives and interests that India's "co-operation and assistance" to Nepal was bracketed with her "special friendship for the latter. (37) This also led the Indian side to highlight the fact that India, herself an aid receiving country, was giving massive economic assistance to Nepal. (38)

36. Speeches, n. 4, vol. II, p. 187. For appreciation of the US aid also see: The Rising Nepal, 18 September 1966; Gorkhapatra, 18 September 1966.

37. Ambassador Bhagwan Sahai at the inauguration of Airfields by King Mahendra on 13 June 1955. Asian Recorder, 18-24 June 1955.

38. Address by D.R. Kohli to The Rotary Club of Kathmandu, 26 April 1961, Indian Aid Mission, Kathmandu. (Mimeographed)

The germs of economic aid to Nepal were present in the Indian thinking as early as 1950. It was implied in the letter exchanged along with the Treaty of Peace and Friendship signed in July 1950. The para (4) of the letter read:

If the Government of Nepal should decide to seek foreign assistance in regard to the development of natural resources, or of 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. (39)

The beginning of a more serious thinking in this context was marked by the Indian Prime Minister Nehru's comments in Kathmandu during his state visit in June 1951 in which he said to his Nepali audience: "If you seek our help, say in technical or other spheres, we will do our utmost to be useful to you." (40)

In response to Nehru's call, Nepal's Prime Minister M.P. Koirala visited India in January 1952 followed by another Ministerial delegation in April, the same year. It was decided during these visits that India should help Nepal draw a long term plan for economic development, fix priorities for that and build up a sound administrative and financial system to undertake the task of development. Indian experts visited Nepal in this context. (41) Meanwhile, India started constructing two major

39. Text of the Treaty made available by the Information Division, Embassy of India in Nepal, Kathmandu. (Appendix V)

40. The Hindu, 17 June 1951.

41. The Statesman, 17 January 1952; India, Parliamentary Debates (House of the People), 16th-26th May 1952. Statement laid on the Table of the House, Appendix I, Annexure No. 27, p. 88;

projects in Nepal: the Tribhuvan Rajpath - a Highway joining Kathmandu with an Indian border village Raxaul, and the Gauchar airport in Kathmandu. (42) Initially, the expenditure on these projects was covered under a loan from India to Nepal but later, it was turned into a grant. Gradually the field of Indian aid expanded with increased number of projects and amount of expenditure on them along with the diversity in their nature. Details of the fields and aid allotments are given in Table V.

The Table shows that the bulk of aid was spent on transport, communications, power and irrigation. These projects were to lay down a sound infrastructure for economic development of the kingdom. The roads and airports respectively, consumed 32.8% and 2.8%, whereas the development of power resources accounted for 25.2% and the irrigation facilities for 15.7% of the total aid expenditures up to 1966-67. Allotment towards the industrial development was comparatively very little, only 0.5%. Similarly education, health, forestry etc. which acquired high priorities in the US aid programme accounted for less than 1% of the total each.

Among the high priority projects in the Indian programme, community development and water supply schemes had no direct economic output, but they were significant from the point of their political and goodwill value. Regarding the roads, airfields and

41. (contd. from back page)

also, *ibid.*, part I, vol. II, no. 31, 13 May 1953, Q.No.1460-D, cols. 3095-96; Hamro Par Rastra Sempark (Our Foreign Relations) Publicity Department, Government of Nepal, Kathmandu, n.d., p. 43.

42. The preliminary work on these projects had in fact started in 1950 under unspecified terms.

surveys, much was talked about the strategic considerations behind them, but nobody could dispute their immense economic value. (43) The economic potential of power development and Irrigation projects was unquestionable. Thus, though not free from strategic and political considerations, the Indian aid programme in Nepal had strong bias in favour of the projects having direct and immense economic value. This was in significant contrast with the US aid programme.

There was another category of the Indian aid projects called 'mutual benefit projects'. They included projects undertaken to harness Koshi and Gandak rivers which had been causing flood havoc both in India and Nepal every year. The Koshi project agreement was signed by the two Governments on 25 April 1954 and the Gandak Project agreement on 4 December 1959. (44) These projects' agreements were revised on 19 December 1966 and 30 April 1964 respectively, in order to secure more benefits for Nepal. (45) Both the projects, to be constructed in the Nepalese territory, were to be wholly financed by India and executed by her with the help of Joint Co-ordinating Committees of the two Governments. Nepal's benefits from Koshi Project were to be: Flood protection for 1.27 lakh acres, irrigation for 77,000 acres and 9,000 KW

43. Minhaly, n. 14, pp. 90, 147-150.

44. Texts of the Agreements, supplied by the Koshi Project Liaison Office, Kathmandu.

45. Text of the Revised Agreements, supplied by the Koshi Project Liaison Office, Kathmandu.

of power at a cost of 50 million Nepali Rupees to be borne by India, to secure these benefits alone. From Gandak project, Nepal was to get flood protection for 20 sq. miles, Irrigation for 143,000 acres and 15,000 KW of power at the cost of 80 million Nepali Rupees to be borne by India. (46)

India's emphasis on her "special position" in Nepal was evident in the context of aid as well. From the Treaty of Peace and Friendship (n. 39), it was clear that she did not want any other country to aid Nepal without her knowledge and approval. This applied more to the Western Powers, the USA and the UK, since only they had relations with Nepal in the early fifties and were willing to assist her economically. Nehru's offer of "technical and other help" (n. 40) followed the conclusion of the Point Four Technical Assistance Programme Agreement between the USA and Nepal. India objected to the visits of the US experts to Nepal in connection with survey and explorations during 1951-52. (47) This

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46. Co-operation for Progress in Nepal, Ministry of External Affairs, Government of India, 1966; Indo-Nepal Economic Co-operation, 1951-1966, Indian Aid Mission, Kathmandu.

For more details about these projects, see: Koshi Yojana (Koshi Project), Public Relation Office, River Valley Project, Bihar Government, 1965; Gandak Yojana Aur Nepal (Gandak Project and Nepal), Public Relations Office, River Valley Project Office, Bihar, 1961; M.P. Sinha (Minister of Irrigation, Power and River Valley Projects, Government of Bihar, India), "Koshi and Gandak Projects: Monuments of Indo-Nepal Friendship", in The Commoner, 18 February 1966; also see The Commoner, 24 March 1966.

47. Interview with M.P. Koirala in Biratnagar (July 1968). Shri Koirala told the author that the Government of India's objection was raised under that provision of the Peace and Friendship Treaty of 1950, which obliged each Government not to employ any foreigner whose activities may be prejudicial to the security of the other. (Para 5 letter). This means that India apprehended strategic motives behind the exploratory visits of these US experts.

conflict between the Indian and the US aid programmes was witnessed only during 1951-54 and afterwards it turned into co-operation and co-existence as we have discussed earlier. Both the aid programmes then competed with the aid to Nepal from communist countries, particularly China, as will be seen below.

The Indian aided projects were frequently criticized by the press and public in Nepal. The Indian advisors and engineers working on the projects were charged of behaving with an "air of superiority", with their Nepali colleagues and subordinates. (48) The mutual benefit projects of Koshi and Gandak were looked upon as examples of encroachment on Nepal's sovereignty and independence, as also of exploitation of her water and power potential by India. (49) Opposition to these two projects in particular, was witnessed ever since 1954. (50) It was responsible for the delay in the signing of the Gandak Agreement, delay in the beginning of their execution and ultimately, for their revision. The Indian Aid Mission was also charged for the delay in the execution of some other projects. (51)

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48. Swatantra Samachar, 19 January 1964; Gorkhapatra, 24 July 1964; Samiksha, 3 August 1965.
49. This was the contention of almost every political party and paper which disapproved of these projects. For example, see: Mahasabha: Karivavahi Ko Sankshipt Viveran (Senate: Brief Proceedings), 21, 22 and 24 Vaishakh 2017 (April 1960).
50. There were demonstrations and agitations against these projects. See: Nepal Press Digest, 8-14 June 1960, 20 May 1963, p. 102; Samal, 17 January 1964; Samiksha, 5 February 1964.
51. Gorkhapatra, 1 May and 21 July 1964; Matribhumi (Daily), 22 July 1964.

It is clear from the nature of these charges that they related to the execution and progress and not to the content, of the projects and of the programme as a whole. Most of the criticism emanated from psychological and domestic factor of Nepal which in a way, had affected the entire gamut of India-Nepal relations. A better appreciation of Nepali sentiments, both at the official and personal levels, by the Indian side could have removed a great deal of this criticism.

The slow progress of some of the projects was due to various factors. The foremost was the administrative and other difficulties faced by the project authorities, while dealing with the Nepalese Government. Nepal's Foreign Minister Dr. Tulsi Giri's comments made in a press conference in Kathmandu on 20 February 1961 are worth noting in this context. He said:

There has been a feeling that some of the programmes undertaken were not carried out as expeditiously as was desirable. This might have been due to defects on our side and the Government of India alone is not to be blamed for it. Now we think that if we, on our side, correct ourselves and gear our machinery, the Government of India will also be more active. (52)

Besides, all the projects charged of slow progress, suffered from inadequate supply of labour in the kingdom. (52) The Indian side was slow in settling the claims of compensation for the land

52. The Statesman, 21 February 1961; Gorkhapatra, 22 and 23 February 1961.

53. Gorkhapatra, 15 November 1963; Samai, 31 January 1965; Nepali, 19 April 1965. The labour shortage was admitted by the Nepalese side: Gorkhapatra, 2 November 1964, 13 May 1965; Matribhumi (Daily), 20 May 1965.

acquiredⁱⁿ from the Nepalese for the projects. (54) Above all, natural calamities like floods, damaged the construction work and hampered its further progress. (55)

A very important factor that affected the smooth working of the Indian aid programme was the political climate in the kingdom and overall relations between the two countries. It was evident during the years following King Mahendra's take-over from the Nepali Congress government and the consequent developments. (56) Growing criticism of the Indian aided projects during these years led to the transfer of control over their execution from the Indian Aid Mission to His Majesty's Government of Nepal. The minor projects were transferred in November 1964 and the major projects in May 1966. (57) The transfer also helped a great deal, in taking the winds away from the sails of the critics of the projects. Besides, with the gradual improvement in relations between the two countries at the official level, a better appreciation of the Indian aid programme was forthcoming in Nepal. (58)

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54. Samiksha, 14 January 1964, 5 February 1964; Matribhumi (Daily), 25 June 1965; Janabhumi, 12 December 1965.
55. Floods occurred almost every year. For the example of the damage caused by it to the Indian aided projects, see: Nepal Samachar, 15 July 1965; Gorkhapatra, 30 July 1966, 22 September 1966.
56. Mihaly, n. 14, pp. 144-45; also Naya Samai, 28 June 1964.
57. Gorkhapatra, 21 November 1964, 19 May 1966; Matribhumi (Daily), 20 May 1966.
58. Nepalese Press on Indo-Nepal Economic Co-operation 1965-67 (Supplied by The Indian Co-operation Mission, Kathmandu, cyclostyled). Also Gorkhapatra, 27 December 1966.

The Chinese Aid

(China's principal objective in Nepal was to turn the kingdom into a useful buffer-zone from an area of Indian influence. Together with this, she also wanted to counteract the American influence there, within the general framework of her anti-colonial anti-imperial and anti-expansionist policies. The economic aid was sought to serve these objectives. China's opposition to the American policies was too pronounced to need any detailed discussion. (59) Her objective to neutralize the Indian influence in the kingdom was expressed only indirectly and through implication (Chapter V). It was evident in the manner China utilized her aid in Nepal as will be discussed below. After the Sino-Soviet rift, China also turned against the USSR.)

More expressly, the objective of the Chinese aid in Nepal was to help the latter start production and increase national income. (60) The aid was considered as a reciprocal gesture to, and acknowledgement of, the support given by Nepal to China's cause in the field of international politics. Nepal's support to China's stand on Tibet, on the question of a seat for her in the UN and the rejection of 'two China' theory, were frequently mentioned in this context. During his state visit to

59. For example, the Chinese Embassy in Kathmandu invited local intellectuals in August 1964 to explain China's stand on the Vietnam war and denounce that of the USA. The Soviet Union's attitude on the issue also came under strong criticism at this meeting. (Nepali, 14 August 1964).

60. Statement of the Chinese Counsellor in Nepal. GoKhatam, 12 May 1964.

Nepal in April 1965, the Chinese Vice-Premier Chen Yi, in relation to such political support and economic aid, commented:

... aid is always mutual. China helps Nepal and Nepal in turn helps China. ... She informs the world of the truth about China and opposes distortions and slanders against China. This constitutes a great help. (61)

This principle of mutuality of help was endorsed by the Nepalese side as well. (62)

The Chinese aid was first promised under an agreement signed on 7 October 1953 during the Nepalese Prime Minister Tanka Prasad Acharya's state visit to China. The amount of Rs.60 million (Indian), one-third of which was a cash grant, promised under the agreement was not allotted for any specific projects and the Nepalese Government was free to spend it. (63) The result was that after four years, the aid amount, except its cash grant part, remained unspent. China recommitted this left over of Rs.40 million (Indian) along with additional grant of Rs.100 million (Indian) in March 1960 under a new agreement (Chapter V, n. 30). This was the real beginning of the Chinese active interest in Nepal's developmental activities. Since then, the emphasis in the Chinese aid programme had been on the construction of roads,

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61. Survey of China Mainland Program, American Consulate, Hongkong (Hereafter SCP), No. 3431, 5 April 1965, pp. 40-41.
 62. Minister Nagendra Prasad Rijal's statement. Swatantra Samachar, 16 February 1966.
 63. Text of the Agreement. New Developments In Friendly Relations Between China and Nepal (Ed.), Chinese People's Institute of Foreign Affairs, Foreign Languages Press, Peking, 1960, pp. 15-16.

establishment of industries and development of power resources. Major projects undertaken by China are given in Table VI.

The figures in Table VI are estimates. Actual expenditures of the Chinese aid by 1966-67 were Rs.109.75 million (Nepali) in the fields of Transport Communication and Power and Rs.60.55 million (Nepali) for Industrial Development. (64) The emphasis was obviously on capital projects. The industries undertaken to be established were based on the raw material available easily and in abundance in Nepal. Thus, their economic value was unquestionable. So also was that of the roads and the power plant. Besides, China also made goodwill gestures by occasionally presenting gifts. By the end of 1966, most of the Chinese projects, except the Kathmandu-Kodari road, Leather and Shoe factory and Warehouses, were at the preliminary stage of construction.

Political considerations in the Chinese aid were implied in, what may be called, its demonstrative aspects. China made a pronounced emphasis that her aid to Nepal was free from "whatever conditions attached". (65) Cost of the technicians, except their maintenance expenses, was not included in the aid amount and the living standard of these technicians was not to be higher than that of "the personnel of same level in the Kingdom of Nepal". (66)

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64. Statistical Abstract (Investment Promotion and Publicity Division, Nepal Industrial Corporation, Kathmandu), vol. 2, no. 3, October-November 1967, p. 12.
65. Text of the Agreement on Economic aid between the countries signed in October 1955. Art. II, New Developments etc., n. 63.
66. Text of March 1960 aid Agreement. Art. IV, ibid., p. 26. Also see Gorkhapatra, 12 May 1964.

Apart from their living conditions, the Chinese technicians displayed a remarkable sense of 'Comradeship' through work and behaviour, with their Nepalese colleagues which added to their popularity. (67) The fact that this contrast in the Chinese aid with that of the Indian aid and the American aid was well made to the Nepalese side, was clear from the warm reception of the aid in Kathmandu. (68) China's keenness to select the sites for their projects near the Indian border or the Indian aided projects, also does not seem to have been free from political and strategical considerations. (69) Same was true with China's interest in the field of aviation where it offered to construct a number of airports in Nepal. (70) This led India to agree quickly to undertake the same project and persuade the Nepalese Government to reject the Chinese offer in this field of obvious strategic significance. (71) India also secured assurances from the Nepalese Government

67. Dev, R. Kumar, "Kathmandu-Kodari Road: Utility, Speed and the Behaviour of Chinese technicians", Far Eastern Economic Review, vol. XLIII, No. 8, 20 February 1964, pp. 419-21.

68. Prime Minister, while lauding the Chinese aid stated that it was in contrast to the United States. Mention of India's name in this context must have been avoided for factional reasons. The Hindu, 22 October 1956.

For the praise of the Chinese aid, also see: Naya Samai, 30 April 1964, 7 September 1965; Gorkhapatra, 10 July 1965; Samai, 13 July 1965; Matribhumi (Daily), 10 September 1965; Samiksha, 18 February 1964.

69. G.K. Parsai, "Indian aid and Changing Pattern of the Economy", Nepal Today, vol. 5, no. 23 and 24, 15 November 1966.

70. The Indian Express, 20 July 1963.

71. Mrs. Laxmi Menon, India's Minister of State for External Affairs, disclosing it, assured the Lok Sabha that Nepal did not enter into similar agreements with any other country. India, Parliamentary Debates (Lok Sabha), Series III, vol. XXVIII, no. 32, 23 March 1964, Starred Q.N. 683, cols. 6827-29.

that it would not overlook the former's interests and anxieties while accepting Chinese aid proposals. (72) At times, China attributed delay in the progress of its aided projects to India, since the machinery for construction etc. had to pass through the Indian territory in transit. (73) China's political and strategic considerations behind the offer of Kathmandu-Kodari Highway has already been noted earlier (Chapters III and V). The speed and interest with which the construction of the highway was undertaken, further underlined these considerations. (n. 67)

Another noteworthy feature of the Chinese aid was the supply of consumer goods as a part of the aid. The local cost of the projects was to be met from the sale proceeds of these goods. The goods sent mostly included fancy goods, transistors, fountain-pens and textiles. These goods, specially finished, were in attractive designs and were sold at comparatively cheap prices. Thus they favourably competed with similar Indian goods in the Nepalese markets. (74) The goods were also smuggled into India through Nepal. Serious thinking Nepalese expressed displeasure on the inflow of such goods. (75)

72. The Sunday Standard, 11 April 1965.

73. Chinese Ambassador's statement on the eve of inauguration of a bridge on K-K Highway. Gorkhapatra, 8 June 1966.

74. For the concern expressed in the Indian Parliament about the entry of the Chinese goods into the Nepalese market. See, India, Parliamentary Debates (Lok Sabha), Series II, vol. LIX, no: 1, 20 November 1961, cols. 5-7; The Statesman, 21 December 1963.

75. Some National Panchayat members in the course of a budget debate held the view that these goods would spoil the consumption habits of the people. It was, therefore, suggested that instead, the capital equipments should be imported. Gorkhapatra, 10 July 1963.

The goodwill earned by the Chinese aid in Nepal was marred by two factors. First was the amount of aid which was very small as compared to that of India and the United States. China seemed to be conscious of this factor. Vice-Premier Chen Yi regretted in Kathmandu during his visit in April 1965, that "we have not assisted Nepal in the economic development to the extent we should have." He promised more assistance after the economic conditions in China had improved further. (76)

The second factor was China's frequent shifts from one project to the another. In September 1961, China had decided to undertake the establishment of a cement factory, a pulp and paper plant and a leather and shoe factory. After more than two years of survey and exploration, the first two projects were abandoned. (77) No specific reasons were given officially for the change. But, unofficially, the dislocation of China's trade with the East European countries resulting into the difficulties in acquiring necessary machineries, the high cost of the projects and the inadequate supply of the raw materials were mentioned as some of the reasons. (78) The funds allocated for these projects were diverted for the construction of a 170 km. of Janakpur-Biratnagar section of the East-West highway, a brick and tiles factory, warehouses in Kathmandu and Biratnagar, and irrigation work. (79)

76. Gorkhapatra, 1 April 1965.

77. Ibid., 30 December 1963 to 2 January 1964.

78. Naya Sandesh, 8 March 1963; Sanksha, 20 October 1963; Naya Samai, 20 October 1963.

79. Gorkhapatra, 28 April 1964; The Commoner, 28 April 1964.

Again, after a year of surveys, China withdrew from the East-West Highway project and the irrigation scheme at the request of the Nepalese Government. (80) The financial commitments of these projects were reallocated to the construction of a hydro-electric project at Sunkoshi, a road between Kathmandu and Pokhara and a ring-road around Kathmandu. (81) These changes formed one of the main subjects for the criticism of the Chinese aid. (82)

The Soviet Aid

With the United States, China and India being active in Nepal, the Soviet Union could not remain away. Her status and role as the Super Power made it imperative upon her to be present in Nepal. The Kingdom, which was situated on the fringe of China as well as of Central Asia, though not of vital strategic importance to her, was not too remote, either, to be overlooked. The Soviet objective in Nepal was simple and limited: to counteract the American and (later) the Chinese influences. Accordingly, the Soviet Union pleaded her support for the political independence and non-aligned foreign policy of the kingdom. (83) Economic aid was used as an instrument to further this objective.

80. Nepal Samachar, 29 March 1965; Gorkhapatra, 31 March, 15 April 1965.

81. The Commoner, 8 September, 15 November, 7 December 1965 and 21 December 1966.

82. Dainik Nepal, 21 April 1964, 8 September 1965; Swatantra Samachar, 24 April 1964; Nepali, 5 April 1965.

83. This objective was frequently underlined during exchange of visits and other occasions between the two countries. See Chapter VI.

The Soviet Union's offer of economic assistance to Nepal followed soon after the establishment of diplomatic relations between the two countries. (84) However, the finalisation of the details took more than two years and an Agreement to that effect was signed in April 1959. Free technical and financial assistance to the extent of 30 million roubles was provided under this Agreement. (85) Major projects for which this and the subsequent grants were allocated are listed in Table VII.

Of the total costs given in Table VII, the contributions of the Nepalese Government were nominal in the sugar mill and the cigarette factory projects. In case of Banauti Hydro-Electric Plant, it was Rs.10 million (Nepali) i.e. 40% of the total cost and in case of Kanti Hospital, it was Rs.0.15 million (Nepali) i.e. about 15% of the total cost. Rest was borne by the USSR. Nepal's contributions included the amount of loan allotted for these projects out of the total USSR loans of 2.5 million roubles. The East-West Highway section and the agricultural tools factory were to be constructed completely by the Soviet aid. (86) Like China, the USSR also sent consumer goods to Nepal, to meet the local costs of the projects.

Except for Kanti Hospital, the economic value of the projects undertaken by the Soviet Union was indisputable. The quick completion of the projects was stressed in the Soviet aid

84. The Statesman, 24 February 1957.

85. Halkhabar, 24 April 1959; The Statesman, 25 April 1959.

86. Facts on Foreign Aid To Nepal, 1952-1968, Programme Office, US/AID Nepal, 1968, pp. 10-12; also Gorkhapatra, 23 October 1965.

programme. This approach was disclosed by the Soviet Vice-Premier Kozlov in Kathmandu, during President Voroshilov's state visit to Nepal. He stated that before fresh aid proposals are considered, it would be better to utilize the already earmarked aid. (87) In practice, this approach was evident from the fact that the USSR started actual construction work on the sugar mill, the cigarette factory and the hydro-electric plant in 1962 and all the three projects were inaugurated in 1965, in January, February and October respectively. The new projects, the East-West Highway section and the Agricultural Tools Factory were formally committed to, only when either these projects were very near completion or had been completed.

The fast progress of the Soviet aided projects was in spite of the occasional complaints regarding lack of proper official response and difficulties in the movement of construction materials and machineries within Nepal, as also in-transit through the Indian territory. (88) What proved more disappointing for the Soviet experts and officials in Nepal was the mismanagement of the projects particularly the sugar mill and the cigarette factory after they were completed and handed over by them to the His Majesty's Government. (89)

The Soviet aid programme was found to be in conflict with the Chinese aid programme. There were press reports which remained undenied, saying that the Soviet Premier Nikita Khrushchev drew

87. The Commoner, 5 February 1960.

88. Gorkhapatra, 27 April 1964; Motherland, 27 April 1964.

89. Motherland, 17 March 1965; Samiksha, 20 July 1965.

Nepalese Vice-Chairman Dr. Tulsi Giri's attention, during his state visit to the USSR, towards the "increasing anti-Soviet propaganda" of the Chinese in Nepal. He was also believed to have offered a large volume of economic assistance for industrial development of the kingdom and thus to counteract the Chinese influence. (90) It may be underlined here that the fields chosen by the Soviet Union for economic aid in Nepal were the same as that of China, namely, Power development, road construction and industrialization. The Soviet Union evinced a great interest in the cement factory project immediately after China had decided to withdraw from it. (91) There were other evidences also to show that the Soviet and the Chinese aid programmes did not see eye to eye with each other. For example, the Soviet experts working on Panauti hydro-electric project complained that the Chinese were damaging Panauti road in order to delay the completion of the project. (92) It took two months for the Chinese Embassy in Kathmandu to refute the charge which was described as an "attempt to disrupt Nepal-China friendship". (93) The Soviet Union was also willing to work out some sort of co-ordination between

90. Nepal Samachar, 22 November 1963.

91. The cement experts were in a majority in the Soviet economic delegation visiting Nepal in March 1964. These experts conducted surveys for the cement factory project. Gorkhapatra, 13 March and 6 May 1964; Swatantra Samachar, 26 May 1964.

After surveys, however, the USSR was reported to have turned cold towards the project. Matribhumi (Daily), 14 December 1964.

92. Nava Sandesh, 10 May 1964.

93. Nava Samai, 7 July 1964.

similar projects aided by herself and India. (94)

The Soviet Union had limited objectives in Nepal and, therefore, its aid programme was small. But it was planned and executed very successfully, without much complications. As a result, it won appreciation from a wider circle of press and public opinion in Nepal. In fact, there was hardly any criticism of the Soviet aid.

Other Minor Aid Programmes

As noted in the beginning of the chapter, there were many other countries who aided Nepal in a small way. Table VIII gives details about the amount and emphasis of these minor aid programmes.

The aid figures in Table VIII do not include the cost of technical assistance and scholarships provided by the respective countries/sources which were commonly the major fields of emphasis. None of these countries/sources undertook any capital projects in Nepal. (95) The UK made an exception to it by agreeing in January 1966, to construct 75 miles of Narayan Garh-Butwal section of the East-West Highway. (96)

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94. The Soviet Minister of Electricity disclosed in Kathmandu that he would have talks with the Indian Minister for Power, Dr. K.L. Rao in New Delhi, on the question of unifying the Power distribution system of Nepal and India. Nepali, 28 October 1965. It may be recalled that both India and the USSR had constructed Hydro-Electric Plants in Nepal and any unification, suggested by the Soviet Minister, would have necessarily resulted in the unification of the Soviet and the Indian aided Power Plants.
95. For more details see: Mihaly, n. 14; Facts on Foreign Aid to Nepal 1952-1968, n. 83; Facts About Technical and Economic Assistance to Nepal from Colombo Plan Countries, Ministry of Economic Planning (Resources Division), HMG Nepal, Kathmandu, 1967. (Mimeographed)
96. The Rising Nepal, 24 January 1964.

Competition Among the Donors and Nepal

We have noted above that political objectives of the aid giving countries being in conflict with each other in Nepal, there was a mutual competition among them. Nepal, on her part, encouraged this competition in order to neutralize unwanted political pressures and influences coming along with the aid. Various evidences have been pointed out above while dealing with the aid programmes separately. The point was clearly demonstrated in case of one giant project: the construction of the East-West Highway.

Nepal requested India and the United States to construct the Highway under the RTO programme, but the request was not accepted. (97) Then she approached the USSR who conducted survey of the project during 1959-60 under its first aid commitments. The Nepalese Government was also inclined towards the USSR taking up construction of at least, a section, of the Highway. (98) The latter, however, refused, perhaps displeased at Nepal's acceptance of China's offer to construct Kathmandu-Kodari road. (99)

Disappointed from all sides, Nepal decided to take up the project by herself. King Mahendra, invoking nationalistic and

97. Mihaly, n. 14, p. 99.

98. In January 1961, Finance Minister R.K. Shah said that the USSR will be given priority to construct the Highway since it was surveyed by her. Samiksha, 18 January 1961.

99. The Sunday Standard, 12 November 1961. Soviet sources were reported to have stated in Kathmandu on 1 February 1962 that their experts would not resume survey of the Highway. Asian Recorder, 26 February - 4 March 1962, p. 4447.

patriotic sentiments of the Nepalis, gave a call to mobilise internal resources for construction of the Highway. (100) In reality, however, the call proved futile, largely, because of the big size of the project in terms of both expenditure and skill. External assistance was, therefore, indispensable.

To help Nepal come out of the dilemma, China offered to undertake construction of a section of the Highway (Janakpur-Biratnagar, 180 kilometers). (101) This led the USSR to re-enter the project with a commitment for 120 kilometers, Simra-Janakpur section of the Highway which was signed on 8 April 1964. (102) China signed her part of the commitment on 27 April 1964.

China's entry into a project, situated in densely populated Nepalese Terai, which was also in close geographical proximity with the Indian plains, was of both political and strategic gains to her. This disturbed India, as also the USA, who then made attempts to keep China out of the project. They succeeded in it, but only after committing themselves to the construction of a major portion - 430 miles out of a total of 640 miles - of the Highway. Commenting on the withdrawal of China from the East-West Highway project, the official communique and the Chairman of Nepal's Council of Ministers, disclosed that it was because India and the USA had "promised to construct other sections of the Highway" in addition to the one agreed upon by China earlier. (103)

100. Speeches, n. 4, vol. II, pp. 60-61, 108-110.

101. Samaya, 18 January and 22 April 1964.

102. Gorkhanatra, 9 April 1964.

103. Nepal Samachar, 29 March 1965; Gorkhanatra, 31 March 1965.

The bargain struck by the Nepalese side and accepted by India and the USA was clearly evident. It was further emphasized in this context that Nepal "did not make any agreements or commitments with one friendly nation in a manner prejudicial to the other friendly nation's territorial integrity and sovereignty."

(104) As noted earlier, the UK also joined the Highway project.

Thus the project, which had been refused by every one of the donors at one time, was now supported by almost every one. This shows that Nepal, by exploiting competition among her donors through shrewd diplomacy, not only neutralised their respective influences and exercised independence and discretion in decisions, but also mobilised increased external assistance. This was the secret of Nepal's success in her policy towards foreign aid.

FOREIGN TRADE

Foreign trade constituted another important dimension of Nepal's foreign economic relations. Historically, Nepal played the role of a trade entrepot between India and Tibet. This position was jeopardised with the consolidation of the British power in India and the extension of its influence over Tibet. Particularly, the conclusion of a trade Treaty between the British India and Tibet, as a result of Col. Younghusband's mission to Tibet in 1904, gave serious blow to Nepal's trade with Tibet and her position of the trade entrepot. (105) In the following years,

104. Foreign Ministry's Communique. Gorkhapatra, 15 April 1965.

105. Y.P. Pant, "Nepal-China Trade Relations", The Economic Weekly, vol. XIV, no. 15, 14 April 1962, pp. 621-24.

the British India gained a dominant position in Nepal vis-a-vis Tibet in trade matters.

Since 1951, Nepal's foreign trade has marked a steady rise. This trend is evident from Table IX. Between 1956-57 to 1964-65, the total trade recorded a three to four times increase. It was more pronounced and steady in imports. The exports, on the other hand, marked only a marginal increase and if, the year 1964-65 is not taken into consideration, it remained largely constant between 1960-61 to 1963-64. An obvious implication of this phenomenon was the increasing unfavourable balance of trade for Nepal.

In direction, i.e. countrywise, Nepal's trade was dominated by India as shown in Table X. More than 90% of Nepal's exports to and imports from, were with India. Balance of trade with India from available figures was unfavourable to Nepal. But it was held officially that taking into account the factors of poor and deficient recording and invisible trade, the balance was not unfavourable. These factors, besides offsetting the unfavourable balance with India, also narrowed down, to a great extent, the unfavourable balance in Nepal's foreign trade as a whole. (106)

Nepal's trade with Tibet accounted for only about 1% of the total. There had been significant fluctuations in Nepal's trade with Tibet. The exports to Tibet touched the lowest mark during 1959-60 and 1960-61. The imports reached similar point

106. S.B. Srivastava, An Appraisal of Foreign Trade Statistics 1962-63, Central Bureau of Statistics, Ministry of Economic Planning, HMG Nepal, Kathmandu, n.d., p. 9; Foreign Trade: Fiscal Years 1962-63, Ministry of Economic Planning, HMG Nepal, Kathmandu, September 1966, p. 93.

during 1957-58. It could have been due to the disturbances in Tibet and its effect on the Nepalese traders there. Considerable rise in the imports from Tibet after 1957-58 was accounted to this factor alone because the repatriating Nepali trade^{ers} brought their assets back. (n. 105) Later it was due to the inflow of machinery, consumer goods and other articles that came from China under aid programme.

Regarding the overseas trade, no separate account was available till 1961-62 because the goods were first exported to India and then re-exported to the overseas countries. The value and volume of such trade was calculated in trade with India. Separate account for trade with the overseas countries was maintained after the conclusion of a new Trade Treaty with India in 1960 which will be discussed below. Imports from the overseas countries marked a steady rise.

The lopsidedness in Nepal's foreign trade was not confined to the direction alone. It was equally evident in the content of the trade. Foodgrains and food products alone accounted for more than 50% of the total trade. The percentage of this commodity was all the more higher regarding the exports. The imports were largely constituted of manufactured products like machinery, consumer goods and chemicals. Comparative figures for commodity trade between 1960-61 to 1963-64 are given in Table XI.

The commodity trade in terms of direction was largely in conformity with its general pattern. Nepal exported rice, ghee, jute and oil cakes to India and, in turn, imported wheat and wheat flour, sugar and sugar products, beverages and tobacco, petroleum and petroleum products, textiles, machinery, chemicals and salt.

with Tibet (China), the imports constituted mainly of food and live animals, unedible crude materials except fuels, consumer goods and machinery and the exports were food and live animals, beverages and tobacco, chemicals, machinery and consumer goods, including petroleum and petroleum products. This underlines the entrepot characteristics, since Nepal exported many items to Tibet after importing them from India. From the overseas countries, Nepal imported luxury goods and other finished products including synthetic fibre and stainless steel. In return she exported jute and indigenous herbs.

The pattern of foreign trade made Nepal heavily dependent upon India on the one hand and upon the production of foodgrains and other primary goods on the other. The crux of the policy for foreign trade had, therefore, been its diversification both in content and direction. Whereas, the diversification in content related more to the pattern of domestic economy - agricultural products and industrialization - the diversification in direction was a matter of tact and diplomacy in the field of foreign policy. Before we discuss the problems and prospects of trade diversification, it is in the fitness of the things to discuss Nepal's trade relations with India, Tibet (China) and the overseas countries.

Trade with India

After the withdrawal of the British from the Indian sub-continent, Nepal and India entered into a new Trade Treaty on 31 July 1950. The pattern of trade between the two countries, as stipulated under this Treaty, was largely the same as during the

British period. (107) The Treaty provided for transit facilities on reciprocal basis and re-export of the goods to, and from, Nepal through the Indian territory. (Articles 2, 3 and 4). The foreign exchange account of Nepal was to be maintained by India. Besides, Nepal's tariff policy was also subjected to be in conformity with that of India. In this context, Article 5 of the Treaty stated:

The Government of Nepal agree to levy, at rates not lower than those leviable for the time being in India, customs duties on imports from and exports to countries outside India. The Government of Nepal also agree to levy on goods produced or manufactured in Nepal which are exported to India, export duty at rates sufficient to prevent their sale in India at prices more favourable than those of goods produced or manufactured in India which are subject to central excise duty.

The Treaty's unfavourable and unequal provisions to Nepal were viewed as symbols of India's economic domination, and as such were continuously criticised in the kingdom. (108) Tanka Prasad Acharya was the first Prime Minister who openly described these provisions as not only economically disadvantageous to Nepal, but also contrary to her independence and sovereignty. (109) In order to change them, to suit Nepal's aspirations and interests, he

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107. Text of the Treaty, Treaty of Trade and Transit Between His Majesty's Government of Nepal and the Government of India, National Trading Limited, Central Office, Kathmandu, Nepal, 1962.
108. For example, see: Rastravani, yr. 2, no. 12, 19 July 1953; Nepal Pukar, yr. 6, no. 8, Jaistha 2011 (June 1954); Swatantra Samachar, 5 September 1960; Nava Samai, 8 September 1960.
109. Asian Recorder, 21-27 January 1956, p. 64; 2-8 June 1956, p. 873.

raised the matter during his state visit to India in December 1956, with the Indian Prime Minister. (110) This was done informally and no concrete outcome was evident. The issue was reopened with greater seriousness during 1959-60, particularly, because the Treaty was due to expire in August 1960. India's Prime Minister Nehru and the Nepalese Prime Minister B.P. Koirala, mutually discussed various aspects concerning the revision of the Trade Treaty during their respective state visits to Nepal and India in June 1959 and January 1960. (111) As a result of these negotiations, a new Trade Treaty was signed between the two countries on 11 September 1960.

The new Treaty removed the unequal and disadvantageous position of Nepal vis-a-vis India in their mutual trade matters. The foreign exchange reserves of Nepal were transferred to her direct control and supervision, and she also secured full freedom to frame her tariff policies. The Treaty had separate sections on Trade and Transit and under the provisions of the latter, the Nepalese goods were allowed the freedom of transit through the Indian territory. (112) Though these provisions were applicable reciprocally but in practice, only Nepal was to use transit facilities. The procedure for the trade "traffic in transit" was

110. The Times of India, 6 December 1956.

111. The Hindustan Times, 15 June 1959, and Text of the Joint Communique issued at the end of B.P. Koirala's state visit to India, Foreign Policy of India, Text of Documents 1947-64, Lok Sabha Secretariat, New Delhi, 1966, pp. 343-44.

112. Text of the Treaty, Treaty of Trade and Transit, n. 107, pp. 1-3.

separately laid down in detail, in the Protocol of the Treaty. (113) Nepal on her part, agreed to ensure, through mutual consultations, that there would be no flow of goods imported from the third countries into India, in case she pursued a different tariff policy from that of the latter. (114) India, on her part, allowed the imposition of "duties" and "quantitative restrictions" on the Indian goods by Nepal towards the protection of the latter's newly established industries. (115)

Transit Facilities through the Indian Territory
for Nepal's Trade with Pakistan

The implementation of the new Treaty with India led to a number of difficulties. One of the important matters in this context, was Nepal's demand for transit facilities for her trade with Pakistan. The demand arose after the signing of a trade Agreement between Nepal and Pakistan on 19 October 1962 in which, the latter had assured the former about the port and transit facilities for her trade with the overseas countries through Pakistani territory. (116) The demand was officially made in July 1963 when, at a periodical trade talk, the Nepalese delegation asked for transit facilities at Radhikapur and Wagha on India's

113. Text of the Protocol, *ibid.*, pp. 4-5.

114. Text of the letters exchanged with the Treaty, *ibid.*, p. 6, para 1.

115. *Ibid.*, para 2(c).

116. Original Text of the Agreement and Its Protocol, Ministry of External Affairs Archives, HMG Nepal, Kathmandu, Document No: 42.

borders with East and West wings of Pakistan respectively. (117) India agreed to this demand, provided Nepal was ready to bear the cost of such facilities. (118) However, the cost of the facilities estimated by India for transit through Radhikapur was described by Nepal as exorbitant, in view of the small volume of her trade with Pakistan. (119) This resulted into a deadlock between the two sides and Nepal criticised India's stand in the matter as 'unfriendly' and 'unco-operative'. (120) Nepal's Chairman of Council of Ministers Dr. Tulsī Giri stated in this context:

Though an independent nation, we are being pressurised from outside. We want to exercise the freedom of trade with other countries but obstacles are put in our way. We are not being allowed to trade freely with Pakistan. (121)

Ultimately India gave in to such criticism and, during Commerce Minister Manubhai Shah's visit to Nepal in January 1965 in connection with trade talks, agreed to provide desired facilities ~~to Nepal~~ at Radhikapur for nominal rail service charges. (122)

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117. Minutes of the Meeting between the Indian and the Nepalese Delegations to discuss Trade matters: 27 to 31 July 1963, Ministry of External Affairs Archives, His Majesty's Government of Nepal, Kathmandu, Document No: 5, para 10.
118. Ibid., para 11; Gorkhapatra, 24 October 1963; The Statesman, 24 October 1963.
119. Motherland, 6 January 1964.
120. Gorkhapatra, 7 February, 5 August, 28 November and 4 December 1964; The Hindustan Times, 28 and 30 November 1964.
121. Naya Samai, 4 December 1964.
122. Gorkhapatra, 8 January 1965; The Hindustan Times, 8 January 1965. The Indian Ambassador Sriman Narayan claimed that the Indian side agreed to provide such facilities as a result of his intervention. Sriman Narayan, India and Nepal: An Exercise In Open Diplomacy, Bombay, 1970.

But before any trade could take place through Radhikapur, the railway tract at the transit point was disrupted during the Indo-Pak war of September 1965. Later, Nepal was asked to avail of the transit facilities at Radhikapur after the repair of the railway track, or even earlier, provided the Nepali traders could make their own arrangements for the movement of goods from Radhikapur towards the Pakistani side. (123)

Minor Difficulties

Besides the question of transit facilities for trade with Pakistan, Nepal had complaints against India, of other natures also. Mainly they related to the cumbersome procedural formalities and "unco-operative" attitude of the Indian customs authorities at Calcutta port and on the Indo-Nepalese border which often resulted into delay in the movement of the Nepalese goods through the Indian territory as well as, harassment to the Nepali traders. Secondly, Nepal also complained about discriminatory excise on the Nepali products in India, inadequate number of railway wagons made available to the Nepali traders, difficulties in road transport and finally, irregular and inadequate supplies of important goods like iron and steel. (124)

123. "Memorandum of Understanding on Matters arising out of the Treaty of Trade and Transit (1960)", signed on 27 December 1966, para 25. Text in Nepal India Talks, National Trading Limited, Kathmandu, Nepal, n.d., p. 21.

124. It is beyond the scope of this chapter to go into the details of these minor issues. They have been identified after a close scrutiny of the Indian and the Nepali press as also other relevant documents to be mentioned subsequently.

India on its part was not happy with the leakage and smuggling of goods in transit or otherwise. In view of the differences in excise on, and restrictions on the imports in India of synthetic fabrics and yarn, stainless steel and other luxury goods, the Nepali traders engaged themselves in smuggling these items. India was also sore about the diversion and deflection of trade, the re-export of petroleum and petroleum products, salt, mica and jute to Tibet as well as, Nepal's discriminatory tariff policy towards some of the Indian goods as against those of the third countries. India often justified the detailed procedural formalities and customs security regarding the Nepali goods in transit through India, as protective measures against smuggling, leakage and deflection of goods. (125)

The difficulties and complaints described above were sorted out, discussed and settled through mutual negotiations between the two countries. Such negotiations took place periodically - usually quarterly - under the provisions of the Trade and Transit Treaty of 1960 (Art. XIII), as well as, during the exchange of visits at the highest and the ministerial levels. The understandings arrived at, and measures evolved accordingly, were incorporated into formal documents and treated as the part of the Treaty. (126)

125. Ibid.

126. For example: Understandings on The Nepalese Transit Traffic Through Indian Territories In Continuation of the Memorandum of The Treaty of Trade and Transit of September 11, 1960, Between Nepal and India, Department of Publicity and Broadcasting, Ministry of National Guidance, HMG Nepal, Kathmandu, n.d. (Signed on 19 May 1961 in New Delhi).

Joint Communiques: Gorkhapatra, 24 October 1963, 8 May 1964, 15 and 16 March 1965, 9 August 1966, Memorandum of Understandings, n. 123.

The latest document, Memorandum of Understanding on Matters arising out of the Treaty of Trade and Transit (1960), in this context was signed on 27 December 1966. (127) This Memorandum provided for institutional arrangement in the form of a Border Trade Committee and Inter-Governmental Joint Committee to resolve difficulties concerning the border trade and the mutual trade expansion, respectively. (Paras 2 and 3). The procedure for transit traffic of the Nepalese goods through the Indian territory was revised to meet Nepal's objections and demands. (Paras 22 to 24). Nepal, on her part, undertook to prohibit the movement of ganja towards India and agreed to regulate the traffic of other "sensitive items" so as to prevent their leakage and smuggling into India. (Paras 23 and 26). (128) Thus, the Memorandum removed many of the irritants in the Indo-Nepalese trade relations and those left, were also decided to be removed similarly through mutual friendly consultations.

Trade with Tibet (China)

Nepal had traditional trade relations with Tibet. Though the volume of trade between the two dwindled during the British rule in the Indian sub-continent, its basic pattern continued to

127. Text of the Memorandum, n. 123.

128. The "Sensitive items" were listed in Annexure-III of the Memorandum (n. 117). They were: Cigarette lighters, Flints for cigarette lighters, Transistor Radios, Textiles (fine, superfine and synthetic fabrics), Fountain-pens, Watches, Cameras, Tape-recorders, Radios, Auto parts, Playing-cards, Clocks, Sewing Machines and any other non-industrial goods, the import of which into India was banned or heavily restricted.

be operative. It had two major dimensions: the border trade, which was largely of barter nature and the trade conducted by the Nepalese, who were stationed in Lhasa and other trade centres in Tibet. Since 1950, the trade between Nepal and Tibet had undergone significant changes.

The most important factor responsible for the changes in Nepal-Tibet trade relations was the re-establishment of China's authority and influence in Tibet. When the first step was taken in this direction in 1950, it had averse consequences on the trade in spite of the fact, that no restrictions were announced formally on the Nepalese traders stationed in Tibet and moving across the border (Chapter IV). Later, the Agreement on friendship, trade and intercourse between China and Nepal signed on 20 September 1956 and the Notes exchanged between the two countries along with this agreement, substituted China for Tibet as the trading partner to Nepal. (129)

Under the Agreement and the Notes of 1956, China and Nepal agreed to "promote and expand" mutual trade relations and give favourable treatment in the matters of excise and customs duty to each other's goods on reciprocal basis. (Note, para 6). The establishment of trade agencies and Consulate General of one country in the other on reciprocal basis was also provided in the Agreement. (Article IV, paragraphs I and II). Though the traders of the two countries were granted the facilities of movement and residence in each other's territory (Article IV, Note paras 3 and 7), the Nepali traders living in Tibet were,

129. Text of the Agreement and the Notes. New Developments, n. 63, pp. 1-14.

for the first time, subjected to the passport and visa regulations in their movement across the border. (Art. IV, para V(2)). The customary border trade was allowed to continue as such. (Art. IV, para V(3)). The Nepalese side took 15 months to ratify this Agreement. Accordingly, the Agreement became effective on 17 January 1958 and was to last for eight years.

The Agreement had hardly regulated trade for a year when fresh disturbances, of the nature largely similar to those which happened in 1950, took place in Tibet during 1959-60. The effect of these disturbances was all the more worst on the Nepali traders in Tibet, and thus on the general trade between Nepal and Tibet. The traders had to face difficulties in living, movement and profession. (130) Besides, China's restrictions on the entry of the Indian goods in the following years rendered them idle. (131) As a result, they returned to Nepal after winding up their business. (132) China, however, agreed in January 1964, to repatriate their earnings. (133) By this time the trade between Nepal and Tibet was reduced to insignificant proportions.

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130. S.D. Muni, "Sino-Nepalese Relations: Two Troubled Years 1959-60", South Asian Studies, vol. 3, no. 1, January 1968, pp. 33-46.
131. China imposed customs duties ranging from 20%, on stationery goods to 100%, on wine and cosmetics. Imports into Tibet of gold, silver, radio sets, books and films from Nepal was strictly banned. Gorkhanatra, 26 June 1962.
132. According to a press report, the number of the Nepali traders in Tibet went down from 25,000 in 1959 to 22 in June 1963. Naya Samai, 5 December 1963.
133. Gorkhanatra, 6 January and 11 February 1964.

Further changes in Nepal's trade with Tibet on the one hand and with Mainland China on the other, were brought about through a new trade Agreement signed in May 1964 by the two countries. The main purpose behind this new Agreement was to cover the sea trade between them. Favoured terms in excise and customs duties were offered by one country to the other on reciprocal basis under the Agreement. The trade on the Chinese side was to be conducted largely through the State agencies and payments for that were to be made in mutually acceptable currencies. The border trade was allowed to continue within 30 km. area from the boundary line. Though the barter trade was allowed to continue as such, in case of currency-trade along the border, local authorities on each side were to determine prices on the basis of costs and transport charges. (134) This Agreement was valid for two years.

The response of the traders to this Agreement was very disappointing. (135) The Nepali trade agencies in Kutti, Kerung and Rigarcha had to be closed down due to the negligible volume of trade. (136) The Nepali traders, who remained at these centres were issued identity cards. (137) Simultaneously, both China and

134. Nepali, 20 May 1964; Gorkhapatra, 29 July 1964.

135. Nepal's Industry and Commerce Minister disclosed that by July 1964, no licences had been granted for trade between Nepal and China under this agreement. Gorkhapatra, 13 July 1964.

136. The Commoner, 2 November 1965; Gorkhapatra, 12 January 1966 and 24 February 1966.

137. Gorkhapatra, 31 March 1966.

Nepal agreed to conduct trade exclusively through state agencies, except for the border trade. (138)

In 1966, the terms of both the Agreements, of 1956 and 1964, were to expire. In view of it, a new Agreement on Trade and Intercourse was signed between Nepal and China on 2 May 1966. (139) The pattern of trade stipulated under this Agreement was in conformity with that of the existing one. The Agreement of 1956 formed the basis for the new Agreement (Preamble). The expression "promote and expand" for mutual trade in the Agreement of 1956 was replaced by "encourage and support". (Art. V). The two parties agreed to make full use of the Kathmandu-Kodari and the Kodari-Lhasa Highways on reciprocal basis. (Art. III). The Agreement was valid for 10 years. There were, however, no specific provisions in the Agreement to rescue the dying trade between Nepal and Tibet, by improving the conditions of living and work of the Nepali traders in Tibet.

Thus, through a policy of gradual restrictions and insistence on trading through state agencies, China succeeded in changing the traditional pattern of trade between Nepal and Tibet. It was also in conformity with China's desire to close Tibet to the outside world. Nepal reconciled to this changing pattern partly because of her helplessness and partly because her trade with Tibet was not substantial and vital from the point of her

138. Gorkhapatra, 2 March 1966.

139. Text of the Agreement, Ministry of External Affairs Archives, His Majesty's Government of Nepal, Kathmandu, Document No: 111.

total foreign trade. The construction of Kathmandu-Kodari road was undertaken with the expressed objectives of facilitating and increasing trade which, strictly in economic terms, was not possible. (140) Neither Tibet nor Nepal had adequate surpluses to trade with each other.

Trade with the Overseas Countries

Nepal had longstanding trade relations with the United Kingdom and the United States of America. The trade was regulated under the provisions of Nepal's Agreement on Friendship and Commerce with the USA and the Treaty of Peace and Friendship with the UK, signed on 25 April 1947 and 30 October 1950 respectively. (141) Nepal imported luxury goods from these countries for the consumption of a few wealthy families. Her exports to them were negligible. Whatever the amount, the exports were mainly constituted of primary goods - industrial raw material - and went as re-exports from India till 1960-61.

A breakthrough in Nepal's trade relations with the overseas countries was marked by the conclusion of a Trade Agreement with Pakistan on 19 October 1962. (n. 116) Under this Agreement, the two sides agreed to give "most-favoured nation's treatment" to

140. Y.P. Pant, "Nepal-China Trade Relations", n. 105. Also by the same author, "Nepal's Recent Trade Policy", Asian Survey, vol. 4, no. 7, July 1964, pp. 947-57.

141. Friendship And Commerce, Agreement Between the United States of America and the Kingdom of Nepal, Treaties and other International Acts Series, 1585, Publication 2858, Department of States, 1947. (Articles 7 to 10) Treaty Between the Government of the United Kingdom and the Government of Nepal, Treaty Series No. 46 (1951), His Majesty's Stationery Office, London. (Art. IV)

each other in trade matters. (Art. II) The total value of trade envisaged on each side, was to be "around One Hundred Lakhs of Pakistani Rupees". (Protocol of the Treaty, Para 2). However, the agreement could not be put into full operation till the end of 1966 owing to the difficultiesⁱⁿ securing the facilities for transit across the Indian territory as discussed earlier. In the absence of a land route, the trade was conducted through the air and its volume was negligible. (142)

Nepal's next step towards expansion of the overseas trade relations was the conclusion of Trade Agreements with the USSR and Yugoslavia respectively on 13 August and 5 September 1965, and with Poland on 10 August 1966. The patterns of these Agreements were largely similar. All the three Agreements provided for:

1. Most favoured terms in the matters of excise and customs duties and also regarding the conditions of living, movement and work for the traders on reciprocal basis.
2. Trade to be based on the principle of equality. The payments of the balance, if any, were to be made in hard currency, mostly in Pound Sterling, except in case of the USSR, where Nepali Rupee was accepted.
3. Mutual consultations in order to facilitate the implementation of the respective Agreements.
4. All the Agreements were initially valid for a period of two years.
5. The goods exported to, and imported from, these countries by Nepal were also listed in the Agreements. Whereas, the exports were composed of

142. H.A.S. Jafri and S.D. Muni, "Foreign Trade In South Asian Countries". A Data paper submitted at the All India Seminar on foreign policies of South Asian States, South Asia Studies Centre, University of Rajasthan, Jaipur (cyclostyled), p. 5, Table D.

foodstuffs like oils and industrial raw materials like jute, the imports mainly included machinery, equipments and finished industrial products. (143)

Besides these countries which had formal trade agreements with Nepal, the latter also traded with a number of other countries. They included Germany, Hongkong, Japan, Singapore, etc. (144)

The Question of Diversification

Diversification was the only way to remove the imbalances in Nepal's foreign trade, both countrywise and commoditywise. Awareness in this direction was evident even during the early fifties. It was officially held:

Similarly in respect of Nepal's export trade, at present most of Nepal's exports are re-exported from India after payment of Indian duty which has not resulted in loss of revenue to Nepal but the Nepalese businessmen have lost the initiative in developing international trade. Measures have, therefore, to be considered to encourage Nepalese exports not only to India but to other countries as well. Preliminary steps, however, have already been taken by the Government in this direction. The Government is confident that our country's trade will be based

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143. Trade Agreement Between His Majesty's Government of Nepal and The Government of the Union of Soviet Socialist Republics (Text), Ministry of External Affairs, HMG Nepal, Kathmandu, Document No: 98.

Trade Agreement between His Majesty's Government of Nepal and the Government of the Socialist Federal Republic of Yugoslavia (Text), Ministry of Industries, Commerce and Foreign Trade, HMG Nepal, Kathmandu; Trade and Payments Agreement between the Government of the Polish People's Republic and His Majesty's Government of Nepal (Text), Ministry of Industries, Commerce and Foreign Trade, HMG Nepal, Kathmandu.

144. K.M.A. Dixit, "Diversification of Trade, An Urgent Need for Nepal", Nepal Industrial Digest, vol. 2, no. 1, September 1967, Table I(B), p. 104.

upon a wide commercial policy and thus the national income will be increased. (145)

The importance of diversification of foreign trade was stressed in the subsequent years and by the successive governments. However, the first concrete step in this direction was taken as late as October 1962 when trade relations were opened with Pakistan. In the following years, Nepal established trade relations with various other countries both formally and informally, as noted above. Nevertheless, in terms of the volume of trade with these countries and from the point of overall trade pattern, the objective of diversification was far from achieved.

There were numerous and varied difficulties in the way. Nepal did not have an efficient system of internal transportation to facilitate quick and better movement of goods. More important than that was her being a land-locked state, which made her dependent upon India for the facilities of port and transit regarding trade with the third countries. The agricultural basis of Nepal's economy restricted export items to primary goods. The "export surpluses" were also not adequate to capture different markets and stabilise them. The agencies engaged in foreign trade were weak in terms of financial position and experience. Auxillary services like banking, insurance and availability of market information, research facilities and reliable statistics, were poor. (146)

145. Nepal Marching towards Progress, Department of Publicity, Government of Nepal, Kathmandu, July 1954, p. 6.

146. For a systematic and detailed discussion of these difficulties see: Y.P. Pant, "Nepal's recent Trade Policy", n. 140;

The question of transit facilities was mainly related to bilateral trade relations between India and Nepal. Though India had granted transit facilities to Nepal, the procedural matters involving delay and damage, as well as, the demands of movement facilities continued to be discussed between the two countries. At times, Nepal, in vain, referred to the pattern of her trade relations with other countries in order to get the procedural matters settled in her favour. (147)

Apart from the bilateral exercise, Nepal pleaded for the cause of landlocked countries' right to have transit facilities through the territories of their respective coastal neighbours. It was evident in her interest in and support for the UN convention on the transit rights of the landlocked countries signed in 1965 as also from her stand on related issues in the UN General Assembly from time to time. (148) Nepal's stand was not confined

146. (contd. from back page)

Ram Prasad Rajbanshi, "Foreign Trade of Nepal", The Economic Affairs Report, Ministry of Planning, HMG Nepal, Kathmandu, vol. IV, no. 4, November 1966, pp. 20-30; K.M.A. Dixit, "Diversification of Trade: An Urgent Need for Nepal", n.144.

147. For example, the Nepalese delegation at trade talks in July 1963 with the Indian side referred to a particular clause of recently signed Trade Agreement between Nepal and Pakistan in support of its demand for the abolition of the Bond system. Minutes of the Meeting, n. 117.
148. Nepalese Representative's speech in the UN General Assembly. GAOR, 17th Session (1962), 1143rd Pleny. Meeting, para 75; 19th Session (1964), 1300th Pl. Meeting, paras 125 to 128; 20th Session (1965), 1349th Pl. Meeting, paras 167 to 169; 21st Session (1966), p. 8 of the Mimeographed Text. Also see: The statement of Nepalese Minister Vedanand Jha at the UN Conference on Transit Trade of Landlocked States, on 29 June 1965. Transit Rights, Department of Publicity, Ministry of Information and Broadcasting, HMG Nepal, n.d. and n. 7.

only to secure better transit facilities. At the United Nations Conference on Trade and Development (UNTAD), the Nepalese representative asked for "preferential tariffs, preferential imports and abolition of quota restrictions" on trade from the developed countries. (149) King Mahendra underlined Nepal's concern about the task of trade diversification at the Non-aligned Summit Conference at Cairo. (150)

At the domestic front, the importance of industrialization was stressed in the kingdom in order to introduce diversification in the exports and to reduce imports of consumer and finished goods. The Nepalese Government's efforts to mobilise and use foreign aid for establishing industries as well as laying a sound infra-structure for the same, have been noted earlier. Besides, private foreign capital was invited by Nepal. The policy of incentives like a 10-year tax holiday, repatriation of profits, etc. in this context was clearly spelled out first time by the Nepali Congress Government. (151) This policy of incentives towards the foreign investors was continued to be followed subsequently. (152)

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149. Speeches of Minister Vedanand Jha, Nepal Information, Department of Publicity, Ministry of Panchayat Affairs, HMG Nepal, Kathmandu, vol. I, no. 8, May 1964, pp. 5-9; vol. I, no. 10, July 1964, pp. 6-8; vol. I, no. 11, August 1964, pp. 5-9.
150. Speeches, n. 4, vol. II, p. 274, para 10.
151. Dick Wilson's interview with Prime Minister B.P. Koirala reported a verbatim in Far Eastern Economic Review, vol. XXVIII, no. 24, 16 June 1960, pp. 1246-48. Also see: Philippines, 26 October 1959; Gorkhapatra, 3 August 1960.
152. Minister S.B. Thapa in the King's Cabinet in 1961 stated that the new government would by and large retain industrial

(contd. on next page)

Incentives were also provided to the local exporters trading with the overseas countries. The most important of such incentives was the scheme of 'Bonus Vouchers' introduced in 1962-63. Under this scheme, the Nepalese exporters were allowed to import the goods they liked, of the value equivalent to a part of their respective foreign exchange earnings through exports. This scheme contributed a great deal in the expansion of Nepal's trade with the overseas countries which in 1966-67 rose to seven times of what it was in 1962-63. (153) The scheme had an indirect adverse effect on Nepal-India trade relations since the Nepalese traders imported "sensitive items" (n. 128) under the scheme and re-exported them to India though, their entry in India was banned or restricted. (154)

Very little was evident to have been done regarding the remaining difficulties in diversification such as the production of "export surpluses", securing stable markets and improving auxiliary services. Thus only a beginning had been made towards the goal of diversification. The constraints inherent in the economy were too heavy to be overcome so easily.

152. (contd. from back page)

policy of the ousted Nepali Congress Government. The Commoner, 9 March 1961. Also Gorkhapatra, 27 September 1962, 3 January 1963; Nepal Gazette, 12 April 1963; Samaya, 27 November 1963; and Investing in Nepal, Nepal Industrial Development Corporation, Nepal, Kathmandu, 1968.

153. Mohammed Ayoob, "India and Nepal: Politics of Aid and Trade", The Institute for Defence Studies and Analysis, Journal, vol. 3, no. 2, October 1970, pp. 127-156.

154. Ibid.

Table I

Development Expenditure: Foreign Aid and FMG's Contribution
(Actuals)

S.No.	Financial Year	Development Expenditure (Actual)	(Nepali Rupees Million)			
			Foreign Aid		FMG's Contribution	
			Amount of Aid	% of Dev. Budget	Amount	% of Dev. Budget
1.	1956-57	14.712	14.412	97.96	0.300	2.04
2.	1957-58	12.393	12.393	100	nil	-
3.	1958-59	32.696	32.696	100	nil	-
4.	1959-60	78.928	78.428	99.37	0.500	0.63
5.	1960-61	75.678	75.678	100	nil	-
6.	1961-62	110.000	110.000	100	nil	-
7.	1962-63	118.283	112.983	95.52	5.300	4.48
8.	1963-64	214.039	173.739	81.17	40.300	18.83
9.	1964-65	231.910	141.047	66.5	90.863	33.5
10.	1965-66	260.776	175.300	62.4	105.476	37.6
11.	1966-67	268.240	142.236	53.02	126.004	46.98

Sources: a) S.Nos. 1 to 5, Nepal Rastra Bank, n- 3.

b) S.Nos. 6 to 8, Facts About American Aid to Nepal, USOM, Kathmandu, Nepal.

c) S.Nos.9 to 11, Budget Speeches, Ministry of Finance, FMG Nepal, Kathmandu.

Table II

FOREIGN AID TO NEPAL ; MAJOR DONORS (Actuals)

S.No.	Countries/ Years	(Nepali Rupees, Millions)											Total	Remarks	
		1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66			1966-67
1.	The USA (1)	24.951	12.753	48.473	17.951	56.225	86.997	(*)	46.800	74.400	65.530	57.900	34.926	526.906	Approx. 44.0%
2.	India	70.018	14.570	9.605	17.102	18.450	22.353	(*)	13.600	34.000	62.735	93.000	77.633	433.067	37.0%
3.	China	-	-	-	-	32.135	-	(*)	3.200	14.700	12.144	16.200	24.583	102.962	8.5%
4.	The USSR	-	-	-	-	-	8.456	(*)	15.000	33.400	0.463	5.000	4.875	67.194	5.5%
5.	Others	-	-	-	-	18.530	19.291	(*)	5.100	9.400	0.174	3.200	0.219	55.914	5.0%
													plus 69.568		
	Total	94.969	27.323	58.078	35.053	125.340	137.097	69.568	83.700	165.900	141.047	175.300	142.236	1255.61	100%

(1) The cost of independently managed projects by India were not included in the figures of total Indian aid expenditure till 1964-65.

(*) Not Available.

Sources: a) Nepal Rastra Bank, n. 3.
 b) Budget Speeches
 c) Foreign Aid Division, Ministry of Economic Planning, HMG Nepal, Kathmandu.

Table III

FOREIGN AID TO NEPAL : COUNTRIES AND YEARS (BUDGET ESTIMATES)

		(In Nepali Rupees, Millions)								
S.No.	Countries/Years	1959-60	1960-1	1961-2	1962-3	1963-4	1964-5	1965-6	1966-7	
1.	The USA	63.540	153.958	65.561	79.272	84.551	94.425	12.702	48.163 ^(b)	
2.	India	40.183	56.877	38.342	25.092	20.882 ^(a)	19.316 ^(a)	89.002	113.194	
3.	China	-	-	3.000	2.744	10.000	12.666	14.967	30.220	
4.	The USSR	5.400	8.4	16.100	14.109	7.209	1.150	16.000	18.500	
5.	New Zealand	0.323	0.493	0.976	0.900	0.527	-	-	} 6.850	
6.	The UK	-	3.027	0.960	5.060	0.250	-	3.100		
7.	Ford Foundation	1.135	3.053	1.004	1.063	1.433	0.129	0.242		
8.	The UN Agencies	ILO	0.105	-	1.650	0.150	0.150	-		-
		WHO	1.008	0.75	0.750	-	-	-		-
9.	West Germany	-	-	0.500	-	-	-	-		
10.	Switzerland	-	-	-	-	-	0.450	0.172		
11.	Australia	-	0.943	-	-	-	-	-		
Total		111.694	227.501	128.843	128.360	125.002	128.336	196.185	216.927	

(a) Does not include the cost of those projects which were directly handled by the Indian Co-operation Mission. If that be included, estimated Indian aid amount would come to Rs.62.560 and Rs.98.816 during 1963-64 and 1964-65 respectively.

(b) It was subject to adjustment.

Table IV

US AID : MAJOR FIELDS OF ACTIVITY

S. No.	Fields of Activity	Duration	Total Estimated Expenditure of US Aid	
			In Dollars (Million)	Equivalent Nepali Rupees (Million)
1.	AGRICULTURE: General Agriculture and Agricultural Credits and Co-operatives.	1957 - (Current)	17.78	134.68
2.	Malaria Eradication	1954 - (Current)	16.90	128.02
3.	Nepal Industrial Development Corporation	1956 - (Current)	13.78	104.38
4.	Education (Primary and Secondary) and teachers training	1954 - (Current)	12.08	91.51
5.	Panchayat Development	1963 - (Current)	6.54	49.54
6.	Power Development	1960 - (Current)	5.82	44.84
7.	Regional Transportation	1958-1962	5.40	40.91
8.	Ropeway	1957-1966	5.02	38.03

(a) General Agriculture = \$12.42 or Rs.94.08 and Agricultural Credit and Cooperatives = \$5.36 or Rs.40.60

(b) Primary Education and Teachers Training = \$6.76 or Rs.51.21 and Secondary Education = \$5.32 or Rs.40.30.

Source: Facts About American aid to Nepal, US/AID Nepal, Kathmandu, 1967, p. 5. (Up to July 1967)

Table V**THE INDIAN AID: MAJOR FIELDS OF ACTIVITY**

S. No.	Activity	(In Nepali Rupees Million)		
		Aid upto 1965-66	Aid in 1966-67	Total
1.	Roads and Bridges	140.835	38.094	178.929
2.	Power Development	120.870	20.096	140.966
3.	Irrigation	74.024	13.692	87.716
4.	Community Development (a)	48.320	-	48.320
5.	Surveys	35.056	0.823	35.879
6.	Water Supply	24.308	2.211	26.519
7.	Airports: Construction and Improvement	13.929	1.576	15.505
8.	Education and Allied Schemes	5.856	0.640	6.496
9.	Forestry	3.546	0.318	3.864
10.	Horticulture	3.370	0.484	3.854
11.	Veterinary	2.816	0.339	3.155
12.	Industrial Development	2.685	0.417	3.102
13.	Health	1.552	0.068	1.620
14.	Post and Telecommunication	0.811	0.715	1.526
15.	Meteorology	0.275	0.036	0.311
Total		478.253	79.509	557.762

(a) The programme was withdrawn in March 1961 in response to a request to that effect from the HMG, Nepal.

Source: Facts About Technical and Economic Assistance to Nepal from Colombo Plan Countries, 1952-66, Ministry of Economic Planning (Resources Division), HMG, Nepal, Kathmandu, 1967 (Miscographed), Appendix A. (The Table has been rearranged in the descending order of aid-amount).

Table VI

THE CHINESE AID: MAJOR PROJECTS IN NEPAL

S. No.	Major Projects	Estimated Cost (a)	
		In millions of Dollars	Equivalent in millions of Nepalese Rupees (b)
1.	Kathmandu-Pokhara Road	17.11	130.03
2.	Kathmandu-Kodari Highway	9.7	73.72
3.	Sunkoshi Hydro-Electric Plant	9.21	69.99
4.	Leather and Shoe-Factory	1.32	10.03
5.	Warehouse Construction	1.32	10.03
6.	Brick and Tile Factory	0.66	5.01

(a) All costs borne by China, except the purchase of land.

(b) Converted at the rate of 1 US Dollar = 7.6 Nepalese Rupees

Source: Facts on Foreign Aid to Nepal, 1952-68
(Mimeographed), Programme Office, US/AID,
Nepal, Kathmandu, February 1968, p. 8./

Table VII

SOVIET AID: MAJOR PROJECTS IN NEPAL

S. No.	Major Projects	Duration	Total Cost Nepali Rupees (Millions)
1.	Birganj Sugar Mill	1959-1965	65.00
2.	Janakpur Cigarette Factory	1959-1965	41.7
3.	Panauti Hydro-Electric Plant	1959-1965	25.00
4.	Kanti Hospital	1959-1963	0.95
5.	Janakpur-Simra East-West Highway Section	1964 -	120.00 (a)
6.	Agricultural Tools Factory	1964 -	10.00 (a)

(a) Estimated Cost.

Source: Figures computed from Gorkhapatra.

Table VIII

MINOR AID PROGRAMMES

S. No.	Countries or sources	Amount of Actual aid upto 1965-66	Amount of Actual aid in 1966-67	Total amount of actual aid upto 1966-67	Major fields of Activity
1.	UNO	25.741	-	25.741	Irrigation, Forestry, Rehabilitation, Health, Fish, Farming, etc.
2.	Ford Foundation	18.111	0.142	18.253 (a)	Technical and Advisory Assistance.
3.	United Kingdom	17.651	n.a.	17.651	Narayengarh-Butwal Section (75 miles) of the East-West Highway.
4.	Switzerland	3.921	0.205	4.126 (a)	Agriculture, Dairy, Education, Health and Rehabilitation.
5.	Japan	1.316 (a)	n.a.	1.316 (a)	Surveys in Hydro-Electric, Steel and Paper Industries.
6.	Canada	1.1225	n.a.	1.1225 (a)	Food.
7.	Australia	0.849	n.a.	0.849 (a)	Road construction, Radio and Broadcasting, and X-ray equipments.
8.	New Zealand	0.787	n.a.	0.787 (a)	Dairy, Pasture improvement and sheep husbandry.
9.	West Germany	n.a.	n.a.	n.a.	Assistance through private sector.
10.	Israel	n.a.	n.a.	n.a.	Resettlement, construction, aviation.

n.a. = Not available.

(a) Excluding aid given, if any, during 1966-67.

(b) Converted from Japanese Yens at the rate of Rs.100 (Nepali) = 3950 Yens (Japanese).

Source: Figures collected from Foreign Aid Division, Ministry of Economic Planning, HMG, Nepal, Kathmandu.

Table IX

NEPAL'S FOREIGN TRADE : TOTAL EXPORTS AND IMPORTS

(Value In Nepali Rupees, Thousands)

Items/Years	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65
Total Trade	265,363	231,663	341,327	419,567	607,719	709,635	891,678	895,600	259,100
Exports	95,472	73,307	117,934	131,740	209,737	265,221	287,653	291,100	440,300
Imports	169,891	158,356	223,393	287,527	397,982	444,414	604,025	604,500	818,800
Balance	-74,419	-85,049	-105,459	-155,787	-188,245	-179,193	-336,372	-313,400	-378,500

- Sources: a) Statistical Abstracts, Investment Promotion and Publicity Division, Nepal Industrial Development Corporation, Kathmandu, Nepal, vol. 2, no. 3, October-November 1967, p. 7.
- b) Arthik Survekshan, 2024-25 (Economic Survey, 1968-69), Ministry of Finance, His Majesty's Government of Nepal, Kathmandu, Table XVIII.

Table X

DIRECTION OF NEPAL'S FOREIGN TRADE

		(Value in Nepali Rupees, Thousands)						
S.No.	Countries/Years	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63
1.	INDIA							
	Exports	93,436 (97.86)	70,489 (96.16)	116,692 (98.95)	131,296 (99.67)	209,172 (99.73)	263,893 (99.49)	283,630 (98.60)
	Imports	165,832 (97.61)	150,341 (94.93)	218,217 (97.69)	269,926 (93.88)	375,091 (94.26)	439,661 (98.83)	588,053 (95.69)
	Balance of Trade	-71,396	-79,852	-91,525	-138,630	-165,919	-175,768	-294,423
2.	CHINA (or Tibet Region of China)							
	Exports	2,036 (2.14)	2,818 (3.84)	1,242 (1.05)	444 (0.33)	565 (0.27)	1,328 (0.57) ¹	1,643 (0.56)
	Imports	1,967 (1.15)	301 (0.19)	1,349 (0.60)	2,829 (0.98)	2,760 (0.94)	4,753 (1.07)	5,075 (0.84)
	Balance of Trade	+69	+2517	-107	-2385	-2195	-3424	-3432
3.	OVERSEAS							
	Exports	-	-	-	-	-	n.a.	2,380 (0.84)
	Imports	2,092 (1.24)	7,714 (4.80)	3,827 (1.71)	14,772 (5.14)	19,131 (4.80)	n.a.	10,987 (3.47)
	Balance of Trade	-2092	-7714	-3827	-14772	-9131	-	-8517

Note: 1) Figures in brackets show the percentage of the total.

2) (-) shows the unfavourable and (+) shows the favourable trends to Nepal in the Balance of Trade.

3) n.a. = Not Available

Source: Statistical Abstracts (Table IX).

Table XI

RECORDED FOREIGN TRADE : 1960-61 - 1963-64

(Value In Nepali Rupees, Millions)

	Exports				Imports			
	1960-1	1961-2	1962-3	1963-4	1960-1	1961-2	1962-3	1963-4
Foodstuffs and raw materials								
Foodgrains and other food products	158.6	174.1	166.8	196.4	55.2	63.8	92.7	97.4
Beverages and tobacco	2.5	2.1	1.9	3.3	21.8	39.3	40.1	35.2
Animal and vegetable oils and fats	0.7	1.7	3.2	3.1	10.3	11.1	12.0	14.9
Indible crude materials (excluding fuel)	43.5	50.6	67.3	59.2	20.3	25.9	32.8	30.9
Petroleum, kerosene and related mineral oil products	0.1	-	-	0.1	28.3	36.6	46.2	71.5
Total	205.4	228.5	239.1	262.1	135.9	176.7	223.7	249.9
Manufactured Products								
Chemicals	0.1	0.1	0.5	1.3	22.5	23.7	23.6	35.3
Consumer goods	3.3	35.9	47.7	27.0	202.3	215.9	323.3	287.6
Machinery and transport equipment	0.1	0.1	0.1	0.5	25.8	24.8	32.8	31.0
Total	3.5	36.1	48.4	28.8	250.6	264.4	379.7	353.9
Miscellaneous	0.9	0.5	0.2	0.2	11.4	3.4	0.6	0.7
Grand Total	209.8	265.1	287.7	291.1	397.9	444.5	604.0	604.5

Source: Central Bureau of Statistics, Ministry of Economic Planning,
HMG Nepal, Kathmandu.

Chapter VIII

C O N C L U S I O N S

Foreign policy of Nepal had not been only the sum total of her external relations and responses. More than that, it had been a plan, as well as a strategy for her survival, defence and development (economic) as an independent, sovereign nation in international field. The goals of the policy as such, had been the minimization of her 'vulnerabilities' vis-a-vis the sources of 'coercion'. (1) Nepal's 'vulnerabilities' were the result of her smallness, wholly inadequate and undependable 'safe base' of national power and the geo-politics of her location.

David Vital, (n. 1) after discussing 'vulnerabilities' and 'coercion' of the Small Power also suggested some policy alternatives. In the analysis of those alternatives - The Active Strategy, The Defensive Strategy and The Nuclear Factor - he was mainly concerned with the ways and means for the Small Power to protect and strengthen its 'safe-base' of power and to damage the 'safe-base' of power ^{of} the actual or potential source of 'coercion'. His observations were confined largely to the material aspects of the alternatives as evident from his stress on 'subversion' as an active policy. It seems, he did not ^{sufficiently} ~~officially~~ probe into the

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1. For a detailed discussion of the 'vulnerabilities' of the Small Power and the sources and nature of the 'coercion' by big powers see: David Vital, The Inequality of States (A study of the Small Power in International Relations), Oxford, London, 1967, pp. 10-116.

political aspects of the alternatives. (2)

In case of Nepal, the 'subversion' neither had encouraging prospects, nor appears to have them in future. The success of her policy depended upon the viability of the political options chosen and the diplomatic tact and skill with which they were pursued. There were three options or the courses of action, that constituted Nepal's foreign policy. They were:

1. The maximization of the scope of manoeuvrability in relation to the sources of 'coercion', through the exploitation of the differences and clash of interests amongst them.
2. The splitting and diffusing of the potentiality of 'coercion' through the diversification and expansion of the sources of dependence.
3. The mobilisation of moral and public international pressures on the sources and agents of 'coercion' through participation in the world forums.

The practical application of the first course of action obviously envisaged, in the first place, the existence of differences and clash of interests among the sources of 'coercion'. Secondly, for exploiting the situation of conflict and competition, it is essential for the 'vulnerable' state to convincingly impress that it holds a strategic position and is open to be cultivated

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2. He discussed non-alignment but with a note of pessimism about its ultimate success. (pp. 150-52)

At one place, he mentioned political alternatives to a defensive, military option, which to this author appears viable. Those alternatives were: "federation with other states similarly placed, alliance with major powers or more simply, a tacit recognition that in crisis, the condition of non-alignment must be abandoned and accommodation sought with a protecting power". However, Vital mentioned these ^h simply alternatives and left there. (p. 157)

by either of the contending side provided, proper incentives are offered. Towards that end, the stand of political neutrality is a must. A stand, that is meant to convey that the state has no preconceived sympathies or prejudices for either of the side and is determined, as well as capable of taking and implementing independent decisions. Thirdly, for the successful manoeuvring aimed at in the situation, it is also essential for the 'vulnerable' state to have an arrangement of dependent military protection particularly, in the event of the break-out of military conflict between the contenders, leading to the failure of political neutrality and a threat to the state's bare survival.

One factor that makes the 'coercion' possible and convenient is the dependence, rather excessive dependence, of the 'vulnerable' state on the 'coercive' powers, in military, political and economic matters. The creation of alternative options in these matters by the former is bound to result into more flexibility and discretion and thus, into the extension of the scope of manoeuvrability. The mobilisation of moral and international support against the 'coercive' act of a big power, though inadequate by itself in disciplining the coercive power, may exercise a sobering influence on the same together with other factors. Accordingly, the degree to which the second and third course of action would yield results depends upon the 'vulnerable' state's display of sociability and conduct of public relations in the international society. In other words, it depends upon the number and nature of the state's friends in comity of nations and

the style of its participation in the UN and other international forums.

The operational ~~situation~~ of the three courses of action described above can be studied at two levels, corresponding to the direction and sources of 'coercion': the immediate neighbours and the Super Powers.

In relation to the immediate neighbours, Nepal's location between India and China was both a liability and an asset. It was a liability owing to the vast power differences between her and each of the neighbours and her excessive dependence in military, political and economic matters particularly upon India. This made her an easy prey to the pressures from her neighbours, if, when and in a manner the latter decided to apply them to suit their respective interests. It was an asset because this location also made Nepal an object to be used by both of her neighbours, particularly when the application of pressure was either uncalled for or had failed to yield desirable results. The asset aspect also symbolised the existence of some of the conditions required for the operational ~~situation~~ of the first course of action.

The liability aspect was more pronounced during 1951-54. The historical reasons and factors of the post-Rana period's political developments were responsible for that. Besides the predominance of the liability aspect, the asset aspect did not exist - ^{during that period} at all. As a result, Nepal accepted India's dominance and a veiled alliance existed between the two. The development in Nepal's neighbourhood - signified by the conclusion of the Panchsheel Agreement between India and China - as also in the domestic

situation - marked by the change of the principal political actor and the development of anti-Indian feeling - during 1954-55 led to emergence of the asset aspect and hence the beginning, in operation, of the first course of action of the policy.

The asset aspect and hence the first course of action, became increasingly active since 1958-59 ~~coincides~~ with the precipitation of the clash in interests and the sharpening of the differences between India and China. Nepal, therefore, started employing oneneighbour~~s~~ to ward off the pressures felt by her from the other, as also to extract concessions and benefits, particularly economic. During 1959-60 she prepared India to be ready to act as a counter-balance to the actual and probable Chinese pressures on her. Similarly, during 1961-62, Nepal mobilised her friendly relations with China and Pakistan to restrain India from exercising subtle 'coercion'. We have described Nepal's these exercises ^{as Nepal's} as her balance of power in the region.

In conformity with the functional prerequisites of the first course of action, Nepal underlined her strategic importance in the region and asserted her capacity to take independent decisions. She proclaimed a neutral stand on the disputes between India and China as also between India and Pakistan. The tension situation in ^{the} region suited best to her interests and, therefore, deliberately or otherwise, there was no serious attempt on her part to bring about an understanding and settlement between her neighbours. This is not to mean that if made, such attempts would have been effective. Nepal's neutrality was, however, underplayed during the Sino-Indian conflict of 1962 and the Indo-Pakistani conflict of

1968 in favour of India. Besides the socio-cultural affinities and military commitments with India, Nepal, in siding with India in the conflicts, was also guided by the considerations of maintaining a balance in the region, between India on the one hand and China and Pakistan on the other, which could ensure a continuous operationalization of the first course of action.

Nepal's seemingly contradictory postures of political neutrality and military commitments in the region did not, however, prove functionally incompatible. This was so because, in her perception, the nature of 'coercion' expected from the Indian side was of political and economic nature and that from the Chinese side, was of military nature. Therefore, while dealing with the former she emphasised political neutrality posing indifference towards her military commitments with India and the reverse of it was applied in dealing with the latter.

^{Owing to} The intensity of the differences and clash of interests in the neighbouring region and the greater potentialities of 'coercion' from the neighbours, Nepal's policy in the region was dominated by the first course of action. The second and the third courses were put into action only mildly. The application of the second course was evident in her attempts to secure sea port and transit facilities in/through Pakistan and military aid from the UK and the USA. In accordance with the third, Nepal kept the UN and the Non-aligned Nations Summit Conferences informed about her concern with the situation created by the regional conflicts.

What was true regarding Nepal's policy towards the neighbouring sources of 'coercion' was basically also true in relation to

the global sources of 'coercion'. However, there was a difference of degree. The intensity of 'coercion' from the global sources - the Super Powers - was comparatively far less. More important than this, Nepal's strategic value in relation to the differences and clash of interests between the Super Powers, was almost insignificant as against what it was between India and China. Hence, the application of the first course of action was much less vigorous and pronounced. She kept friendly relations with both the USA and the USSR and their allies, received aid and assistance from them and remained non-aligned.

The field being much wider and the prospects being encouraging, the operational ~~situation~~ of the second and the third courses of action was more extensive and spirited. Accordingly, Nepal identified herself with the small, uncommitted and newly emerging nations. She expanded mutually beneficial, political and economic relations with them and joined them in raising voice against the undesirable acts and postures of the big powers. Her participation in the UN and the Non-aligned Nations Conferences made it further evident.

An integrated view of the simultaneous operational ~~situation~~ of three policy options in the global context by Nepal leads to the assumption that she had identified herself with the emerging world order but - and it should be underlined - without alienating herself from the existing one. In an international system dominated by bipolarity, she opted for the emerging alternative of non-alignment and peaceful co-existence. In fact she started practising on this alternative at the time when the politics of cold war and

bloc-formation was particularly brisk in her part of the world. Against the long-standing traditions of colonial and imperial regimes, she sided with the forces of freedom and equality. While doing all this, however, Nepal maintained and expanded her friendly bilateral relations with the protagonists of the cold war and former colonial and imperial powers. This kept her abreast with the existing reality and ^{helped} in pursuing her economic and political interests. Thus, whereas she criticised the Super Powers for their 'arrogance of power' at one place, some time, she received moral support and material benefits from them at the other.

A very significant recent development in the international system had been the transformations in the bipolar situation. There had been a drop in the cold-war tension, the loosening of the military pacts and alliances and the clear signs of the emergence of more centres of power. (3) Nepal kept pace with these developments and made suitable adjustments in her policy. She welcomed the trend towards the emergence of more centres of power in the world since such a development would enhance the small power's prospects for manoeuvrability among the conflicting and competing sources of 'coercion'. (4) King Mahendra's visit to France after she had taken an assertive posture vis-a-vis the United States and his appreciation of the new French creed in foreign policy matters - the 'Gaullism' - may be recalled as an evidence.

3. Robert L. Rothstein, Alliances and Small Powers, Columbia University, New York and London, 1968, pp. 238-41.

4. Vital, n. 1, p. 151.

With the same logic, the emergence of China too should have been welcomed by Nepal. (5) In fact, the probability of increase in the Chinese 'coercive' potential resulted into the coming closer of the USA and the USSR to join India in offering Nepal a powerful counter-balance against China. This naturally led to the availability of more economic and other fringe benefits to her. However, China is too close to Nepal and her emergence, apart from its consequences on the international system, tends to upset the regional balance and damage the asset aspect of the Kingdom's location. It has created a scarce in Nepal's international behaviour.

This takes us to the co-relation between the regional and the global sets of Nepal's foreign policy i.e. between her Regional Balance of Power and the Global Non-alignment. Obviously, the regional sources of 'coercion' had been more powerful and effective on her as compared to the global sources. As a result, her policy towards the latter had been supplementary and subservient to the policy towards the former. It was evident in Nepal's mobilisation of her relations with the Super Powers to meet the pressures from neighbours. Three instances may be recalled in support of the contention:

1. King Mahendra's visits to the USA and the UK and Prime Minister B.P. Koirala's meetings with the US President Eisenhower and the Soviet Premier N.S. Khrushchev during 1959-60 when the pressures were felt from the Chinese side.

5. For the consequences of China's emergence on the small powers and the policy of non-alignment, see: Rothstein, n. 3, pp. 255-58.

2. King Mahendra's quick efforts to secure recognition from the USA, the USSR, the UK, etc. for his domestic action of the dismissal of Nepali Congress and the abrogation of Parliamentary system which brought-in pressures from the Indian side. Nepal had also utilised the UN and the Non-aligned Nations Summit Conference at Belgrade, mostly informally, for the same purpose.
3. After the Sino-Indian conflict, which made Nepal's position all the more precarious, Chairman Dr. Tulsī Giri had a series of visits to the USA, the USSR, the UK and France and had important discussions with the respective leaders about the regional developments. One significant outcome of these visits was the Western arms aid to Nepal.

Thus Nepal's global non-alignment functioned as an essential component of her regional balance of power.

In this context, Cambodia's foreign policy presented a very near approximate to the Nepalese model. Cambodia's policy also operated at two levels: at the regional and at the global. On the one hand, she tried to balance the pressures on her from Thailand and South Vietnam by mobilising her relations with China and on the other, she depended upon the USA to counteract the thrust from China. (6) Afghanistan also acted on the same line but less vigorously and with a qualitative difference that one of her neighbours, the USSR was a global power and not regional alone. China's further progress towards the status of a Super Power might bring Nepal more closer to Afghanistan in the foreign policy behaviour.

In the evolution and operations ~~of the~~ of the courses of action of Nepal's foreign policy, the contributions of King Mahendra

6. Bernard K. Gordon, "Cambodia: Where Foreign Policy Counts", Asian Survey, vol. V, no. 9, September 1965, pp. 433-48.

and Prime Minister B.P. Koirala (1959-60) had been significant. King Mahendra, being in control of the Executive, for a long time had been responsible for the skilful operation~~ation~~ of the options. His contribution, however, had been all the more important with respect to the 'linkage' between foreign policy and domestic politics. Since 1960 ~~onwards~~ he successfully employed the foreign policy to stabilise his regime and strengthen the political system - Panchayat Democracy - established by him.

✓ He worked up the foreign policy towards the resolution of the crises of legitimacy, identification and stability, with considerable success, at least during the years immediately following the establishment of Panchayat Democracy. B.P. Koirala's contribution was more at the level of finding and formulating the courses of action. His Prime Ministership lived for too short a period to do anything more.

Howsoever significant, the contribution of personalities and institutions, it ^{was} ~~was~~ not decisive and complete. In fundamentals, the model of Nepal's foreign policy would have evolved even without them. There is enough evidence in the history to suggest that it would have been so. Essentially because the germs of it were there in the geo-politics of the region and the position Nepal occupied in it.

APPENDICES

Appendix I

A FACT SHEET OF NEPAL'S DIPLOMATIC RELATIONS, 1951-66

S. No.	Name of the country	Date of Establishment of Nepal's Diplomatic Relations	Important Treaties and Agreements.	Important exchange of visits	Residential Diplomatic Mission in Nepal.	Nepalese residential Diplomatic Mission	Remarks
1	2	3	4	5	6	7	8
1.	The United Kingdom	Since 1816 Renewed in October 1950	i) Agreement, Gurkha recruitment for the British Arm ^{ies} (1885, renewed in November 1947.) ii) Treaty, Friend ^{ship} and Peace. (October 1950) iii) Arms aid. (1964) iv) Agreements, Aid.	i) King Mahendra's visit to Britain (October 1960) ii) Queen Elizabeth's visit to Nepal. (February 1961) iii) Chairman Dr. Tulsī Giri's visit to Britain (October 1963)	Yes	Yes	-
2.	India	August 1947	i) Agreement, Gurkha recruitment for the Indian Army. (November 1947) ii) Treaty, Peace and Friendship (July 1950) iii) Treaty, Trade and Transit (September 1950 revised in October 1960) iv) Treaty, Extradition of Criminals Agreement. (1953) v) Agreement, Arms purchase. (1965) vi) Agreements, Aid and Cultural Exchanges.	See Appendix IA (A).	Yes	Yes	-

1	2	3	4	5	6	7	8
3.	The United States of America	April 1947	1) Agreement, Friendship and Commerce. (April 1947) ii) Agreement for American Investment Protection. iii) Arms aid. (1964) iv) Agreements, Aid and cultural exchanges	1) King Mahendra's visit to the USA (April 1960) ii) Chairman Dr. Tulsi Giri's visit to the USA. (September 1963)	Yes	Yes	Nepalese Prime Minister B.P. Koirala and the US President Eisenhower had talks at the UN Headquarters, New York. (September 1960)
4.	France	May 1949	-	1) Chairman Dr. Tulsi Giri's visit to France. (October 1963) ii) Foreign Minister K.N. Bisht's visit to France. (October 1964) iii) King Mahendra's visit to France. (October 1966)	-	-	-
5.	China	July 1955	1) Agreement, Trade, Inter-course and Friendly Relations. (September 1956) ii) Agreement, The Question of Boundary. (March 1960) iii) Treaty, Peace and Friendship. (April 1960) iv) Treaty, The Question of Boundary. (October 1961)	See Appendix IA (B)		Yes	Yes -

1	2	3	4	5	6	7	8	
6.	Japan	July 1956	Agreements, Aid	i) Prime Minister T.P. Acharya's visit to Japan. (October 1956) ii) King Mahendra's visit to Japan. (April 1960) iii) Japanese Crown Prince and Princess' visit to Nepal. (December 1960)		-	Yes	-
7.	The USSR	July 1956	i) Trade Agreement. (August 1965) ii) Agreements, Aid and Cultural and Scientific exchange.	i) King Mahendra's visit to the USSR. (June 1958) ii) President Voroshilov's visit to Nepal. (February 1960) iii) Chairman Dr. Tulsi Giri's visit to the USSR. (October 1963)		Yes	Yes	The Nepalese Prime Minister B.P. Koirala and the Soviet Premier N.S. Khrushchev had talks at the UN Headquarters, New York. (October 1960)
8.	Switzerland	November 1956 Upgraded to Ambassadorial level in 1960	Agreements, Aid	-		yes *	yes *	Switzerland maintained a Swiss Technical Co-operation Mission in Nepal since 1949-50
9.	Egypt (The UAR)	April 1957	-	-		-	-	-
10.	Ceylon	July 1957	-	i) King Mahendra's visit to Ceylon. (March 1957)		-	-	-

1	2	3	4	5	6	7	8	
11.	The West Germany	June 1957	Agreements, Aid	1) King Mahendra's visit to West Germany (May 1964)		-	-	-
				11) K.N. Bisht's visit to West Germany. (November 1966)				
12.	Austria	August 1959	-	-	-	-	-	-
13.	Italy	August 1959	-	-	-	-	-	-
14.	Yugoslavia	October 1959	1) Agreement, Trade. (September 1965)	1) Chairman Dr. Tulsī Giri's visit to Yugoslavia. (October 1964)		-	-	King Mahendra visited Belgrade in September 1961 to participate in the Non-aligned Summit Conference.
				11) Premier Peter Stambolic's visit to Nepal. (March 1966)				
15.	Poland	November 1959	1) Agreement, Trade and Payment. (August 1966)		-	-	-	-
16.	Thailand	November/December 1959	-	-	-	-	-	-
17.	Czechoslovakia	January 1960	-	-	-	-	-	-
18.	Malaysia	January 1960	-	-	-	-	-	Yes Nepal had a Consulate in Malaysia since 1947-48.
19.	Greece	February 1960	-	-	-	-	-	-
20.	Australia	February 1960	-	-	-	-	-	-

1	2	3	4	5	6	7	8
21.	Philippines	February 1960	-	-	-	-	-
22.	Burma	March 1960	-	i) Prime Minister B.P. Koirala's visit to Burma (March 1960) ii) Premier U.Nu's visit to Nepal. (January 1962) iii) Chairman Ne Win's visit to Nepal. (November 1966)	-	Yes	Nepal had a Consulate in Burma since 1948.
23.	Pakistan	March 1960	i) Agreement, Trade (October 1962) ii) Agreements, Aid and Cultural.	i) King Mahendra's visit to Pakistan. (September 1961) ii) President Ayub's visit to Nepal. (May 1963) iii) Foreign Minister K.N. Bisht's visit to Pakistan (January 1966)	Yes	Yes	-
24.	The Netherlands	April 1960	-	-	-	-	-
25.	Laos	May 1960	-	-	-	-	-
26.	Israel	June 1960	i) Agreements, Aid	i) Prime Minister B.P. Koirala's visit to Israel (August 1960) ii) King Mahendra's visit to Israel (September 1963) iii) President Shazar's visit to Nepal. (March 1966)	Yes	-	-
27.	Sweden	June 1960	-	-	-	-	-
28.	Indonesia	December 1960	-	-	-	-	-
29.	Holland	1960	-	-	-	-	-

1	2	3	4	5	6	7	8	
30.	Mongolia	January 1961	-	1) King Mahendra's visit to Mongolia. (October 1961)		-	-	-
31.	Hungary	January 1961	-		-	-	-	-
32.	New Zealand	May 1961	-		-	-	-	-
33.	Afghanistan	July 1961	-		-	-	-	-
34.	Belgium	August 1963	-		-	-	-	-
35.	Lebanon	August 1963	-		-	-	-	-
36.	Iran	December 1964	-		-	-	-	-
37.	Canada	January 1965	-		-	-	-	-
38.	Argentina	September 1966	-		-	-	-	-
39.	Turkey	1966	-		-	-	-	-
40.	Jordan	1966	-		-	-	-	-
41.	Chile	1966	-		-	-	-	-

Appendix IA

Nepal's Exchange of Visits with India
And China*

S.N.	Name of the Visiting dignitary	Date	Remarks
(A) <u>Between Nepal and India**</u>			
(1) <u>Nepalese Dignitaries Visiting India:</u>			
1.	Prime Minister Mohun Shumshere, JBR, Home Minister B.P. Koirala and Cabinet colleagues	8 to 15 May 1951	Discussed the composition of the Cabinet with the Indian leaders.
2.	Prime Minister B.P. Koirala	January 1952	
3.	King Tribhuvan, Foreign Minister D.R. Regmi and other Ministers	May 1954	Discussed foreign policy co-ordina- tion.
4.	King Mahendra	6 November to 8 December 1955	
5.	Prime Minister Tanka Prasad Acharya	4 to 7 December 1956	
6.	Prime Minister B.P. Koirala	17 to 31 January 1960	Joint Communiqué issued.
7.	Foreign Minister Dr. Tulsī Giri	19 to 22 January 1961	-
8.	Finance Minister Rishikesh Shah	28 December 1961	-
9.	King Mahendra	18 to 22 April 1962	Joint Communiqué issued.
10.	Foreign Minister Rishikesh Shah	6 to 11 September 1962	-
11.	Foreign Minister Dr. Tulsī Giri	8 to 11 December 1962	-
12.	King Mahendra	27 to 31 August 1963	Joint Communiqué issued.
13.	Foreign Minister K.N. Bisht	24 January to 6 February 1965	-do-
14.	King Mahendra	25 November to 20 December 1965	-do-
15.	Chairman Surya Bahadur Thapa	11 to 28 April 1966	-do-
16.	Defence Minister Bura Thoki	3 to 7 November 1966	-

(11) Indian Dignitaries Visiting Nepal:

- | | | |
|---------------------------------------|-----------------------|--------------------------|
| 1. Prime Minister Nehru | 15 to 17 June 1951 | - |
| 2. President Dr. Rajendra Prasad | 21 to 24 October 1956 | - |
| 3. Prime Minister Nehru | 12 to 14 June 1959 | Joint Communique issued. |
| 4. Home Minister Lal Bahadur Shastri | 4 to 6 March 1963 | -do- |
| 5. President Dr. S. Radhakrishnan | 4 to 8 November 1963 | -do- |
| 6. Foreign Minister Swaran Singh | 23 to 25 August 1964 | -do- |
| 7. Prime Minister Lal Bahadur Shastri | 23 to 25 April 1965 | -do- |
| 8. Prime Minister Mrs. Indira Gandhi | 4 to 7 October 1966 | -do- |

(B) Between Nepal and China**(i) Nepalese Dignitaries Visiting China:**

- | | | |
|--|---------------------------------|--|
| 1. Prime Minister Tanka Prasad Acharya | 25 September to 7 October 1956 | Joint statement issued. |
| 2. Prime Minister B.P. Koirala | 11 to 22 March 1960 | a) Joint Communique issued.
b) Boundary Agreement signed. |
| 3. King Mahendra | 26 September to 19 October 1961 | a) Joint Communique issued.
b) Boundary Treaty signed. |
| 4. Foreign Minister Dr. Tulasī Giri | 19 to 24 January 1963. | a) Joint Communique issued
b) Protocol of the Boundary Treaty signed. |
| 5. Vice-Chairman Surya Bahadur Thapa | 28 September to 7 October 1964 | Joint Communique issued. |
| 6. Vice-Chairman K.N. Bisht | 24 August to 7 September 1965 | -do- |
| 7. Crown Prince Birendra Bikram Shah | 25 June to 13 July 1966 | - |

(11) Chinese Dignitaries Visiting Nepal:

- | | | | |
|----|----------------------------|-----------------------------|---|
| 1. | Prime Minister Chou En-lai | 25 to 29 January
1957 | Joint statement
issued. |
| 2. | Prime Minister Chou En-lai | 26 to 28 April
1960 | a) Joint Communique
issued

b) Peace and Friend-
ship Treaty
signed. |
| 3. | Vice-Premier Chen Yi | 30 March to
3 April 1965 | Joint Communique
issued. |

Note: * Only the visits of political importance have been listed above.

** Before 1965, it was almost impossible to distinguish between an official, formal visit and an unofficial, informal visit between India and Nepal.

Appendix II

Actual Expenditure of HMG, Nepal, on Foreign
Affairs and Defence, 1956-57 to 1966-67

(In Nepali Rupees, Thousands)

Years	Foreign Affairs	Defence
1956-57	1,634	9,597
1957-58*	15,034	14,154
1958-59	Not Available	14,282
1959-60	2,833	14,501
1960-61	6,229	17,212
1961-62	4,925	17,515
1962-63**	6,939	23,508
1963-64	6,256	26,975
1964-65	7,400	27,495
1965-66	8,427	31,193
1966-67*	9,300	40,636

* Figures for these years show Revised Estimates

** Figures show Preliminary Actuals.

Source: Tabulated from HMG Nepal, Budgets, Economic Data Papers, Economic Planning Section, Program Office, US AID/Nepal, Vol. 9, No. 2, November 1967, p. 38.

Appendix III

Nepal's Voting Behaviour In The United Nations Organisation:
Selected Issues

Abbreviations:- A-AG, Afro-Asian Group; S.B., The Soviet Bloc;
W.B., The Western Bloc; res., Resolution; d., Draft

S.N.	The Issue	Year	Nepal's Voting	General Pattern
1	West-Asian Situation (Stationing and continuation of the UN Emergency Force in the region)	1956 (11 th Session) (I Emergency Special Session)	Sponsored a resolution (A/3275), initiated and moved by India; Voted in favour along with A-AG at the 563 Session of the Meeting of the First Emergency Special Session of the General Assembly.	i) Sided with the UAR and Arab countries. ii) Voted differently from India and the Power blocs.
1957 (12 th Session)		Abstained on res. 1151(XII) along with the UAR and Arab countries (India and W.B. voted in favour and S.B. voted against)		
1958 (13th Session)		a) Abstained on res. 1263 (XIII) along with the UAR and Arab countries. (India and W.B. voted in favour and S.B. voted against.)		
b) Abstained on res. 1337 (XIII) along with the UAR and Arab countries. (India, W.B. and S.B. voted as in (a)).				
1959 (14th Session)		Abstained on res. 1441 (XIV) along with the UAR and Arab countries. (India and W.B. voted in favour and S.B. voted against.)		
1960 (15th Session)	Abstained on d. res. A/C.5/L.645 along with the UAR and Arab countries. (India and W.B. bloc voted in favour and S.B. voted against.)			

1	2	3	4	5
	1957 (12th Session)	Abstained along with India and A-AG on W.B. sponsored res. 1133 (XII), A/3658. (Abstain S.B.)		1) Voted with ^{small} countries and A-AG. ii) Voted against S.B. iii) Were found in the company of W.B. iv) Voted differently from India. v) Denounced the Soviet intervention in Hungary.
2.	Hungarian Question 1958 (13th Session)	a) Voted in favour of the W.B. moved res. 1312 (XIII) A/L.255. (India along with the UAR etc. abstained and S.B. voted against) b) Abstained along with Burma, Ceylon, Afghanistan etc. on the d. res. A/3316, which was sponsored by Cuba, Italy, Pakistan etc. (W.B. voted in favour and India along with Yugoslavia and S.B. voted against). c) Voted in favour of the US d. res. A/3319 along with W.B. (India, along with the A-AG abstained and S.B. voted against). d) Voted in favour of an Australian draft Resolution A/3324, along with India and W.B. (S.B. abstained. None voted against)		
	1959 (14th Session)	Abstained on W.B. moved res. 1454 (XIV) along with India and A-AG. (W.B. voted in favour and S.B. voted against)		
	1961 (16th Session)	Abstained on W.B. moved res. 1741 (XVI) along with India, UAR, etc. (W.B. voted in favour and S.B. along with Indonesia, Yugoslavia, Ceylon etc. voted against)		
	1962 (17th Session)	Abstained on the US d. res. A/S/6/L.92 and 1857 (XVII) along with A-AG. (India along with W.B. voted in favour and S.B. voted against)		

1	2	3	4	5
3.	Cyprus Question	1957 (12th Session)	Abstained along with India, part of A-AG, and the US and some of her allies on res. (S) A/C.1/L.197 and A/3794. (S.B. voted in favour and the UK, France etc. voted against)	<ul style="list-style-type: none"> i) Voted with the leaders of the A-AG. ii) Voted differently from small A-AG members. iii) Favoured the UN Peace keeping efforts in Cyprus.
		1958 (13th Session)	<ul style="list-style-type: none"> a) Voted along with the UAR, Yugoslavia etc. in favour of the res. A/C.1/L.225 (S.B. and the UK with her allies voted against and India along with the remaining A-AG abstained). b) Voted along with India, UAR and Yugoslavia and S.B. against the Western allies moved res.(s) A/C.1/L.226 and 229. (Smaller A-AG members abstained with the US and her allies. The UK, France etc. voted in favour). 	
4.	Korean Question	1957 (12th Session)	Abstained on W.B. res.(s) A/C.1/L.192 and 1180 (XII) along with A-AG. (W.B. voted in favour and S.B. voted against)	<ul style="list-style-type: none"> i) Voted with India and A-AG ii) Voted against W.B.
		1958 (13th Session)	Abstained on W.B. res. A/C.1/L.217 along with India and A-AG. (W.B. voted in favour and S.B. voted against)	<ul style="list-style-type: none"> iii) Was occasionally found in the company of S.B.
		1959 (14th Session)	Abstained on W.B. res.(s) A/C.1/L.245 and 1445 (XIV) along with India and A-AG. (W.B. voted in favour and S.B. voted against).	<ul style="list-style-type: none"> iv) Abstentions show the desire to keep away from the cold-war conflict.
		1961 (16th Session)	<ul style="list-style-type: none"> a) Abstained along with India and A-AG on Mongolian draft amended by Greece and Thailand res. A/C.1/L.300. (W.B. voted in favour and S.B. voted against). b) Abstained along with India and A-AG on the W.B. res. A/C.1/L.305 and 1740 (XVI). (W.B. voted in favour and S.B. against) 	

1	2	3	4	5
	1962 (17th Session)		a) Voted in favour of the USSR d. res. A/C.1/L.318 along with S.B. and a few A-AG countries. (India, along with Israel and Arab countries abstained and W.B. voted against)	
			b) Abstained along with A-AG on the US d. res. A/C.1/L.321. (India along with W.B. voted in favour and S.B. voted against)	
	1963 (18th Session)		a) Abstained on the Mongolian res. A/C.1/L.334 and 335 along with A-AG. (W.B. voted against and S.B. voted in favour)	
			b) Abstained on W.B. res. 1964 (XVIII) along with India. (W.B. voted in favour and S.B. voted against)	
	1965 (20th Session)		a) Abstained along with India and A-AG on: a) the US res. A/C.1/L.356. (S.B. voted against and W.B. voted in favour); b) the USSR res. A/C.1/L.360. (India along with W.B. voted against and S.B. voted in favour)	
			c) the W.B. res. A/C.1/L.335 and 2132 (XX) (in favour - India and W.B., Against - S.B.)	
5. Cuban Question	1960 (15th Session)		a) In favour, along with India, the A-AG and the S.B. of the Mexican d. res. A/C.1/L.275 and A/4744. (Against: W.B.) b) Against S. American move amended by Sudan and Saudi Arabia, A/C.1/L.276 and 278 along with India, the A-AG and the S.B. (In favour: W.B.)	1) Voted with India and the A-AG. 11) Took an anti-W.B. stand.

1	2	3	4	5
			c) Abstained along with India and the A-AG on res. 1616 (XV). (In favour - W.B. Against - S.B.)	
	1961 (16th Session)		In favour of Mongolian d. res. A/L.385/Rev.I along with India, A-AG and S.B. (Against - W.B.)	
6. The Algerian Question	1957 (12th Session)		Against W.B. amendment to her own move along with S.B. res. A/C.I/L.194 and 196. (Favour - W.B.)	i) Took initiatives. ii) Did not vote differently from India. iii) Opposed W.B. iv) Was found in the company of the S.B.
	1958 (13th Session)	a)	Sponsored and voted in favour, along with India, A-AG and S.B. res. A/C.I/L.232.	
		b)	In favour, d. res. A/4075, along with India, A-AG and S.B. (Against - the UK, Abstain - the USA).	
	1959 (14th Session)		Sponsored and voted in favour, along with India, A-AG and S.B. res. A/C.I/L.265 and res. 1573 (CV). (Against - W.B.)	
	1960 (15th Session)		Sponsored and voted in favour along with India, A-AG and S.B. res. A/C.I/L.265 and res. 1573 (XV). (Against W.B.)	
	1961 (16th Session)		Sponsored and voted in favour, along with India and A-AG, res. A/C.I/L.308; Add.1.2 and res. 1784 (XVI). (Abstained - W.B.)	
7. China's Representation in the UN	1957 (12th Session)	a)	In favour of India's amendment to the US d.res. A/L.224 and A/3670, along with India, A-AG and S.B. (Against - W.B.)	i) Voted with India, A-AG and S.B. ii) Opposed W.B.'s attempts to keep China out of the UN iii) Took initiatives by sponsoring res. as also by proposing amendments.
		b)	Against the US d.res. (a), res. 1135 (XII), along with India, A-AG and S.B. (In favour - W.B.)	
	1959 (14th Session)		Against the W.B. res. 1351 (XIV), along with India, A-AG and S.B. (Moved an amendment but in vain. (In favour - W.B.)	
	1960 (15th Session)		Against W.B. res. 1493 (XV) along with India, A-AG and S.B. (Moved two amendments but in vain). (In favour - W.B.)	

	1931 (16th Session)	a) In favour, along with India, A=AG, and S.B. on the Soviet res. A/L.360. (Against = U.B.) b) Against the U.S. moved res. A/L.372 and 375, along with India, A=AG and S.B. (In favour = U.B.)	
	1932 (17th Session)	In favour, along with India, A=AG and S.B., on the Soviet do. res. A/L. 395 (Against = U.B.)	
	1933 (18th Session)	In favour, along with India, A=AG and S.B. on Albania and Cambodia's do. res. A/L.427 and Add.l. (Against = U.B.)	
	1965 (20th Session)	a) Against U.S. res. 2025 (XX), along with India, A=AG and S.B. (In favour = U.B.) b) In favour along with India, A=AG and S.B. (Against = U.B.)	
8. Tibetan Question	1959 (14th Session)	Against Malaya and Ireland moved res. 1353 (XIV) along with India, A=AG and S.B. (In favour = U.B.)	i) Always voted against the U.S. move to include the Tibetan Question in the UN agenda.
	1960 (15th Session)	Voted against the inclusion of the Tibetan Question in the UN agenda, as in 1959.	ii) Voted differently from India.
	1961 (16th Session)	-do-	iii) Voted with S.B.
	1965 (20th Session)	Against the U.S. and India sponsored res. 2079 (XX) along with the S.B. (In favour = India and U.S.)	

1	2	3	4	5
9. Congo Crisis	1960 (15th Session) IV Special Emergency Session	<p>a) Sponsored and voted along with India, A-AG and W.B. in favour of res. 1474 (ES.IV). (Abstain - S.B. Against - none)</p> <p>b) In favour, along with W.B. on res. 1498 (XV). (Against - India, A-AG and S.B.)</p> <p>c) Sponsored along with India, A-AG, res. 1599 (XV) but voted against (due to the amendment introduced by the latter) along with Belgium, Portugal, S. Africa, etc. (In favour - India, A-AG and S.B., Abstained - W.B.)</p> <p>d) In favour, along with W.B. on res. 1600 (XV) (Against - S.B., Abstain - India and A-AG).</p> <p>e) Abstained along with Malaya and Cambodia on the Soviet d. res. A/L.341 and Corr. 1. (In favour - India, A-AG and S.B., Against - W.B.)</p> <p>f) In favour, India and A-AG sponsored res. 1601 (XV). (Against - Congo, Portugal and Spain, Abstain - W.B. and S.B.)</p>	<p>1) Took initiative and sponsored moves.</p> <p>11) Sided with W.B.</p> <p>111) Voted differently from India and A-AG.</p>	
10. Disarmament Questions.	1957 (12th Session)	<p>a) Abstained along with India and A-AG on res.(s) A/G.1/L.175 and 179; 1148 (XII); A/C.1/L.174.</p> <p>b) In favour, along with India, A-AG and S.B. on India's d. res. A/C.1/L.176 and A/L.232.</p> <p>c) Abstained along with India and A-AG on S.B. sponsored res.(s). A/C.1/L.797, A/L.230. (In favour - S.B., Against - W.B.)</p>	<p>1) Voted with A-AG.</p> <p>11) Voted with India except on the question of international verification of Nuclear and Armament depots, when India sided with the W.B.</p> <p>111) Kept away from the Power blocs.</p>	

- d) In favour along with India, A-AG and W.B. on India, Japan, Canada, Yugoslavia sponsored res. 1150 (XII), Belgium's A/3630 amended by Poland, and res. 1149 (XII). (Against - S.B.)
- 1958
(13th Session) Voted with India and A-AG on all res.(s)
(Sponsored two)
- 1959
(14th Session) Voted with India and A-AG on all res.(s).
(Sponsored one)
- 1960
(15th Session) Voted and sponsored all res.(s) with India.
- 1961
(16th Session) a) Voted with India, A-AG and S.B. on res. A/C.1/L.297.
b) Abstained along with A-AG, on the US res. A/C.1/L.281. (In favour - W.B., Against - India and S.B.)
c) In favour along with India, A-AG and W.B. on res. A/C.1/L.288 and Rev., res. 1632 (XVI). (Against - S.B., The USSR was appealed not to explode 50 Megaton Bomb.)
d) Abstained along with A-AG on W.B. d. res. A/C.1/L.280. (In favour - India and W.B., Against - S.B., Verification of Nuclear and Arms depots.)
- 1962
(17th Session) a) Voted with India and A-AG on all res.(s).
b) Abstained along with A-AG, on W.B. d. res. A/C.1/L.311 (for Treaty on International Verification). (In favour - India and W.B., Against - S.B.)

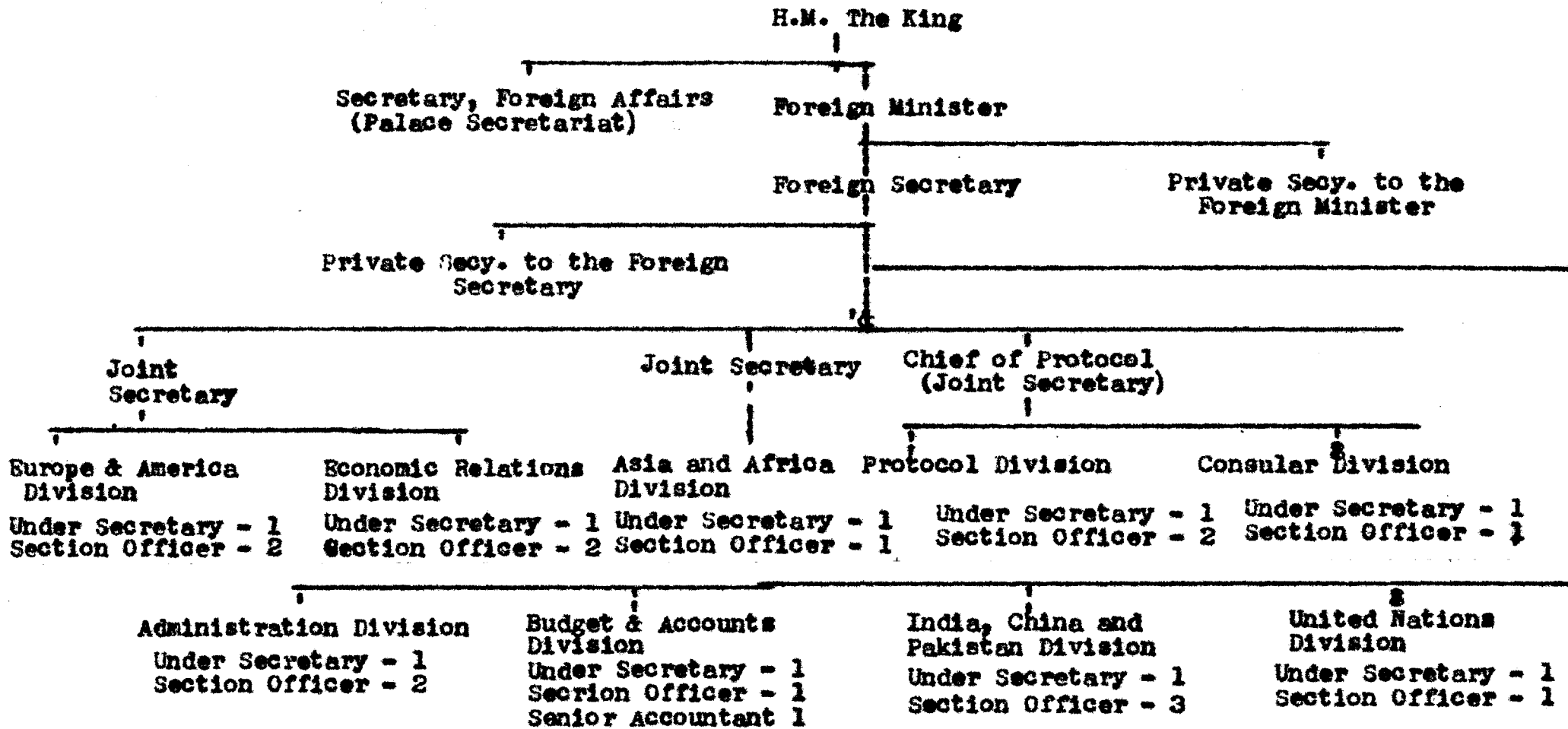
1	2	3	4	5
		1963 (18th Session)	Voted with India and A-AG on all res.(s)	
		1965 (20th Session)		-do-
		1966 (21st Session)		-do-

Note: * India has specially been mentioned in view of the presumption that she was in position to exercise influence on Nepal's behaviour and there was a greater possibility of the latter being guided by the former.

SOURCE: Tabulated from the UN Records.

Appendix IV

STRUCTURE OF THE MINISTRY OF FOREIGN AFFAIRS, HMG, NEPAL



SOURCE: ANNUAL REPORT 1967-68, Ministry of Foreign Affairs,
HMG, Nepal, Kathmandu, Appendix I(A).

Appendix V

**TREATY OF "PEACE AND FRIENDSHIP" BETWEEN
THE GOVERNMENT OF INDIA AND
THE GOVERNMENT OF NAPAL**

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 having 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 Govern-
ments agree mutually to acknowledge and respect the complete
sovereignty, territorial integrity and independence of 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 those granted to persons of a similar status of any other 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, ports and other places in each other's territory as may be agreed to.

Consuls-General, Consuls, Vice-Consuls and consular agents shall be provided with exequaturs or other valid authorization of their appointment. Such exequatur or authorization is liable to be withdrawn by the country which issued it, if considered necessary. The reasons for the withdrawal shall be indicated wherever 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 free 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 token 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 Governments 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 previous treaties, agreements, and engagements entered into on behalf of India between the British Government and the Government of Nepal.

ARTICLE 9

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

ARTICLE 10

This 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.) MOHUN SHAMSHER
JANG BAHADUR RANA.**

For the Government of Nepal.

Letter exchanged with the Treaty

KATEMANDU
Dated the 31st July '50

EXCELLENCY,

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 recognize 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 to 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 of 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 Excellency, the assurances of my highest consideration.

Sd/- MOHUN SHAMSHER JANG
BAHADUR RANA
Majaraja, Prime Minister and
Supreme Commander-in-Chief
of Nepal.

To

His Excellency
Shri Chandreshwar Prasad Narain Singh,
Ambassador Extraordinary and Plenipotentiary of India
at the Court of Nepal, Indian Embassy,
Kathmandu.

Appendix VI

**Treaty of Peace and Friendship Between the
People's Republic of China and
the Kingdom of Nepal**

(April 28, 1960)

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 co-operation between the People's Republic of China and the Kingdom of Nepal is in accordance with the fundamental interests of the peoples 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 of the State Council;

His Majesty the King of 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 I

The Contracting Parties recognize and respect the independence, sovereignty and territorial integrity of each other.

ARTICLE II

The Contracting Parties will maintain and develop peaceful and friendly relations between the People's Republic of China and the Kingdom of Nepal. They undertake to settle all disputes between them by means of peaceful negotiation.

ARTICLE III

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

ARTICLE IV

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 V

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 limit, 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.

Done in duplicate in Kathmandu on the twenty-eighth day of April 1960, in the Chinese, Nepali and English languages, all texts being equally authentic.

(Signed) Chou En-lai
Plenipotentiary of the People's
Republic of China

(Signed) B.P.Koirala
Plenipotentiary of the Kingdom
of Nepal

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D. Newspapers and Magazines

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- Samiksha (Kathmandu, Weekly, Nepali)
- Samyukta Prayas (Kathmandu, Weekly, Nepali)
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Sharda (Kathmandu, Monthly, Nepali)

Swatantra Samachar (Kathmandu, Daily, Nepali)

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(ii) Indian Newspapers and Journals

Aaj (Banaras, Daily, Hindi)

Amrita Bazar Patrika (Calcutta, Daily, English)

Asian Recorder (New Delhi, Weekly, English)

Foreign Affairs Record (New Delhi, Publicity Division, Ministry of External Affairs, Government of India, official)

Free Press Journal (Bombay, Daily, English)

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New Age (New Delhi, Weekly, English)

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(iii) OthersChina Monthly Review (Shanghai, China)Far Eastern Economic Review (Hongkong, Weekly)Guardian (Rangoon)New China News Agency (Peking)New York Times (New York)Peking Review (Peking)People's Daily (Peking)Survey of the Chinese Mainland Press (Hongkong)