

INDIA AND POLITICS OF MODERN NEPAL

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TO MY STUDENTS

PREFACE

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

India has inherited her northern frontier from the British. The basic problem of the frontier also remains the same, namely, the danger of foreign invasion or of infiltration through the mountaneous region of the north. A critical study of the British way of tackling this problem is certainly of great value to Independent India, though she obviously cannot follow the British policy unconditionally. Circumstances have changed, and the outlook of the Indian government is also not the same as that of the British. But whatever may be the outlook of a government, certain factors influencing the foreign policy of a country remain constant, and these constant factors tend to give an element of continuity to the foreign policy of a state. Whatever may be the ideology of a government, it cannot ignore the factor of geography nor the logic of power politics. In so far as the foreign policy of a country is determined by constant factors, the Indian policy towards the north will be a continuation of the British policy. This does not preclude changes, because, the foreign policy of a country depends largely also on factors which are variable. And many of the factors influencing the northern policy of India have profoundly been changed since the withdrawal of the British in 1947.

In the north the Indo-Tibetan frontier extends over 1800 miles, and a number of scholarly volumes have been written on the Indian policy towards Tibet in the context of the policy followed by the British towards that region.¹ In the middle sector of this frontier lies Nepal, an independent country, extending about 500 miles from east to west with a breadth varying from 80 to 144 miles. A small country in the lap of the Himalayas, Nepal, with a territory approximately of 54,000 square miles and a population of 9½ million, skirts the borders of Uttar Pradesh, Bihar and West Bengal of India. In this sector the actual frontier of India has no contact with the territory of Tibet, and, therefore, this part of the frontier has a problem of its own.

1. See, among others, P. C. Chakravarti, *India's China Policy* ; John Rowland, *A History of Sino-Indian Relations* ; M. W. Fisher, L. E. Rose, Robert Huttenback, *Himalayan Battleground, Sino-Indian Rivalry in Ladakh*.

Nepal has a long frontier with Tibet in the north and India in the south but she provides a narrow space in between them. The loftiest peaks of the Great Himalayas lie to the north of Nepal separating her from Tibet. This great Himalayan range serves as a rampart—a formidable physical barrier—to guard the approach to India from the north. There is no strong natural barrier dividing the plains of northern India from the valleys of Nepal except the belt of forest and swamps in the Terai region which, in the present day, is no obstacle worth the name. The natural line of defence of India must, therefore, lie on the northern frontier of Nepal. This is a situation created by geography. Safety of India depends upon the safety of the northern frontier of Nepal. Safety of the northern frontier of Nepal is however not naturally guaranteed in spite of the majestic existence of the mighty Himalayas. The natural barrier of the Himalayas separating Tibet from Nepal was never as impregnable as is popularly imagined. There are a number of passes connecting Nepal with Tibet, such as the Takla Khar pass, the Mustang Pass, the Kuti pass, the Hatia pass, the Vallong pass. The famous Tibetan king Srong-tsan Gampo invaded India from Tibet through Nepal in the middle of the seventh century. In 1790 the Gurkhas invaded Tibet through the Trisuli-Gandaki pass, and this was followed by the invasion of Nepal in 1792 by a large Chinese army through the same pass. In 1854 Nepal, then under the control of Jung Bahadur, the founder of the Rana regime, again invaded Tibet and defeated her in 1856. A strong power entrenched in Tibet may, therefore, threaten the security of Nepal, and, through Nepal, that of India. Therefore, India must remain vitally interested in the defence arrangement of the northern frontier of Nepal. Nepal is an independent country, and the vital concern of India in her defence arrangement must create complications and a peculiar problem of its own. Geographically Nepal is almost an extension of the Gangetic plain but politically she is independent. This divergence between the geographical frontier and the political frontier has created the problem. The Indian policy towards Nepal must be based upon the acceptance of these facts, one being the compulsion of geography, and the other, the legacy of history.

The independence of Nepal in spite of the expansion of British empire throughout India is an accident of history. The British came

in contact with Nepal at a very early stage. The initial stage of the expansion of the British power in India synchronised with the rise of Prithvi Narayan Shah (1769-1775), the Gurkha chief, in Nepal. Nepal was previously divided into four sovereign principalities, Kathmandu, Patan or Lalita Patan, Bhatgong and Gurkha. It was Prithvi Narayan Shah who brought them together and thus laid the foundation of modern Nepal. When his territory was invaded by Prithvi Narayan Shah, the Newar chief Jayaprakash Malla, the ruler of Kathmandu, asked for the British help, and in response to his appeal, a British army under the command of Capt. Kinloch was sent to Nepal. This expedition, however, failed, and the British could not prevent Prithvi Narayan Shah from bringing the whole of Kathmandu valley under his rule. This victory of Prithvi Narayan was an event of great historical significance. "If Jayaprakash Malla had his way", writes D. R. Regmi, "the English would have been in the saddle in Kathmandu since 1767...even if the Kathmandu ruler might not have liked it."² In order to protect his country against foreign encroachment, Prithvi Narayan Shah prohibited the entry of foreign travellers into Nepal, and he is reported to have observed: "The foreign traders come to our country and reduce our people to destitution."³

The East India Company however made various attempts to establish trade relation with Nepal, and to revive through Nepal the customary commercial relation with Tibet which was stopped by the Gurkhas.

Mr. James Logan was sent to Nepal for establishing British commercial relations, but this mission could not achieve any success. During the time of Lord Cornwallis (1786-1793) an Anglo-Nepalese commercial treaty was however signed on 1 March 1792. Nepal agreed to sign this treaty because she, at that time involved in a war with China, had appealed to the British for assistance. The commercial treaty was a concession granted to the British by Nepal in expectation of their help in the war against China. After the conclusion of the treaty Lord Cornwallis did not send any military

2. D. R. Regmi, *Modern Nepal—Rise and Growth in the Eighteenth Century*, p. 90.

3. Yogi Narharinath and Babu Ram Acharya, eds., *Prithvi Narayan Shah Deva Ko Divya Updes*, pp. 18-19.

assistance to Nepal, but offered to mediate between the Nepalese and the Chinese governments, and for this purpose he decided to send Captain Kirkpatrick to Nepal. Meanwhile, the war between Nepal and China came to an end, and Nepal requested the Company not to send Capt. Kirkpatrick. But the British nevertheless sent him to Kathmandu for the purpose of strengthening the Anglo-Nepalese friendship. Kirkpatrick mission however failed to bring any improvement in the Anglo-Nepalese commercial relation. Nepal showed little interest in developing relation with the Company. "The Anglo-Nepalese commercial treaty signed in 1792 was more or less a counsel of despair in so far as the Nepal government was concerned, and as soon as the compelling circumstances were over, the treaty was considered to have had out-lived its necessity."⁴ The mission of Kirkpatrick was however important in the sense that it made Nepal known to the English. The failure of this mission was followed by the dispatch of another, headed by a native, Maulvi Abdul Qadir, a Bengali Muslim of a highly family. This mission ended during the time of Sir John Shore, also could not achieve, any significant success, because the attitude of Nepal was still very cold and not at all encouraging for the expansion of the trade relation with the Company. Later on Lord Wellesley (1798-1805), taking advantage of the internal trouble of Nepal, forced the ruling faction of that country to sign another commercial treaty with the Company in 1801. The ruling authority of Nepal feared that the British might champion the cause of the deposed King Rana Bahadur and send an army in Nepal to reinstate him to the throne. The Regent of Nepal, therefore, agreed to accept a permanent British Resident in Kathmandu, and Captain Knox was sent there in 1802 as the British Resident. Capt. Knox, however, found that the Nepalese were extremely unwilling to have any closer relation with the British government. When Rana Bahadur's eldest queen Tripura Sundari returned to Kathmandu, she overthrew the regency, and took the charge of the young Raja and the government herself. There was no sincere desire on the part of the Nepal government to cultivate British friendship, or to implement the stipulations of the treaty of 1801. Under such circumstances, the Governor General considered

4. K. C. Chaudhury, *Anglo-Nepalese Relation*, p. 72.

the treaty as dissolved, and Capt. 'Knox was withdrawn from Kathmandu. The only result of the establishment of the temporary residency in Kathmandu "was the acquisition of the first hand information of the political weakness of the country during that period." ⁵

After the dissolution of the treaty of 1801 Rana Bahadur Shah returned to Nepal, and made Bhim Sen Thapa the Prime Minister after removing Damodar Pande from this post. Bhim Sen Thapa was an ambitious and powerful ruler, and extended considerably the Nepalese rule towards the west. There was a fear of a war between Nepal and the Sikh State of Ranjit Singh which however did not break out. Simultaneously with the attempts at expansion towards the west, the Nepal government tried to extend their frontier towards the south also. These attempts gave rise to a number of border conflicts with the British, which ultimately, during the time of Lord Hastings (1813-1823) resulted in the outbreak of a war (1814). In the war the Nepalese, after a gallant fight, were defeated. It came to an end by the treaty of Sagauli which was ultimately signed and ratified by Nepal in March 1816. By this treaty Nepal ceded to the British the districts of Garhwal and Kumaon and the Terai region west of the Gandak. She also agreed to receive a British Resident in Kathmandu and to withdraw from Sikkim. Nepal was reduced to its present size by this treaty. The British got the sites for the principal hill stations of India such as Simla, Mussoorie, Almora, Ranikhet and Nainital. At the end of 1816 Lord Hastings modified the treaty and a portion of the Terai was restored to Nepal.

The Anglo-Nepalese relation remained quiet for many years after the conclusion of the treaty of Sagauli. Bhim Sen Thapa followed during that period a policy of peace and non-interference towards the Company. The political equilibrium of Nepal was however suddenly upset by the death of Maharani Tripura Sundari Devi in April 1832. The Nepal Durbar was then reduced to a state of chaos and confusion, full of intrigue and conspiracy. Bhim Sen Thapa was removed from power and Ranajung Pande was made the Prime Minister (1837). The new Nepal government reversed the

5. *Ibid.*, pp. 139-40.

pacific policy followed by Bhim Sen Thapa towards the British since the Sagauli treaty, and tried to revive the old policy of aggression and expansion. In 1840 the Nepalese troops entered into a large number of British villages in the Ramnagar district. Lord Auckland (1836-1842) was extremely annoyed with these developments, and he would possibly have started a war with Nepal but for the difficulties in the Afghan war. The British Resident in Kathmandu, Hodgson, a man of peace, however, adopted a strong attitude towards the Nepal *Durbar*, and villages in Ramnagar district were restored to the Company. Due to his preoccupations with the Afghan war, Lord Auckland left his Nepal policy almost entirely in the hands of the British Resident, Hodgson. Lord Ellenborough (1842-1844) was, however, determined to follow a more vigorous policy towards Nepal. He appointed Major (later Sir) Henry Lawrence the Resident in Kathmandu replacing Hodgson. The new Resident was instructed by the Governor General to carry out the new policy. His bellicose scheme towards Nepal "were frustrated merely by the accident of the recall of the Governor General himself."⁶

The history of Nepal soon entered into a new phase with the establishment of the Rana regime by Jung Bahadur in 1846. Jung Bahadur fully understood that the Company was far superior to Nepal in military strength, and, therefore, he made it a point to follow a policy of co-operation with the British power. His offer of the Gurkha army to the British during the time of the Anglo-Sikh war (the offer was however not accepted) was a clear indication of his policy towards the British power in India. In 1850 he undertook a diplomatic journey to England and was much impressed by the military and industrial might of Great Britain. During the Sepoy Mutiny of 1857 he helped the East India Company with the Gurkha Army, and, in return, the British Government gave the part of the Terai region, still under their possession by the treaty of Sagauli, back to Nepal. The Rana Prime Minister Chandra Shumsher (1901-1929) attended the Coronation Durbar held in New Delhi in 1903, and he played a significant part in the preparation of the terms of peace between the British government and the Tibetan authorities during the time of Colonel Younghusband's expedition

6. B. D. Sanwal, *Nepal and the East India Company*, p. 221.

to Lhasa in 1904. During the World War of 1914 he proved to be a loyal friend of the British government, and placed the whole military resources of Nepal at their disposal. In 1923 Britain and Nepal concluded a new treaty by which the former clearly recognised Nepal as an independent sovereign country. In the Second World War also Nepal rendered valuable assistance to the British. During the Rana regime Nepal's loyalty to Britain was beyond suspicion.

The Anglo-Nepalese relation, stated above in brief outline, clearly indicates that in the initial stage it was not in any way different from the relation which the East India Company had with many of the States of India that were gradually, on some pretext or other, annexed by them. The covetous eye of the British fell on Nepal quite early. Nepal gave the British enough provocation for the use of force by refusing to enter into normal trade relation with her and by creating border trouble. The British had opportunity of taking advantage of the internal disputes of Nepal to extend her sway in the country. The condition of Nepal after the fall of Bhim Sen Thapa from power was almost similar to that of the Punjab after the death of Ranjit Singh. Energetic and vigorous officers of the Company such as Sir Charles Napier and Major Lawrence, the Resident in Kathmandu, did favour a policy of ultimate annexation of this Himalayan Kingdom. The annexation of Nepal would have given India the natural frontier of the Himalayas. But Nepal was able to escape this fate which was almost decreed by history and seconded by geography. The Company spared Nepal by inflicting defeat only in one war. How to account for this ?

It has been argued that the geography of the country and the martial qualities of the sturdy Gurkhas enabled Nepal to retain her independence. It has been pointed out that "in a difficult terrain, without any line of communication with the outside world, it was difficult even for the British Government in India to keep control over Nepal."⁷ General Ochterlony who commanded the British army in the war with Nepal was very much impressed with the bravery of the Gurkha soldiers, and he is reported to have said : "the Company's soldiers.....could never be brought to resist the stock of these energetic mountaineers on their own grounds."

7. Satish Kumar, *Rana Polity in Nepal—Origin and Growth*, p. 2 (Introduction).

Though not decisive, these arguments offer partial explanation of the phenomenon. Secondly, Nepal used the vague claims of the Chinese suzerainty upon herself⁸ as an excuse for not entering into direct relation with the East India Company on many vital matters. It may be that "the entire show of alliance with the Chinese was devised in order to frustrate the attempts of the East India Company's Residents to bring Nepal into the subsidiary state system of the Company's Government."⁹ The British might have feared that the annexation of Nepal would affect adversely her trading rights and commercial interest in China, and further it might give China an excuse to bring Tibet completely under her control. Thirdly, certain purely accidental factors also helped Nepal to preserve her independence. Marquis of Hastings (1813-1823) who declared war against Nepal in 1814 was followed by Lord Amherst (1823-1828), and he was succeeded by Lord William Bentinck (1828-1835). They did not follow a policy of aggression and territorial expansion. In 1836 came Lord Auckland (Sir Charles Metcalfe was the Governor General of India for a short period after Bentinck) who, in spite of provocations from Nepal, could not follow a policy of aggression towards the north mainly because of the difficulties of the Afghan War. Moreover, the British Resident in Kathmandu B. H. Hodgson,¹⁰ the great orientalist, was a man of peace, and he tried his best to avoid a war with Nepal. Lord Ellenborough (1842-1844), the successor of Lord Auckland, decided to follow, as it has already been pointed out, a vigorous policy towards Nepal, and with that end in view made Major Henry Lawrence the Resident at Kathmandu in place of Hodgson. But he could not carry out his policy because he was recalled in 1844. On his recall, Lord Hardinge (1844-1848) was chosen as his successor. It was during his time that Jung Bahadur became the Prime Minister of Nepal (17 September 1846) and established the Rana regime in the country. Jung Bahadur, like Ranjit Singh, understood that to maintain the independence of his state he must follow a policy of unconditional friendship with the British power. The successors of Jung Bahadur, unlike those

8. See Chapter IV for discussion on "Nepal and China—their past relation"

9. B. D. Sanwal, n.6, p. 219.

10. The first British Resident in Kathmandu was Edward Gardner who was succeeded by Hodgson in 1829.

of Ranjit Singh, were able to continue this policy towards the British. Therefore, Nepal remained independent, though within the shadow of the British empire.

Another important factor which enabled Nepal to maintain her independence was the absence during the regime of the Company of any military threat which might endanger the British empire through Nepal from beyond the Himalayas. The Russian danger was felt in the northwest, and the fear of the Russian invasion through Afghanistan led to two Anglo-Afghan wars. Later on, when the Russian danger was felt in Tibet, it did not lead to any war with Nepal mainly because of two reasons. First, the ruling authority of Nepal had no contact with the Russians, and their loyalty to the British was beyond suspicion. Secondly, it was found possible to turn Tibet, an autonomous region beyond the Himalayas, into a buffer state. The British rulers of India were alarmed at the prospect of the Russian protectorate over Tibet. They opposed it both by force and by diplomacy, and ultimately the Anglo-Russian convention was concluded in 1907. By it both Britain and Russia, among many other important provisions, agreed to approach Tibet not directly but through China whose suzerainty over Tibet was acknowledged. In those days China was a weak country, and, therefore, recognition of her suzerainty over Tibet constituted no danger to the security of British India.

The conclusion of the Anglo-Russian convention was soon followed by the appearance of the Chinese problem in Tibet. Under the command of Chao Ehr-feng, the Chinese invaded Tibet in 1909, and entered into Lhasa in February 1910. The Dalai Lama thereupon made his escape to India. The whole of the northern frontier became active, and the Chinese made attempts to reassert their former claims to suzerainty over Nepal and Bhutan. Though the revolution of 1911 brought the Chinese problem in Tibet virtually to an end, still the British government tried to solve the problem on a secure basis by the Simla Convention of 1914. The British government, it should be noted, refused to recognise the Chinese sovereignty over Tibet and insisted upon the proper maintenance of Tibetan autonomy. Moreover, in the Simla Convention Tibet was divided into two parts, Inner Tibet and Outer Tibet, and the Chinese were prevented from maintaining any army in Outer Tibet which

touched the frontier of India. By eliminating the Russian influence in Tibet, by recognising the suzerainty of the weak China over her, by emphasising the Tibetan autonomy, and by preventing China from maintaining any army in Outer Tibet, the British government ensured the safety of the outer line of defence of the northern frontier of India.

The existence of the outer line of defence in Tibet made the inner line of defence in Nepal relatively less important. As a buffer state Tibet was considered to be an ideal. Explaining its significance as a buffer state Sir Charles Bell wrote :

“We want Tibet as a buffer to India on the north. Now there are buffers and buffers, and some of them are of very little use. But Tibet is ideal in this respect. With the large desolate area of the Northern Plains controlled by the Lhasa Government, central and southern Tibet governed by the same authority, and the Himalayan border states guided by, or in close alliance with, the British India Government, Tibet forms a barrier equal, or superior, to anything that the world can show elsewhere.

“Tibet desires freedom to manage her own affairs. Her people resent foreign interference. And it is well that it should be so, for thus is the barrier most efficient.”¹¹

After the withdrawal of the British from India, changes of far-reaching significance have taken place in the political set-up of the countries lying to the north of India. Communism has been established in China, and China is today one of the strongest military powers of the world. The whole of Tibet has been brought under the direct control of China, and the ideal buffer state of the past has been turned into a base of military operation. The Ranas have lost their power in Nepal, and Nepal today is a full-fledged International Person, having diplomatic relations with a large number of countries including Communist China. Strongly entrenched in the roof of the world, armed with nuclear weapons, and fired with the red revolutionary ideology, China is now a great problem for India. The outer line of defence erected by the British government for the security of the northern frontier of India has been demolished. The inner line of defence has also been seriously damaged. The

11. Sir Charles Bell, *Tibet Past and Present*, p. 246.

INTRODUCTION

construction of the Kathmandu-Kodari road has connected the capital of Nepal with that of Tibet by road. Today, in the opinion of one author, "the largest and perhaps weakest link in India's frontier defence network is Nepal".¹² Under the present circumstances, the Indo Nepal relation has thus assumed a new importance. A detailed study of this problem is necessary. This book is written with that end in view.

12. Lowell Thomas, Jr., *The Silent War in Tibet*. p. 226.

CHAPTER TWO

INDIA AND THE REVOLUTIONARY POLITICS OF NEPAL

The British policy towards Nepal after the establishment of the Rana regime was based upon two basic principles ; first, to give full support to the Rana government which was able to maintain efficiently the internal stability of the country ; secondly, to keep Nepal within the British sphere of influence. By this policy Britain was able to maintain Nepal as a buffer state along the southern slopes of the Himalayas ensuring the safety of the northern frontier of India. Independent India was also in need of a friendly regime in Nepal. The establishment of the communist government in China and the extension of Chinese rule over Tibet made this need more imperative. But Indian policy could not be a carbon copy of the British policy. Circumstances had changed and the outlook of the Indian government was different.

Indian policy towards Nepal—its moral and political Foundation.

The British policy of lending full support to the Rana regime in Nepal appeared to India as morally indefensible and politically inexpedient. The Rana regime was the autocratic rule of a family over the nation. It had no moral foundation. India, however, could have remained indifferent to the autocratic character of the Nepalese government if it were not threatened by a strong democratic movement. The Rana government was no longer in a position to maintain stability in the country, and in that sense it had outlived its utility for India. After the second world war the whole of Asia was in turmoil. India became independent, communism was established in China, and Tibet came under the occupation of Communist China. The wind of change blowing both from the north and south of Nepal was too strong to leave this small Himalayan kingdom undisturbed. The Rana rule became a complete anachronism, and a change of the status quo appeared inevitable. If India did not come forward to direct this change along the democratic path, China would certainly have utilised the anti-Rana feelings of the people to her own advantage. Time was ripe for the end of the Rana rule but the system that would replace it was still uncertain. To forestall the influence of Chinese communism, if not for anything else, India had to interfere in Nepalese politics in

favour of the democratic forces. This motivation of India is clear from the statement of the Prime Minister Nehru in the Parliament on 17 March 1950. He said that if freedom was not established in Nepal "forces that will ultimately disrupt freedom itself will be created and encouraged." Therefore the Indian government, he said, had advised the government of Nepal "to bring themselves into line with democratic forces that are stirring the world today."¹

Historical basis of the Indian Policy.

The Indian intervention in the politics of Nepal in favour of the forces of democracy, besides being morally right and politically wise, was historically almost inevitable. The close relation between India and Nepal in the past is well known. The modern age brought the two countries all the more closer. Though Nepal was not brought within the British empire, the intellectual renaissance which India experienced in the nineteenth century due to the introduction of Western ideas had its repercussions, though on a limited scale, upon Nepal.² The suppression of the Sati system—the self-immolation of the widow along with the dead husband on the funeral pyre—by Lord William Bentinck (1828-35) was a great triumph of the social revolution started in India by Raja Rammohan Roy (1772-1833) and others. Inspired by this example Jung Bahadur, the founder of Rana autocracy, tried to suppress this inhuman practice in Nepal. This custom was ultimately abolished by Chandra Shumsher who became the Prime Minister of Nepal in 1901.³

The Arya Samaj movement started in India by Swami Dayananda Saraswati (1824-1883) had a great impact upon Nepal. Madhav Raj Joshi, a Newari Brahmin, met Dayananda at Banaras and was much influenced by him. He started preaching the ideas

1. Jawaharlal Nehru's Speeches, 1949-1953, p. 146.

2. The history of this section is, unless otherwise mentioned, based upon the book of Balchandra Sharma, *Nepal Ko Aitihasik Ruprekha*, Chapter X.

3. Satish Kumar writes that Jung Bahadur, under the influence of his European tour, tried to discourage the practice of Sati in Nepal. *Rana Polity in Nepal — Origin and Growth*, P. 140.

of Dayananda at Pokhara and Kathmandu in 1893 during the time of Bir Shumsher. In 1896 he founded the 'Prachar Karyalaya' (Office for Propaganda) of the Arya Samaj at Kathmandu. Though Bir Shumsher did not approve of these activities, he could not adopt any effective measure to suppress them. It was left for Chandra Shumsher to take suppressive measures to eradicate these activities, which, he feared, might disturb the status quo of Nepal. In a debate Madhav Raj defeated the orthodox Brahmin priests of Nepal in the presence of Chandra Shumsher. In course of the debate, Madhav Raj passed critical remarks on Pasupatinath and other deities of Nepal, and so Chandra Shumsher inflicted severe punishment on him. He was mercilessly beaten in the court and was sentenced to imprisonment for two years. His two sons, Sukra Raj and Amar Raj, were expelled from the school. The followers of the Arya Samaj at Kathmandu were treated as outcasts and were forced to migrate to Birganj. On his release, Madhav Raj came to India, and settled at Darjeeling. One Arya Samajist leader of the Punjab, Gurudatta, came afterwards to Nepal to propagate the ideas of the Samaj but he too was expelled from the country.

The movement, blazed by Madhav Raj, however, continued in spite of the policy of repression. Amar Raj Joshi, a son of Madhav Raj, and Vakpati Raj again came to Kathmandu, and started a branch of the Samaj there. They were assisted by a number of Nepali citizens, such as Fateh Bahadur, Chandraman Maske, Tulsi Meher, Chakrabahadur Amatya and others. Amar Raj was the President, Chakrabahadur Vice-President and Vakpati Raj Mantrin of the newly established organisation. The Rana government, however, did not allow the new organisation to continue its activities. The members were arrested, and Amar Raj, Chakrabahadur and Tulsi Meher were imprisoned. But due to the activities of the Kathmandu Arya Samaj a new consciousness arose among the youths. Under the banner of a new organisation, called *Malami Guthi*, started by Satyacharan, the work of the Arya Samaj was renewed. It also did not last long, and fell a victim to the Rana policy of oppression. Satyacharan was forced to pay a fine for his activities. But the surging waves of the Arya Samaj movement of India touched the Himalayan kingdom of Nepal in spite of the iron curtain raised by the Ranas.

After the First World War a new political consciousness arose in India under the guidance of Mahatma Gandhi, and it had its effect on Nepal also. The Gurkha soldiers of Nepal who played a glorious role in the war and were highly admired by the foreigners became extremely dissatisfied with the conditions prevailing in their country. Contact with the foreign civilization aroused new aspirations in the hearts of the Nepali soldiers. During this time a new political consciousness began to develop in Nepal. A new group of leaders such as Subba Devi Prasad Sapkota, Krishna Prasad Koirala (father of B. P. Koirala), Dharani Dhar Sharma, Thakur Chandra Singh and others tried to inspire the Nepali people with new ideas. But the Rana autocracy made it impossible for them to work freely inside the country, and, therefore, many of them had to come to India. They started working for the regeneration of Nepal from the sanctuary provided by this country. Naturally they were much influenced by the political thoughts and movements of India. Subba Devi Prasad Sapkota, disgusted with the policy of Chandra Shumsher, came to Banaras, and published from there a weekly journal called the *Gorkhali*. In his journal he began to criticise the Rana system openly. Krishna Prasad Koirala, the father of B. P. Koirala and M. P. Koirala, "was a small landowner and trader, Brahmin by caste, who dared to indulge in anti-Rana politics, and paid the penalty of exile to India."⁴ He was largely influenced by the ideas of Gandhiji, and realised the need of a patriotic literature in Nepali language, to which he, along with his disciple Dharani Dhar, made fruitful contribution. Krishna Prasad later returned to his country, but was arrested, and, without trial, thrown into jail where he died in 1943. Subba Krishnalal also tried to arouse the national feelings of the Nepalese through his little book *Makai Ka Khetti* (a book on the cultivation of maize). This book described the miserable plight of the Nepalese peasantry who produced maize but did not get enough of it for themselves. In the preface to his book he wrote that in Nepal foreign dogs were preferred to native dogs though the native dogs alone were useful in providing protection against thieves. This was considered to be a criticism of the pro-

4. Saul Rose, *Socialism in Southern Asia*, p. 71.

British policy of the Rana government, and, therefore, the writer was sent to the prison, and he died there.

In 1921 Thakur Chandan Singh opened a new organisation at Dehradun, called the *Gurkha League*, in order to arouse political consciousness among the Nepali soldiers, returned from the first world war. The League published two weekly journals, the *Gorkha Sansar* and the *Tarun Gorkha*. Chandan Singh was later on bought off by Chandra Shumsher, and the activities of the League came to an end. It is also held by some that he was forced to discontinue the activities of the League because of the betrayal by his associates who came under the influence of the Ranas.⁵

Tulsi Meher, a young social reformer, influenced by the Gandhian philosophy, introduced the *Charkha* movement in Nepal in 1926. The Rana government apparently considered the *Charkha* movement of Gandhiji as innocuous and even encouraged it in order to divert the attention of the Nepali youth from revolutionary ideas of modern politics. Tulsi Meher was actually sent by Chandra Shumsher to India on a government scholarship to receive training in the cottage industry at Gandhiji's *ashram*. But soon it became evident to the Ranas that the *Charkha* movement of Gandhiji was not an isolated phenomenon but an integral part of a revolutionary movement. Tulsi Meher, therefore, was not allowed to propagate the Gandhian ideas along with the *Charkha* movement. Bhima Shumsher succeeded Chandra Shumsher during the end of 1929, and soon after his succession a Civil Disobedience Movement broke out in India. Frightened by the revolutionary significance of the Gandhian ideas, the Rana government put Tulsi Meher behind the prison bar.

In 1930 a group of Nepali youngmen, under Gandhian influence, formed an association to educate the people about the evils of liquor, meat-eating, caste system, superiority of the Brahmins etc. They began to practise in their lives the virtues which they preached. This group also did not escape the Rana oppression, and they were forced to give up all their activities.

Nepal was influenced not only by Gandhian ideas but also by the violent underground revolutionary movement of India. The

5. D. R. Regmi, *A Century of Family Autocracy in Nepal*, p. 227.

exploits of Bhagat Singh had fired the imagination of a section of Nepali youth. In 1931 a group of young Nepalese led by Khanda Man Singh, Khadga Man Singh, Umesh Bikram Shah and others organised a secret society, called *Prachanda Gorkha*, in order to bring the Rana tyranny to an end, and establish a democratic regime under the rule of the king. But soon after its formation, the Rana government came to know of it, and all its leaders were arrested and severely punished.

A number of Nepali youngmen who came to India for higher education⁶ was much influenced by the Indian national movement, and, on going to their country back, they naturally tried to work for the regeneration of their people. Since the political movement was a taboo in Nepal, they opened in 1937 a new school, called the Mahavira School, to impart education to the Nepalese on modern principles which they found in India. But the Ranas afraid of all new experiments could not tolerate this school. The sponsors of the school tried to bring about a regeneration of the Nepali youth by other means also. They set up a new organisation, called the *Nepali Nagarik Adhikar Samiti*, for this purpose. A committee consisting of Sukra Raj Sastri, son of Madhav Raj Joshi, Kedarman 'Byathith', Rajalal and Gangalal was formed. The Samiti was a socio-religious organisation with no explicit political purpose. Sukra Raj came to India in search of a well known Pandit to help them in their work, and met Mahatma Gandhi and Madan Mohon

6. The first College in Nepal known as the Tri-Chandra College was started by Chandra Shumsher in 1918 and its contribution towards the regeneration of Nepal was considerable. "In Kathmandu, and among the students of the Tri-Chandra College, a liberal, even socialistic, tendency was rapidly developing." Sir Francis Tuka, *Gorkha—the story of the Gurkhas of Nepal*, p. 237.

It appears that Chandra Shumsher started this College reluctantly because while opening it he is reported to have described it as the grave yard of the Rana rule. Earlier in 1912 in course of a conversation with the British King George V, who came to India on a visit at that time, the same Rana ruler admitted lack of education in Nepal but pointed out that it was due to this lack of education that his country had no revolutionaries like Tilak and Gokhale.—Kashi Prasad Srivastava *Nepal Ki Kahini*, pp. 107-108.

In order to discourage the spread of education the Ranas were reluctant to give employment to educated people. Regmi, n. 5, p. 26.

Malaviya. But as soon as he came back to Kathmandu, he was put under surveillance. Kedarman 'Byathith' formed a *Seva Samiti* within this *Nagarik Samiti*, and during the Shivaratri festival, when a large number of Indians went to Nepal, the members of the *Seva Samiti* worked among them as volunteers without the permission of the government. Sankar Prasad who was in charge of the publicity of the Samiti sent a number of articles on the condition of Nepal for publication in different journals of India. Pandit Muralidhar explained the meaning of the Puranas in meetings organised by the Samiti, and through these meetings an attempt was made to rouse the masses from their slumber. As the Samiti attained popularity among the people of Kathmandu, it introduced a system of weekly classes. These classes, contrary to the rules of the Rana administration, were held without the permission of the government. Sukra Raj, the President of the Samiti, took the lead, and as he was delivering a lecture on the Karma Yoga of the Gita, he was arrested on the ground that the meeting was held without the permission of the government. Moreover, it was pointed out that the Newar people had no right to listen to the Gita. Excited by this arrest, Gangalal went to the dias, and spoke directly against the government. He, however, could not be arrested because the members of the Samiti helped him to escape. Pandit Muralidhar disclosed to the government the names of the members of the Samiti, and the government tried to arrest them but meanwhile many of them went underground. Thus the attempt to arouse the social and political consciousness of the people of Nepal through the socio-religious organisation failed.

Inspired by the Civil Disobedience Movement and the secret terrorist activities of India in the early thirties, an extremist group of Kathmandu set up in 1935 a secret organisation called the *Praja Parishad*. Its object was to put an end to the Rana rule by any means. By an elementary method of election Tanka Prasad Acharya was made President, Dasarath Chandra Vice-President and Ram Hari Sharma 'Mantrin' of this organisation. A number of Nepali students after completing their study in India came back to their own country and joined this organisation. In 1937-38 Tanka Prasad and a few others came to India to study the methods of secret politics. They purchased a printing machine from Banaras, and

distributed revolutionary pamphlets and leaflets. The Praja Parishad published a number of articles in Indian journals condemning the Rana system. Rambriksha Benipuri, editor of the *Janata*, published from Patna, supported the Praja Parishad. In June 1938 the *Janata* published the first article criticising the Rana regime, and it was followed by a series till 1940 when it was finally closed down.⁷ The Praja Parishad received support also from the *Nepali Sangh*, an association formed by the Nepali students reading in Banaras.

The *Praja Parishad* could not, however, last long, and on 18 October 1940 a large number of persons connected with the Parishad were arrested. Many of the members of the *Nagarik Adhikar Samiti* and some teachers of the Mahavira School were also arrested. Four leading figures of modern Nepal—Sukra Raj Sastri, Gangalal, Dharma Bhakta and Dasarath Chandra—connected with the *Nagarik Adhikar Samiti* and the *Praja Parishad* were executed. Tanka Prasad Acharya, Ramhari Sharma, Ganeshman Singh, Hari Krishna, Bal Chandra were awarded long terms of imprisonment.⁸ The Ranas suspected that the King Tribhuvan himself was associated with the plot, and, therefore, he also was brought to trial. “The King throughout the trial maintained a dignified calmness and did neither protest, nor plead guilty and by his willingness to abdicate in favour of the people, had set an example of his attitude toward the democratic movement.”⁹

A number of politically conscious Nepalese who lived in India gradually came to realise that the Rana regime in Nepal could not be brought to an end as long as the British rule would last in India. The British Government gave full support to the Ranas who helped the former with the Gurkha army. Thus the struggle for democracy in Nepal became inextricably intertwined with the Indian struggle for national independence. A number of Nepalese took active part in the ‘Quit India’ movement of 1942 and some of the

7. Major J. H. Elliot, *Guide to Nepal*, p. 28.

8. Tanka Prasad Acharya was not executed because he was a Brahmin. For a detailed history of the Praja Parishad see *Nepal Praja Parishad Ko Samksipta Itihas* by Jagat Bahadur Singh.

9. Major J. H. Elliot, n.7, pp. 28-29.

outstanding figures of the democratic movement of Nepal, such as B. P. Koirala,¹⁰ K. P. Upadhyaya, D. R. Regmi, were arrested by the British government. During the 'Quit India' movement Jayaprakash Narayan, Dr. Rammonohar Lohia and few other socialist leaders were interned by the Rana government in the Hanuman Nagar Jail on their escape to Saptari district of Eastern Terai. The local Nepalese people thereupon attacked the jail and set the Indian revolutionaries free. The Rana government, highly perturbed at the incident, arrested a number of persons and 22 of them were sent to Kathmandu for trial.

After the Second World War the process of the transference of power from the British to the Indian hands began, and in 1946 the Interim government was established in India. The Nepalese leaders now considered India to be a safe base for launching a direct movement against the Rana rule. They tried to form a strong organisation of their own in India as the first step to the struggle. In this matter the initiative was taken by B. P. Koirala, the son of Krishna Prasad. Krishna Prasad had intimate relations with the Indian national leaders like C. R. Das, Rajendra Prasad and Mahatma Gandhi. He was so much influenced by the high ideals of Gandhiji that he came to be known as the Gandhi of Nepal. On his initiative an ideal school was established at Biratnagar and he gave his sons, daughters and daughters-in-law education in patriotism. How the end of this saintly life came in the Rana jail has already been referred to. His sons, B. P. Koirala and M.P. Koirala played significant, though not similar, part in the history of modern Nepal. His eldest son, M.P., was a member of the *Sadakat Ashram* of Patna and a follower of Mahatma Gandhi. B.P. was closely associated with the socialist left movement within the Indian National Congress.

In October 1946 B.P. Koirala in a press statement issued from Patna explained the impact that was bound to fall upon Nepal of the impending Indian independence, and urged upon the Nepalese living in India to form a strong group in order to launch a struggle against the Ranas. Inspired by this appeal, the Nepalese youths, largely students of Banaras, held on 31 October a small meeting and formed

10. B. P. Koirala has sometimes been written as B. P. only.

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a new party called *Akhil Bharatiya Nepali Rashtriya Congress*. To formulate the aims, objectives and programme of the party in detail a conference was held in Calcutta on 25 and 26 January 1947. It was attended by the educated Nepalese boys and girls living in different parts of India like Banaras, Patna and Darjeeling. The noted revolutionary leader Ganeshman Singh who was condemned to life-long imprisonment for his association with the *Praja Parishad* escaped from the jail on 20 June 1944, came to India, and attended this conference.¹¹ This conference received letters of good wishes from many leading personalities of the Indian national movement, such as Acharya Kripalini, Vijay Laxmi Pandit, Acharya Narendra Deva, Jayaprakash Narayan, Dr. Lohia. The Indian socialist leader Dr. Lohia had rendered useful service for the success of this conference.¹² He was invited to attend the conference but he was at that time too busy with the Goa problem and could not attend it. The conference decided to call the new organisation *Nepali Rashtriya Congress* after the name of the *Indian National Congress*. The *Nepali Rashtriya Congress* set before itself two main objectives : first, to help the Indian people to achieve complete national independence without which, it was stated, no democratic government could be established in Nepal ; secondly, to launch a non-violent movement in Nepal for ending the Rana rule and establishing constitutional monarchy responsible to the people. The conference elected a small executive committee of the party with Tanka Prasad Acharya, who was in jail, as President, B.P. Koirala as acting President, Bal Chandra Sharma as General Secretary, D.R. Regmi as Publicity Secretary and Gopal Prasad Upadhyaya, Krishna Prasad Upadhyaya and Rudra Prasad Giri as members. The central office of the party was set up at Banaras. Gradually a number of small Nepali organisations, such as *Nepali Sangha*, *Nepali Chhatra Sangha* (Students association) formed by the Nepali students of the Banaras

11. In course of an interview in Calcutta on 16 August 1967, a number of Nepalese, who were associated with the Akhil Bharatiya Nepali Rashtriya Congress and left Nepal after the royal *coup* of December 1960, told me that Ganeshman Singh collected money from the people by telling them stories of his escape from jail, and this money was used by the organisation.

12. Bhola Chatterjee, *A Study of Recent Nepalese Politics*, p. 37.

Hindu University and the *Gurkha Congress* of Calcutta were merged in the *Nepali Rashtriya Congress*.¹³

The above account clearly shows the intimate and integral connection between the rise of modern Nepal and that of India. The democratic movement of Nepal drew inspiration from the nationalist movement of India and used the Indian territory as the base of its activities and operations. The Rana rule of Nepal and the British rule of India formed, as it were, one inseparable bloc against which the democratic movement of Nepal and the nationalist movement of India were directed. The Nepalese understood, as stated many years later, that "although Nepal did not form part of the Asia-wide empire of Great Britain, she was well within her shadow."¹⁴ The success of the democratic revolution of Nepal, therefore, they understood, was conditional upon the success of the nationalist revolution of India. The subsequent policy of the Indian government to aid the democratic revolution of Nepal was a logical outcome of this historical process.

India and the Nepalese Struggle for Democracy

The withdrawal of the British rule from India was followed by the formation of the *Nepali Rashtriya Congress* and the launching of a struggle against the Rana regime. Saul Rose has rightly observed: "What shook the Rana regime and gave its opponents their opportunity was the British withdrawal from India in 1947. This meant the end of British protection, which had also the effect of protecting the position of the Ranas."¹⁵ The history of this struggle of the Nepalese people is outside the purview of our book except in so far as it was aided by India either directly or indirectly.

The signal for the outbreak of a wide-spread democratic revolution in Nepal was the strike of the mill workers of Biratnagar declared on 4 March 1947.¹⁶ Biratnagar, the only industrial centre of Nepal during that period, is on the Indo-Nepal border,

13. See *Nepali Rashtriya Congress Ko Utghatan Samaroha* (Rashtriya Congress, Calcutta, 1947).

14. Khanal, Y. N., *Background of Nepal's Foreign Policy*, p. 2.

15. Saul Rose, n.4, p. 70.

16. Sharma, n.2, p. 408.

north of Bihar. The *Nepali Rashtriya Congress* gave its full support to the strike and B. P. Koirala went to Biratnagar on 9 March from India to guide it. The Congress Socialist Party of India particularly its Purnea unit (in the north of Bihar) also supported the strike most enthusiastically.¹⁷ The Rana government adopted stern measures of repression and on 25 March a large number of Nepali leaders including B. P. Koirala and Balchandra Sharma along with several leaders of the Congress Socialist Party of Purnea District were arrested. The Biratnagar strike soon erupted into a general movement which was planned and guided from India. The *Nepali Rashtriya Congress* sent an ultimatum from Calcutta to the Rana Government urging it to stop its policy of coercion. As the Ranas paid no heed to the warning, a conference of the *Nepali Rashtriya Congress* was held in April at Jogbani in north Bihar which was attended by 125 delegates of the party coming from different parts of India and Nepal. The Indian Socialist leader Dr. Lohia also attended this conference on invitation. This conference decided to start a Civil Disobedience Movement in Nepal similar to what India had experienced in the past, and a large part of the country was soon engulfed in a wide-spread movement.¹⁸ The C. S. P. assisted the *Nepali Rashtriya Congress* to organise the civil disobedience movement at Biratnagar. Dr. Lohia threatened a country-wide struggle in Nepal if B. P. and other political leaders were not released. Jayaprakash Narayan wrote a strong letter to Nepal's diplomatic representative in India, Bejoy Shumsher, urging the Nepalese government to release the political leaders immediately. Jayaprakash also wrote a letter to Gandhiji requesting him to lend his support to the democratic struggle of the Nepalese people.¹⁹ The movement was however suspended by the *Rashtriya Congress* in June on the promise of the Rana Prime Minister Padma Shumsher to introduce political reforms in the country.

It is said that Padma Shumsher requested Jawaharlal Nehru to persuade the *Rashtriya Congress* to suspend the movement, and it was on his intervention that the agitation was ultimately called off.

17. Chatterji, n.12, p.39.

18. Sharma, n.2, p.409.

19. Chatterji, n. 12, p.40.

B.P. was, however, still in jail, and it was on Gandhiji's intercession that he was at last released in August 1947.²⁰

In the beginning of 1948 Padma Shumsher promulgated a constitution for Nepal. To prepare the constitution he sought the co-operation of the Indian Government, and a group of Indian legal experts headed by Mr. Sri Prakash went to Nepal. Padma Shumsher was a weak ruler and his policy of compromise was born out of his timidity, not of wisdom. Due to his liberal policy he was threatened with deposition by the more conservative section of the Ranas under the leadership of Mohan Shumsher. Padma Shumsher consequently left Nepal for India on 20 February 1948 and on his departure Mohan Shumsher took over the Prime Minister's power. On 26 April Padma Shumsher sent his letter of abdication from India.²¹ The new Prime Minister Mohan Shumsher had no intention to carry out the constitutional reforms granted by Padma Shumsher and his policy was again leading the country towards a struggle.

After the announcement of the constitution by Padma Shumsher a new political party was formed in Kathmandu under the name of *Nepal Praja Panchayat*.²² When it found that Mohan Shumsher was reluctant to introduce this constitution, it started a *satyagraha* movement in Kathmandu Valley. The movement led to the arrest of a large number of people. The *Nepali Rashtriya Congress* thereupon met at the border town of Raxaul in Bihar, adopted a resolution condemning the policy of Mohan Shumsher and called upon the people of Nepal to launch another non-violent struggle for the realisation of their basic political rights. In order to organise the movement in Nepal, B.P. and Krishna Prasad went surreptitiously to Kathmandu. B.P. unfortunately was detected and imprisoned and was subjected to severe torture in jail. Many other leaders of the *Praja Panchayat* were also arrested and tortured. B. P. then started a historic hunger strike in jail and announced that unless the political prisoners were given a civilized treatment he would continue his fast unto death. The arrest and hunger strike of B.P.

20. Sharma, n.2, pp. 410-411.

21. *Ibid.*, p. 391.

22. Regmi, n. 5. pp. 303-4.

aroused a strong public opinion both in Nepal and in India against the Rana Government. The battle for democracy in Nepal was fought in India also. The annual conference of the Socialist Party of India held in March 1949 adopted a resolution severely condemning the policy of Mohan Shumsher and demanding the early release of all political prisoners in Nepal. When B.P. started his hunger strike, the Socialist Party observed "Nepal Day" and organised protest meetings and marches. While leading a protest demonstration to the Nepalese Embassy, Dr. Lohia, along with a number of his party members, was arrested and imprisoned. Jayaprakash Narayan also criticised the policy of Mohan Shumsher in strong and unmistakable terms.²³ At last on Prime Minister Nehru's personal intervention B.P. was released in June 1949.²⁴

On his release B. P. had a long discussion with Mohan Shumsher who assured him that the Rana government would soon introduce necessary reforms in Nepal.²⁵ Therefore, the proposed movement against the Rana regime was suspended. But when all hopes of reforms from the government of Mohan Shumsher were belied, the Nepali Congress at its Bairgania Conference held in September 1950 decided to start again a movement in Nepal.²⁶ Meanwhile the *Nepali Rashtriya Congress* and the *Nepal Prajatantrik Congress* were merged and the new party was called the *Nepali Congress*.²⁷

23. Chatterji, n. 12, pp. 44-45.

24. Sharma, n.2, p. 394.

25. *Nepal Today*, July 1949, p. 7.

26. Sharma, n.2, p. 395 and p. 415.

27. Apart from the *Nepali Rashtriya Congress*, another organisation known as the *Nepal Prajatantrik Congress* was formed in Calcutta in August 1948 under the leadership of Subarna Shumsher and Mahavir Shumsher, the 'C' class Ranas. In April 1950 the two organisations, *Nepali Rashtriya Congress* and the *Nepal Prajatantrik Congress*, came together in a conference held in Calcutta. The united organisation thus formed was called the Nepali Congress and it acted as the spearhead of the democratic revolution of Nepal. Unlike the *Rashtriya Congress*, the *Prajatantrik Congress* had no faith in non-violence, and the new organisation was not wedded to this doctrine. See *Nepal Today*, 12 and 13 issue, March-April, 1950, p. 1 for the joint statement of the two organisations. A group within the Nepali Rashtriya Congress led by D. R. Regmi could not agree with B. P. Koirala and formed an independent party though it used the name of the parent organisation. After the rise of the Nepali Congress, this group continued to work independently as the *Nepali Rashtriya Congress*.

It made an elaborate arrangement of the struggle, a fascinating account of which cannot be attempted here. The Indian socialists and at this stage the Indian Government also (the Chinese problem in Tibet had already arisen) were intimately related with this struggle for democracy in Nepal. The Socialist leaders of India assured the Nepali Congress of their full support and it was decided that the party units in Bengal, Bihar and Uttar Pradesh would particularly be instructed to co-operate with them.²⁸ In quest of arms Bhola Chatterjee went to Burma which had a socialist government at that time. He was armed with two letters, one from Jayaprakash Narayan addressed to U Ba Swe, Chairman of the Burma Socialist Party, and another from Dr. Lohia addressed to U Win, Religious Affairs Minister of Burma.²⁹ His mission was at least partly successful and he writes that "arms were brought to the house of Devendra Prasad Singh at Patna, which had been converted into the temporary headquarters of the Nepali Congress."³⁰ The Nepali Congress maintained relations with the Indian Government also, though, for obvious reasons, to a very limited extent and in an indirect manner. "Among the top Indian National Congress leaders in power, only the late Rafi Ahmed Kidwai was known to maintain contact with them."³¹ Bhola Chatterjee writes : "Bisweswar (B. P.) was the chief contact between the Nepali Congress and Socialist Party. Relations with Delhi used to be maintained by

28. Chatterji, n. 12, pp. 57-58.

29. *Ibid.*, p. 68.

30. *Ibid.*, p. 94.

31. Girilal Jain, *India meets China in Nepal*, p. 14.

The support of the Muslim leader Mr. Kidwai of the Uttar Pradesh (formerly United Provinces of India) to the struggle of the Nepalese people for democracy appears to Sir Francis Toker 'so unexpected' that he tried to give an explanation for it. His explanation, though it appears to be ridiculous, may still be mentioned. He writes : 'In 1936 an attempt had been made in India to stir Muslim feeling against the Ranas because of the law forbidding marriage between the small community of Muslims in Nepal and women of the Hindu faith. At that time, at any rate, little notice was taken of the agitation but it may perhaps have influenced a few Muslims of the Indian United Provinces who lived within hail of the Nepalese border'. Sir Francis Toker n.6, p. 247.

both Bisweswar and Subarna Shumsher, the latter particularly enjoyed Rafi Ahmed's confidence."³²

The King Tribhuvan was also, it appears, connected with this revolutionary movement. He at least was in know of it and it had his full support and sympathy. Before the movement was launched Ganesh Man Singh, Sundar Raj Chalise and his wife were sent secretly to Kathmandu in order to influence the top officers of the army. In September 1950 Sundar Raj Chalise and his wife were arrested along with others including Colonel Toran Shumsher Rana and Colonel Noda Vikram Rana.³³ This gave rise to a strong suspicion in the Rana Government that the army of Nepal might support the Nepali Congress and this made them extremely cautious. Soon the government announced that arms and ammunition were seized in the house of Captain Pratap Vikram Shah, who was the brother-in-law of Subarna Shumsher.³⁴ The Captain was put under arrest. The Rana Government became suspicious about the king also and began to watch his movement closely. Ganesh Man Singh who was sent with Sundar Raj Chalise escaped detection and was coming back to India but was arrested on the border.³⁵ Bhola Chatterjee says that Ganesh Man was instructed to maintain contact with the king.³⁶ He further observes : "It was mostly Subarna Shumsher's responsibility to maintain clandestine contact with King Tribhuvan."³⁷ It may be that the king maintained contact with the revolutionary movement through India also. Tibor Sekelj writes : "King Tribhuvan, only fifty years old, but having been king for forty years already, had been a prisoner in his palace, in the golden cage which the Prime Minister kept locked." And he continued : "Nevertheless, the awakening of the masses percolated through the sealed walls of the palace, and the king found it intolerable that his life should drift on, uselessly. He began to have secret meetings with the Indian ambassador, in which,

32. Chatterji, n. 12, p. 66.

33. Sharma, n. 2, p. 414.

34. Gorkhapatra, Sept. 27, 1950.

35. Sharma, n. 2, p. 414.

36. Chatterji, n. 12, p. 82.

37. *Ibid.*, p. 66.

it seems, a German Fraulein Erika, who was in the palace as a physiotherapist, treating one of the queens, aided him.”³⁸

Whatever may be the extent of the king's involvement in the revolutionary movement, he gave it a dramatic start. On 6 November 1950 the king with his entire family, except only the four-year old grandson Gyanendra, left the palace with the permission of the Prime Minister ostensibly on a haunting trip but suddenly he and the members of his family entered into the premises of the Indian Embassy and sought asylum there. A special Dakota was sent to Kathmandu from India and it brought the royal family to Delhi on 11 November.

Immediately after the king's arrival in India the revolution started in Nepal. The government of India now became directly involved in it. The revolutionary battle for democracy started in Nepal on two fronts—one was the constitutional front with king in the centre and the other was the mass front with internal popular upsurge and invasion from the Indian soil by the Mukti Sena (Army of Liberation). On the constitutional front the Indian Government took up the cause of the Nepalese democracy unreservedly and the king's flight to India gave it a good opportunity for intervention. So far as the mass struggle of the Nepalese people was concerned, the policy of the Indian government was liberal but cautious. It did not give any direct help to the revolutionaries. Nepal was recognised by India as a sovereign independent country and the relation between them was peaceful and normal. India, therefore, could not do anything contrary to the principles of international law. Sometimes she had to take action detrimental to the interest of the Nepalese revolutionaries. From Birganj treasury the revolutionaries secured a huge amount of money, about 35 lakhs of rupees, which they brought to New Delhi for delivery to the king. But the Indian Government intervened and took the money away from the revolutionary leaders. The Bihar Government also once seized some arms and money from the Raxaul office of the Nepali Congress.”

38. Tibor Sekeli (translated by Marjorie Boulton), *Window on Nepal*, p. 96. For a more detailed account of the role of Erika see Major J.H. Elliott, n.7, pp. 31-32.

39. Sharma, n. 2, p. 419.

Naturally the leaders of the Nepali Congress were not fully satisfied with the conduct of the Indian Government. It is reported that "the feeling ran high among the Nepalese leaders that Delhi had failed them."⁴⁰ Though New Delhi for obvious reasons could not take part in the revolutionary civil war of Nepal, its policy undoubtedly was friendly towards the democratic forces. Bholā Chatterji, though critical about the policy of the Indian Government, admits : "The scope of the Nepali Congress' limited freedom of action was extended, so that it could collect a few hundred pieces of badly needed Lee-Enfield rifles and the necessary quantity of ammunition. These were procured from a number of places including Kashmir where Sheikh Abdullah then ruled."⁴¹ The Indian Government had to work within the legal limitations, and though the object of the two movements was different, one is tempted to compare the policy of the Indian Government with the policy followed by Cavour during the invasion of Sicily by Garibaldi. The Indian socialists, remaining outside the Government, had greater liberty of action. Some of the leaders of the Indian Government also occasionally became outspoken in their denunciation of the Rana regime. Maulana Abul Kalam Azad, the Education Minister, for example, in course of a speech on 18 November 1950 said : "It is amazing that in the middle of the twentieth century, naked autocracy should reign supreme in any part of the world. It is unthinkable and intolerable. There is not one Indian, who does not sympathise with the cause of the Nepalese people."⁴²

The support of the Indian Government to the democratic revolution of Nepal on the constitutional front was of decisive significance. Mohan Shumsher's attempt to depose Tribhuvan from the throne of Nepal by proclaiming his grandson Gyanendra Bikram Shah, who was left behind, was frustrated by the Indian Government. The Prime Minister Nehru categorically stated in the Parliament on 6 December 1950 that India would continue to recognise Tribhuvan as the Head of the State.⁴³ The importance of this decision of the

40. Chatterji, n. 12, p.114.

41. *Ibid.*, p. 118.

42. *The Hindu*, November 19, 1950.

43. Jawaharlal Nehru's Speeches, n.1, p. 178.

Indian Government cannot be overestimated. Other countries like Britain were not unwilling to recognise Gyanendra as King. It was the decision of India which held them back. The Nepalese are extremely loyal to the king and hold him in high esteem. If the Rana Government could somehow secure the support of the king, the revolutionaries would have found themselves isolated from the people at large. Support of the King Tribhuvan made the cause of revolution popular among the Nepalese. Moreover, the continued recognition to Tribhuvan as the King of Nepal forced the Rana Government to come to negotiation with India about the future development of Nepal.

Delhi negotiation and the Nepalese struggle for democracy

The Rana Government now fully understood that the problem of Nepal could not be solved without the co-operation of India. Accordingly, Major General Bijay Shumsher, Director of Foreign Affairs, and Kaiser Shumsher, Defence Minister, came to New Delhi for negotiations. The Government of India in a memorandum submitted to the Nepal Government on 8 December 1950 stated that their primary objective was to make Nepal independent, progressive and strong. To realise this purpose they thought that introduction of certain constitutional changes which would satisfy the popular opinion of Nepal was urgent. The constitutional changes suggested by India were broadly three in number. Firstly, an elected constituent assembly should be brought into being as soon as possible for preparing the future constitution of Nepal. Secondly, pending the meeting of the constituent assembly, an interim government, with persons representing the popular opinion as well as members of the Rana family, should be formed. The interim government should act as a cabinet on the principle of joint responsibility and one member of the Rana family as the Prime Minister. Thirdly, Tribhuvan should continue as the King of Nepal.⁴⁴ The Rana government however accepted only the first two suggestions but remained silent on the third. The Government of India did not yield. Their policy to keep King Tribhuvan as the head of the State of

44. See K. P. Karunakaran, *India in World Affairs 1950-53*, p. 194.

INDIA AND POLITICS OF MODERN NEPAL

Nepal was firm. As Prime Minister Nehru later on observed : "Any other arrangement such as the replacement of the Constitutional head of the kingdom by a council of regency, appointed by the Prime Minister to act in the name of the child King, would make the introduction and smooth working of progressive constitutional changes difficult."⁴⁵ The Rana Government was not however in a position of having a long bargain with India. The insurgents were on the offensive, the Chinese were marching in Tibet, and to make the situation worse, a rift arose among the members of the ruling Rana family leading to the resignation of 40 Ranas from high posts in the government and the army. Mohan Shumsher, therefore, was forced to renew negotiations with India and for this purpose Bijay Shumsher and Narendramani Dixit, Secretary, Department of Foreign Affairs, were sent to New Delhi. This time the negotiation was successful and the Government of Mohan Shumsher on 7 January 1951 accepted all the three suggestions of the Indian Government.

King Tribhuvan in a statement issued from New Delhi on 10 January 1951 welcomed the settlement, and appealed to his people "to do everything that is necessary to restore order and peace at once and to give the fullest co-operation to all the steps to be taken in giving effect to the constitutional reforms now announced."⁴⁶ The reaction of the Nepali Congress to the new settlement was not favourable. M. P. Koirala in a statement issued from Patna described the reaction of the Nepali Congress as "disillusionment." The aim of their struggle, he said in the statement, was "the liquidation of the feudal regime and the establishment of full democracy", but the new settlement did not envisage "a transfer of real authority into the hands of the people."⁴⁷ Though not satisfied, the Nepali Congress had no other alternative than to accept the settlement which was already approved by the King and the Indian Government. The leaders of the Nepali Congress were invited by the Indian Government to come to New Delhi for a discussion on the new

45. *The Hindu*, January 22, 1950.

46. *The Statesman* January 11, 1951.

47. *The Hindustan Standard*, January 11, 1951.

situation. B. P. Koirala, Subarna Shumsher and M. P. Koirala, accordingly arrived in Delhi on 14 January 1951. After a full consultation with the Government of India, M. P. Koirala, the President of the Nepali Congress, in his statement of 16 January announced the withdrawal of the movement "in order to create suitable conditions for negotiation."⁴⁸ This was followed by a tripartite negotiation in New Delhi between the King, the Rana Government and the Nepali Congress. On 12 February the negotiation came to an end successfully. It was decided that the proposed interim Government should have ten ministers—five from the Nepali Congress and five from the Ranas. On 15 February the King Tribhuvan went back to Kathmandu in triumph and on 18 February the new Ministry was formed. In this ministry Mohan Shumsher was the Prime Minister and B. P. Koirala the Home Minister. After a long struggle against the Ranas Nepal entered into a new chapter of her history through New Delhi.

Charge of Francis Toker against India's Nepal policy

The main objective of India's policy towards Nepal during this period and the role of the Indian Government in the struggle of the Nepalese people against the Rana regime have been explained. India certainly did not act purely from an altruistic motive, but no impartial critic can accuse her of having any territorial ambition in Nepal. Sir Francis Toker has however brought certain fantastic charges against India. He believes that India's behaviour towards Junagadh, Kashmir, Hyderabad and Goa may serve as an indication of her attitude towards Nepal.⁴⁹ Convinced of an expansionist motive behind her support to the anti-Rana movement in Nepal, he describes India as "a zealot for democracy very ready to extend its own territorial responsibilities."⁵⁰ He even goes to the extent of suggesting a causal relation between the Indian interference in Nepal and the Chinese invasion of Tibet. He writes : ".....Mao Tse-tung saw fit to anticipate India's intervention on that frontier

48. *Ibid.*, January 17, 1951.

49. Sir Francis Toker, n.6, p. 248.

50. *Ibid.*, p. 249.

by invading defenceless Tibet at six different points on 7th October 1950, just a month before Nepal was invaded from India.”⁵¹ He accuses the British Government of violating the treaty with Nepal concluded in 1923 which stipulated that neither party was to permit its territory to be used to the detriment of the other.⁵² This treaty, he argues, was binding upon British India upto the 15th August of 1947, but though “Nepal had for her part scrupulously observed this clause,” Britain allowed a party to grow in India in 1946 whose aim was the overthrow of the Nepal Government.⁵³ Condemning the British policy of indifference at a time when Nepal was invaded from the Indian territory, he writes : “It is to Britain’s discredit that she never repaid her debt of honour to Nepal and to her Maharajah, and, above all, that without protest. She stood idly by as a witness of aggression against Nepal from the territory of India.”⁵⁴ He seems to condemn the Indian policy also on the ground that the treaty of 1923 was at least morally binding on her. He observes : “In law it [the treaty of 1923] may or may not have been binding on Britain’s successor state, India : in equity, it certainly was.”⁵⁵ It is not our purpose to pass any judgment on the British policy towards Nepal during this period, but it is preposterous to argue that India was morally bound to observe this treaty. The Rana regime had no moral foundation. Threatened by the rise of a strong democratic movement it was moreover not possible for the Ranas to maintain stability in this Himalayan Kingdom. The policy of reform initiated by Padma Shumsher was supported by India, but Mohan Shumsher had no desire to follow it. The Ranas possibly had the strength to suppress the popular movement that broke out in Nepal after the king’s flight to India in 1950, but it was impossible for them to maintain a stable regime on the basis

51. *Ibid.*, p. 250.

52. Article 4 of the Treaty states : “Each of the High Contracting Parties will use all such measures as it may deem practicable to prevent its territories being used for purpose inimical to the security of the other.” For the Treaty see Girilal Jain, n.31, Appendix D, pp. 162-63.

53. Sir Francis Taker, n.6, pp. 232, 250.

54. *Ibid.*, p. 239.

55. *Ibid.*, p. 232.

of the old autocracy. Mr. Girilal Jain argues that without the support of India the anti-Rana democratic movement of Nepal could not have taken such a formidable dimension. He writes : "The incursions into Nepal by rebels based on India could certainly have been prevented. What is even more significant, the rebellion had been smashed within less than a fortnight. The majority of the people in the hills had shown little interest in the outcome of the struggle as was evident from the fact that the demonstrations against the Ranas had been confined to Kathmandu. It is also doubtful if King Tribhuvan would have decided to leave his capital if he did not find his hands strengthened by the cooling off of relations between Kathmandu and New Delhi."⁵⁶ It must be understood that the anti-Rana movement had a strong social basis. It did not arise due to the instigation of India. The rising educated class of Nepal would not have remained content with the Rana system when the whole continent was passing through a profound political change, even if the Indian Government had decided to give them no support. If India would have remained indifferent, China would have stepped in. Thus, the Indian policy of interference, considered morally, politically and historically, appears to be justified.

Suggesting a possible alternative line of development for Nepal Sir Francis Tuker observes : "British friendship and firm persuasion, had both been forthcoming, might well have worked wonders in Kathmandu and spared Nepal the five years of confusion, suffering, quarrels between ambitious new-comers, the demoralisation, and the breakdown in law and order which have till now [the book was published in 1957] resulted from the invasion launched from India."⁵⁷ Whether "British friendship and firm persuasion", if available, would have worked "wonders" or not is a hypothetical question. After the British decided to withdraw from India, they were certainly not interested in taking any direct initiative in the affairs of Nepal. But it is true that the long period of confusion, suffering, quarrels and demoralisation which followed the fall of the Rana regime in Nepal was not inevitable.

56. Girilal Jain, n.31, p.98.

57. Sir Francis Tuker, n.6, p. 254.

CHAPTER THREE
INDIA AND THE POST-REVOLUTIONARY
POLITICS OF NEPAL.

At the initial stage the Indian interference was highly successful in promoting the cause of democracy in Nepal but India failed to carry her policy to its logical conclusion. The objective of the Indian policy towards Nepal, as explained in the memorandum of December 1950, with which the government of Nepal was in full agreement, was to establish in Nepal a full-fledged democracy through a constitution prepared by an elected Constituent Assembly to be brought into existence *as soon as possible*. Nepal with her backward economy, mass illiteracy and with no liberal tradition, was certainly ill-suited for a democratic experiment. But India had no alternative other than to suggest a democratic method of development. As a matter of fact, India was interested not so much in democracy as in a popular and stable regime in Nepal friendly to herself. The Rana regime could not satisfy this test. Rule by the king was not a practicable suggestion for India to make in those days. India, therefore, could not suggest any form of government for Nepal except parliamentary democracy, and expected that with India's aid and assistance she, led by the Nepali Congress and supported by the king, would succeed in her new venture. If the British policy in Nepal was stability through 'Ranacracy', the Indian policy was stability through democracy. Both sought for the friendship of the Nepal government.

Due to the intervention of India, the democratic elements represented by the Nepali Congress were taken in the Nepalese government, along with the old Ranas, in February 1951. In the same year the Rana wing was completely eliminated, and in November a Nepali Congress ministry was formed. But the fall of the Rana regime was not followed by the election of a Constituent Assembly as proposed by India in December 1950 and accepted finally by Nepal in January 1951. The Constituent Assembly was never formed, though in 1959 a constitution granting universal franchise was prepared by the Draft Constitution Committee appointed by the king. A general election on the basis of this constitution was held in 1959 resulting in the formation of an elected popular government by the Nepali Congress headed by its leader B. P. Koirala.

Transitional Period (1951-1959)—its significance

The intervening period of nine years (1951 to 1959) between the acceptance of the principle of popular democracy and the actual installation of a democratic government following a general election (though without a constituent assembly) was of great significance to the internal politics of Nepal as well as to the Indo-Nepalese relation. This was, firstly, a period of great political instability and uncertainty which was sought to be interpreted as a clear evidence of the failure of democracy in Nepal. Secondly, during this period the close relation between the king and the democratic forces, represented by the Nepali Congress, was lost. This introduced a dangerous element of instability into the political life of Nepal, and thus it constituted a serious threat to the development of democracy in that country. Thirdly, there grew up a strong opinion hostile to the friendly interference of India in the affairs of Nepal. All these three factors influenced the Indo-Nepalese relation. The basic aim of the Indian policy was to cultivate friendship with Nepal, and to introduce there a stable regime through democracy. But the three developments, mentioned above, discredited democracy in Nepal, threatened her stability and damaged her friendship with India.

Political Scene of Nepal : 1951-1960

It is not intended to discuss here in details the developments of the Nepal politics since the revolution.¹ Only certain basic facts will be mentioned to substantiate the general statements made above. During the period of less than eight years that intervened between the final fall of the Rana regime (12 November 1951) and the formation of the elected ministry by the Nepali Congress Party (27 May 1959), there were as many as nine different governments in Nepal. After the fall of the Rana rule, the most important task before Nepal—if she was to follow the path of democracy—was

1. For details see B. L. Joshi and L. E. Rose, *Democratic Innovations in Nepal*, pp. 83 to 299 ; Anirudha Gupta, *Politics in Nepal*, pp. 51 to 162 ; Girilal Jain, *India Meets China in Nepal*, pp. 27 to 85.

the formation of an interim caretaker government which would make arrangement for the election of the Constituent Assembly. While forming the first ministry after the end of the Rana rule, the king in his proclamation of 14 November 1951 stated that this ministry should, among other activities, create conditions necessary for holding of the general election, as far as possible, by the end of 1952. The king invited M. P. Koirala, President of the Nepali Congress, the largest and the most popular party of Nepal, to form the ministry. This was followed by the rise of a serious conflict between M.P. Koirala and the Nepali Congress headed by his brother B.P. which ultimately resulted in the expulsion of the former from the party in July 1952.² The king, however, retained him as Prime Minister until he resigned in August. Instead of inviting B. P., President of the Nepali Congress, to form the ministry, the king now formed an Advisory Committee of five persons to assist him in administration. The personal rule of the king with the assistance of the Advisory Body lasted for ten months, and on 15 June 1953 he, strangely enough, asked M. P. Koirala again to form the ministry. After his expulsion from the Nepali Congress, M. P. Koirala had formed a new party called *Rashtriya Praja Party* which had no popular basis in the country. The strength and popularity of his party was clearly tested in the Kathmandu Municipal election held on 2 September 1953. In this election the party of M. P. Koirala could not secure a single seat, but still the king retained him as the Prime Minister. The ministry was however extended by a Royal Proclamation of 18 February 1954, and representatives of three more small parties, namely, the *Rashtriya Congress* of D. R. Ragmi, the *Praja Parishad* of Tanka Prasad and *Jana Congress* of Bhadra Kali Misra were taken in it.³ The

2. Though M. P. Koirala was the President of the Nepali Congress, he had little influence over the party. The real leader of the party was B. P. Koirala whose exclusion from the ministry of M. P. caused great resentment in the Nepali Congress. The Janakpur Conference of the Party (May 1952) elected B. P. Koirala as the President of the Party in place of M. P. Koirala. This was followed by a conflict between the ministerial wing and the organisational wing of the party. In spite of the best efforts of Jayaprakash Narayan to resolve the conflict, it continued, and ultimately M. P. was expelled. See Anirudha Gupta, n. 1, pp. 67-68, 72-4, 171-175.

3. B. K. Misra was expelled from the Nepali Congress by a resolution passed in the Janakpur Conference of the party in 1952. *The Hindu*, 2 June 1952.

Nepali Congress, the largest political party of Nepal, however remained excluded. The new cabinet lacking cohesion and homogeneity broke down under the strain of its own contradictions. The king, it may be mentioned here, deliberately discouraged the practice of collective responsibility by the so-called Cabinet. In the Royal Proclamation of 15 June 1953, by which M. P. Koirala was appointed Prime Minister for the second time, it was categorically laid down that the ministers would work in their individual capacity.⁴

The fall of the heterogeneous cabinet in March 1955 was followed by the proclamation of direct rule by the Crown.⁵ The new king Mahendra held a political conference in May 1955, and on the basis of the conclusion reached in the conference he announced on 8 August 1955 that Nepal would have her election on the full moon day of October 1957. Encouraged by this decision of the king, the Nepali Congress decided to cooperate with him, though it had boycotted the political conference. Three political parties, the *Nepali Congress*, the *Nepali Rashtriya Congress* of D. R. Ragmi and the *Praja Parishad* of Tanka Prasad jointly requested the king to allow them to form the government either singly or jointly. They assured him that a government formed by any one of these parties would get the support of the other two. The king started negotiations with these parties, and suggested that the new ministry should include two representatives from each of the three parties, besides two to four independents, and that he himself would preside over the Cabinet which would have no Prime Minister. The parties accepted these conditions but they could not agree with the atrocious suggestion that they must nominate their representatives from the panel of names prepared by the king himself. Due to the imposition of this condition by the king the negotiation ended in failure. On 27 January 1956 the king, to the astonishment of all, suddenly appointed Tanka Prasad Acharya of the *Praja Parishad*

4. The Indian memorandum of December 1950 explicitly laid down that the interim government should function on the principle of joint responsibility. Nepal had accepted it.

5. This proclamation was issued by the Crown Prince Mahendra. King Tribhuvan was ill and went to Europe for treatment. By a proclamation he vested the Crown Prince Mahendra with all royal power. Mahendra ascended the throne of Nepal on 13 March 1955 on the death of his father.

as the Prime Minister. It was obvious that the new cabinet, "which from the view point of popular support was probably the weakest formed thus far,"⁶ cannot create conditions necessary for holding the general election. Instead of making any arrangement for the election of the Constituent Assembly, the new Prime Minister expressed doubts about its eventuality. He announced that the general election might take place for the formation not of a Constituent Assembly but of a Parliament, set up by a constitution granted by the king. This announcement was a clear violation of the Indian memorandum of December 1950, and the assurance of King Tribhuvan. It gave rise to a serious controversy in the political circle of Nepal. After administering the country for about 18 months, Tanka Prasad, unable to maintain cohesion within his cabinet, tendered his resignation in July 1957 without making any progress towards the holding of the general election.

On his resignation, the King Mahendra took another amazing step. He invited the most controversial figure in Nepal's politics, Dr. K. I. Singh, to form the ministry. This ministry did not last even for four months and was dismissed by the king on 14 November 1957. During the administration of Dr. Singh, the king in his Proclamation of 6 October 1957 announced that it would not be possible to hold the general election in due time.⁷ The announcement of the postponement of the general election was followed by a political storm in Nepal. The *Nepali Congress*, the *Nepal Rashtriya Congress* and the *Praja Parishad* formed a Democratic Front and threatened a Civil Disobedience Movement. Frightened by the prospect of a civil war, the king in his Proclamation of 15 December announced that the election would be held in February 1959. In order to avoid the formation of a sovereign Constituent Assembly, the king, however, announced on 1 February 1958 that the constitution would be drafted by an Election Commission appointed by him, and that the proposed election of 1959 would be held to form the Parliament only. The Nepali Congress always stood for a sovereign constituent assembly, and announcement of the king came to them as a great

6. B. L. Joshi and L. E. Rose, n.l, p. 187. Unity of the three parties, mentioned above, did no longer persist.

7. Full Moon Day of October 1957.

disappointment, but after a good deal of hesitation they decided to accept it as the only way to come out of the vicious circle of the existing politics of Nepal. The king now for the first time undertook the work of election seriously. By the Royal Proclamation of 15 May 1958 a Provisional Government with one representative each from the *Nepali Congress*, the *Rashtriya Congress*, the *Praja Parishad*, the *Gurkha Parishad* and 2 Independents was formed with specific instruction to work for holding the election and to carry on the administration until the election was held. The king however appointed the Draft Constitution Committee on 16 March before the Provisional Government was constituted. This Provisional Government with the Nepali Congress nominee Subarna Shumsher acting as the Chairman worked most efficiently and the general election was held in time most successfully.

The long delay in holding the general election was not inevitable. When the Nepali Congress Ministry was installed in November 1951, the King Tribhuvan, it has already been pointed out, categorically stated that it would make arrangement for holding of the general election, as far as possible, by the end of 1952. A Nepali Congress Ministry, or a coalition government consisting of the representatives of the important political parties of Nepal, could have made arrangements for holding the election within a year or two. The Working Committee of the Nepali Congress rightly pointed out that "Nepal's political need to-day is the nucleus of programme round which the major parties can be crystallised and this objective can hardly be achieved when major parties are sacrificed to the clamours of the individuals."⁸ After the expulsion of M. P. Koirala from the Nepali Congress all the ministries formed either by King Tribhuvan or, after his death, by King Mahendra were led by parties having little influence in the country. Naturally they did not last long, and no progress towards holding of the general election could be made. The persistent refusal of the king to invite B. P. Koirala for forming the ministry or to include his party within a coalition government,

8. *Statement of the Working Committee of Nepali Congress*, dated 2nd of March 1954 (Publicity Dept. of Nepali Congress), p.4.

for reasons personal or political or both,⁹ clearly indicates that the idea of the general election was put by him in the cold storage. The working committee of the Nepali Congress correctly stated : "His Majesty, in his proclamation, has rightly emphasised the need for early elections as a solution of the prevailing state of uncertainty in the country, but His Majesty's proclamation is a poor consolation in view of the glaring disparity between various previous proclamations and the Minister's implementation of them. No party that is represented in the government including the Prime Minister's own party (it refers to the party of M. P. Koirala, *Rashtriya Praja Party*) commands the following that would enable them to enthuse the people over the prospects of early election."¹⁰

For the first time in her history a democratic government was set up in Nepal by the Nepali Congress Party in May 1959 with B. P. Koirala as the Prime Minister. This democratic government of Nepal did not last long. It was brought to an abrupt end by the *royal coup* in December 1960. The view of Satish Kumar which appears to indicate that a democratic system was introduced in Nepal immediately after the fall of the Rana Regime in 1951, with the king acting as a constitutional head, exercising real power only when necessary, is misleading. Satish Kumar writes : "After the overthrow of the Ranas in 1951, the king regained his lost power. And up to 1960 he functioned merely as a constitutional head, though at times he wielded real power also. In 1960, the king dismissed the first elected government of Nepal and resumed direct and absolute control of the state."¹¹ The brief account of the internal politics of Nepal given above clearly shows that after the fall of the Rana regime, the political power, both legally and actually, came to be exercised by the king. He appointed the Prime Minister according to his discretion, and many of them had very limited public sympathy. The principle of cabinet homogeneity was in some cases deliberately ignored by the king. There was no election until

9. King Tribhuvan and his son Mahendra had an intense personal dislike for B.P. Koirala. B. P. Koirala stood for parliamentary democracy but the King Mahendra had no regard for this form of government.

10. See Statement of the Working Committee of Nepali Congress, n. 8, pp. 2-3.

11. Satish Kumar, *Rana Polity in Nepal—Origin and Growth*, p.2. (Introduction).

1959. E. B. Mihaly has rightly pointed out that this period is "ironically called 'democratic rule'."¹²

**Threat to Nepal's Democracy and Stability—its
repercussions on Indo-Nepalese relation.**

The fall of the Rana regime was followed by the establishment of the king's personal rule, whether he ruled directly, or through advisory councils, or through ministers responsible to him. The period of the king's personal rule came to an end in May 1959 when the Nepali Congress ministry was formed after the general election. Curiously enough, the failures of the various governments during the period of the king's personal rule were interpreted by the king as failures of democracy.

On the occasion of the 4th anniversary of the Nepal Democratic Revolution Day (anniversary of the day, 15 February, when King Tribhuvan returned to Nepal from India in triumph) Crown Prince Mahendra issued a statement from Nice in which he said : "Today marks the completion of four years of democracy in the country, but it is a matter of great shame that we cannot even point out four important achievements by us during this period."¹⁴ Soon after his accession, the King Mahendra denounced the so-called democratic experiment in Nepal in unambiguous terms, and declared that he would not allow the country to go to the ruins in the name of democracy.¹⁵ Earlier, in a speech, he in a forthright way attributed to democracy all the evils of the political life of Nepal such as corruption and bribery.¹⁶ The king's denunciation of democracy in Nepal at a time when democracy was not even introduced in the country was curious, but the formation of a number of ministries by the king tended to give some credence to his views.

12. E. B. Mihaly, *Foreign Aid and Politics in Nepal*, p. 50. He made this remark with reference to the period 1951-54, but this characterisation is applicable to the whole period 1951-59 until the general election was held.

13. Mahendra went to Nice to meet his ailing father.

14. *Nepal Gazette*, 18 February 1955.

15. *Gorkhapatra*, 9 May 1955. p.4.

16. *The Hindustan Times*, 19 February 1955.

Besides bringing discredit to democracy before it was born, this period brought about a serious estrangement in the relation between the king and the forces of democracy represented by the Nepali Congress. The old spirit of co-operation gave way to a spirit of antagonism and tension. This was a great threat to the stability of Nepal. The introduction of the sophisticated system of democracy to the traditional society of Nepal was too delicate a task. The co-operation of the Crown, however, might have given democracy there a chance of success. The Crown was the symbol of tradition, and its co-operation with democracy might lead to a peaceful transition from tradition to modernity in Nepal. The Crown and Democracy standing opposed to each other threatened Nepal with serious political instability.

Stability and democracy in Nepal were important for India in her own interest. Her policy was, as it has already been explained, to introduce stability in Nepal through democracy. But she failed to induce the king of Nepal to carry into effect the programme suggested by herself in her memorandum of December 1950. Contrary to the provisions of the Indian Memorandum the personal rule of the king continued for a long period, and during this time the political developments of Nepal, determined by various factors, political as well as personal, brought discredit to her democracy and danger to her stability. The Indian policy towards Nepal to this extent failed. Considering democracy as the only way to establish stability in the country, the Indian government identified itself with the cause of democracy in Nepal. The conflict between the king and democracy (Nepali Congress) was bound to affect the Indo-Nepalese relation adversely. This conflict did not come to an end with the general election and the formation of the Nepali Congress government. It continued and reached its culmination in December 1960 when the king abolished the constitution of 1959, dissolved the elected government and established his own personal rule. This was followed by a period of dangerous tension in the Indo-Nepalese relation with consequences highly prejudicial to the Indian interests. These developments are described in another chapter.

Anti-Indian Orientation of Nepalese Nationalism.

The intervening period of eight years (1951 to 1959), besides introducing a dangerous element of instability and discrediting democracy in Nepal, had another effect of far-reaching significance so far as the Indo-Nepalese relation was concerned. The goodwill which India gained from the Nepali Congress, the largest party of Nepalese nationalism and democracy, was at least partially eroded during this period. This development must be studied in the context of the rise of Nepali nationalism and her internal politics.

The rise of nationalism in Nepal is a phenomenon of recent origin. Remaining outside the pale of modern civilization, Nepal, under the Rana rule, continued to exist in a state of mediaeval culture. The majority of her people, steeped in ignorance and superstition, with no knowledge of the modern amenities of life, had no aspiration whatsoever. The Rana government, based on tyranny and exploitation, tried to preserve only the status quo. Their only policy in the foreign affairs was to maintain cordial and servile relation with the British government. With no role to play in foreign affairs, and with no internal aspiration, nationalism did not appear in Nepal as a potent force. The objective conditions for the rise of nationalism were also largely absent. A mountaneous country with no means of communication and transport, Nepal remained divided into various isolated communities. A sense of common nationality did not inspire them.

As a potent political force nationalism arose in Nepal after the Second World War, particularly after the fall of the Rana rule. The government and the elite became conscious of the new role Nepal might play under the altered circumstances. The educated section of the Nepalese began to draw inspiration from the great ruler Prithvi Narayan Shah, and the Rana rule appeared to be a dismal interregnum. They became proud of their nation and very sensitive about their sovereignty and independence. Wedged in between two big powers of Asia, they naturally suffered a fear complex which made them all the more sensitive about their national independence and the status of equality. Small in size and population, and comparatively more backward than her underdeveloped neighbours, Nepal, proud of her nationalism, remained in a state of fear and

suspicion lest her national sovereignty be encroached upon or her national dignity suffer by any policy or activity of her big neighbours. This psychological trait of the Nepalese nationalism will supply the key to understand many important features of her internal politics. To be successful, the policy of a country, particularly of her big neighbours, must be in harmony with this basic national feeling of the Nepalese.

The Indian interference in the democratic revolution of Nepal took place, as it has already been shown, almost inevitably as a part of the natural process. The interference appeared as a necessary part of the revolution itself. The period of uncertainty and confusion which naturally accompanied and followed the revolution compelled the Nepal Government to ask for Indian assistance which was readily offered. The dependence of Nepal upon her big neighbour had, from the point of the Nepalese nationalism, a danger too. It might, if India were so disposed, have led to the eclipse of the Nepalese independent existence. Indian aid was offered with no such motive, and the Nepalese government knew it well. But the political parties opposed to the existing government of Nepal took advantage of it, and interpreted the Indian aid as undue interference in the internal affairs of Nepal. They appealed to Nepalese nationalism and condemned the government for its dependence on India. This tended to give Nepalese nationalism an anti-Indian orientation.¹⁷ It has rightly been pointed out that "India-baiting has always been an effective safetyvalve for the release of national frustration in Nepal."¹⁸ Another writer has very aptly remarked that "all politicians and adventurers out of power..... were to live on a staple diet of 'anti-Indianism'."^{18A} Nationalism usually arises as a negative force, as a reaction against a national enemy. Since Nepal "had never been colonised, there had previously been no focus for nationalism. Now India, resented by those who foresaw the failure of their hopes for the country and—in the case

17. See the article of the former Secretary-General of the Indian Ministry of External Affairs, Sir Girja Shankar Bajpai, "Nepal and the Indo-Nepalese Relations" in the *Indian Year Book of International Affairs*, Madras, 1954, pp. 13ff.

18. Werner Levi, "Nepal's International Position", *United Asia*, vol. 12, No. 4, 1960, p. 354.

18A. Narendra Goyal, *Prelude to India*, p. 52.

of politicians who did not get into office—for themselves, provided the required focus.”¹⁹

Basis of Anti-Indianism : (a) Nepal's Dependence on India.

Immediately after the revolution, the Terai region in the Indo-Nepal border was turned into an area of utter confusion and lawlessness due to the activities of Dr. K. I. Singh and his followers. India helped Nepal in February 1951 to restore order in the region and to arrest Dr. Singh and his armed followers.²⁰ Within two months Nepal again was forced to ask for the aid of the Indian troops to subdue the lawless elements in several parts of the country. In the beginning of the next year, January 1952, Kathmandu itself was in the grip of a serious rebellion led by Dr. K. I. Singh and aided by the communists, the Raksha Dal and the Rashtriya Mahasabha.²¹ The rebellion was put down by the Nepalese army. These incidents impressed upon the government the need of having a well-trained army for the maintenance of law and order in the country. They, therefore, sought Indian assistance in this matter and an Indian Military Mission soon appeared in Nepal. The frequent appeal of Nepal to India for help, the activities of the Indian troops on the Indo-Nepal border and particularly the arrival of the Indian Military Mission in Kathmandu brought into prominence the leading role of India in the politics of Nepal. The so-called Indian interference in Nepal was, it is evident, solely due to the request of the Nepalese government, and the latter knew it well that behind the Indian activities there was no sinister motive. But the groups in opposition to the government brought the charge of Nepalese subservience to India in order to discredit the ruling authority. Anti-Indianism, largely a product of internal politics of Nepal, came to influence the psychosis of the nationalists of Nepal. Fear and suspicion coloured their imagination more than stark facts. As Joshi and Rose have put it :

19. E. B. Mihalý, n. 12, p. 22.

20. *The Hindu*, 23 February, 1951.

21. The violent activities of the Gurkha Dal led the Nepali Congress to retain the party's *Mukti Sena* (liberation army) as an auxiliary police force under the name *Raksha Dal* (Protection Organisation.) The Kirantis of the Eastern Hills started a secessionist movement led by the *Rashtriya Mahasabha*.

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“Opposition leaders, in their search for political issues, found a convenient handle on the question of foreign interference. India, with its close involvement in the initiation of the political change and in the stabilization of the new system, therefore, became an easy target for political criticism. The alleged interference of the Indian government in such forms as the use of Indian troops in the capture of Nepali rebels and the presence of an Indian Military Mission, was not considered half as important as suspicion concerning India’s motives and future intentions with regard to the sovereign status of Nepal.”²²

(b) Indian Aid to Nepal.

India was interested not only in the introduction of democracy in Nepal but also in her economic prosperity so that she may serve as a strong bulwark against the expansion of communist ideas from the north. The first clear indication of India’s willingness to help Nepal in her economic development came soon after the revolution. During his visit to Nepal in June 1951 the Indian Prime Minister Mr. Nehru, while addressing a public meeting, said : “If you seek our help in, say, technical or other spheres, we will do our utmost to be useful to you, but we never want to interfere.”²³ In January 1952 the Nepalese Prime Minister Matrika Prasad Koirala came to India and asked for the Indian aid. The Indian Planning Commission sent a group of experts to Nepal to make an assessment of Nepal’s requirements, and in its report it pointed out that it was not possible to prepare any comprehensive plan of economic development for Nepal at that stage due to the lack of basic data. It suggested that initially emphasis should be laid on the creation of a sound administrative and financial system, collection of basic data, survey of important sources and development of communication.²⁴ The Indian aid programme to Nepal was a comprehensive one including development of the means of communication, establishment of educational institutions and hospitals, construction of irrigation projects and hydro electric

22. B. L. Joshi and L. E. Rose, n. 1., p. 174.

23. *The Statesman*, 17 June 1951.

24. *Lok Sabha Debates*, 1953, vol II, no 31, col. 3096.

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schemes, provision of drinking water, arrangement of the training of the Nepalese in India etc. India sent experts to Nepal in order to improve her civil service and modernise her army. The 80-mile long Tribhuvan Rajpath linking Kathmandu with Raxaul was built by India. The foundation of the Gauchar airport in Kathmandu was also laid by India, and she undertook to construct or improve a number of airfields in the country. In 1954 the Indian Aid Mission was set up in Kathmandu to co-ordinate the activities of different projects started by India in Nepal. India contributed Rs. 10 crores towards financing the first Five Year Plan of Nepal prepared in 1956. India agreed to bear the entire cost of the Trisuli hydro-electric project. In 1958 a Regional Transport Organisation was set up in Kathmandu by a tripartite agreement, signed by India, Nepal and the U.S.A.²⁵ They agreed to build jointly 900 miles of roads in Nepal.²⁶ The scheme was, however, abandoned after the work began. It was found to be very elaborate and expensive for the construction of major roads, and, moreover, "this organisation has not proved itself able to achieve what it should have achieved."²⁷ During the First Plan period Nepal received foreign assistance from many countries, such as, People's Republic of China, Soviet Union, Great Britain, Australia, Switzerland, New Zealand, Canada, but the major part of the foreign aid, more than seventy-nine percent, came from India and the U.S.A.²⁸ India granted a number of scholarships to the Nepalese students. Upto 1961 Nepal sent 2,162 students abroad for higher education and advanced training under the scholarships made available to the Nepalese government, and of this 1,401 came to India.²⁹

As an integral part of the aid programme, a large number of Indian advisers and technicians went to Nepal, but their presence caused resentment among the Nepalese. They accused the Indians of being arrogant and of treating the Nepalese officials with whom

25. *The Three Year Plan (1962-1965)*, National Planning Council (Government of Nepal), p. 59.

26. *Ibid.*, p. 151.

27. *Ibid.*, p. 153.

28. *Ibid.*, p. 53.

29. *Ibid.*, p. 136.

they were associated as their own subordinates. E. B. Mihaly thinks that these charges "were not entirely without foundation,"³⁰ because "too many Indian officials tended to regard the Nepalese with a combination of paternalistic good-will and condescension." The anti-Indian feeling in general and the attitude of the Nepalese towards the Indian officials in particular affected the Indian aid programme also. "India's aid programme, however, faced one obstacle which the other aiding powers did not. This was widespread suspicion and hostility. Nepalese nationalism had its on'y basis in anti-Indian sentiment. Now nationalist resentments of India focussed on Indian aid efforts."³¹ The occasional mismanagement of the large Indian aid by Indian personnel and technicians also led to further criticism of India in Nepal.³² There was a feeling in Nepal that India showed a marked lack of determination to push through the projects which did not have some clear military or political value to India. Though this charge, frequently mentioned in the Nepalese press, could not be proved, still Mihaly refers to the rapid construction of the Tribhuvan Rajpath and the Gauchar Airport (which obviously had great political and military value to India) and "the virtually non-existent progress on the minor irrigation works project established in 1954."³³ Under such an atmosphere of suspicion, India could not earn the goodwill of the Nepalese, commensurate with the aid given to her, not with the purpose to dominate the country, but to stabilise her democracy, consolidate her economy and strengthen the ties of her friendship with India.

(c) The economic factor

The feeling of anti-Indianism in Nepal had a more realistic foundation in the economic factor. It resulted largely from the 'Indian dominance in commerce'³⁴ of Nepal. The business commu-

30. E. B. Mihaly, n. 12, p. 92.

31. *Ibid.*, p. 91.

32. P. P. Karan and W. M. Jenkins, *The Himalayan Kingdoms : Bhutan, Sikkim and Nepal*, p. 122.

33. E. B. Mihaly, n. 12, p. 13.

34. *Far Eastern Economic Review*, Nepal Supplement, 2 June, 1960, p. 1105.

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nity of Nepal naturally was jealous of the presence of Indian businessmen in their country. The Indian control over a large part of the commercial and industrial enterprise of Nepal led the communists and their allies to explain the Indian interference in their country as economically motivated—as an expression of Indian imperialism.³⁵ In April 1951 a conflict between the Indian employers and the Nepalese workers at Birganj took the form of a violent anti-Indian demonstration.³⁶ The Treaty of Trade and Commerce concluded by the Government of India and the Rana government of Nepal in July 1950 accentuated the Indo-Nepalese rift in the economic front. By this treaty Nepal was required to impose export and import duties at rates not lower than those leviable in India on trade with countries outside India. Nepal further agreed to levy on goods exported by her to India an export duty so that the Nepalese goods in India could not be sold at prices lower than those of similar goods produced in India. By this treaty the merchants of Nepal could not export to or import from countries other than India without her consent. Nepal had no foreign exchange of her own. It was maintained by India and she provided Nepal with necessary foreign exchange to meet her requirements. This treaty thus contained features which were disadvantageous to Nepal's economy, though, as Warner Levi rightly suggests, perhaps even more to her pride.³⁷ The foreign trade of Nepal was indeed limited but it was important to a section of Nepalese merchants. This treaty served the interest of India by preventing smuggling of goods from Nepal and thus protecting her industries. But it certainly did much to hurt the national interest and national pride of Nepal by depriving her of tariff autonomy and the right to establish a separate foreign exchange account of her own. The Nepalese naturally resented the continuation of this treaty concluded by the Rana government, and many political leaders regarded it as a conclusive evidence of India's intention to dominate Nepal economically. Many governments of Nepal tried to revise this treaty and ultimately in September 1960 during the time of the

35. *Jatiya Janatantrik Samyukta Morcha Ko Ghosanapatra*. p. 3.

36. *Gorkhapatra*, 2 May 1951.

37. Werner Levi, "Nepal's International Position," *United Asia*, Vol. 12, No. 4, 1960, p. 354.

Nepali Congress ministry a new treaty of trade and transit was signed between India and Nepal. It gave Nepal the right to have her own foreign exchange and she could now import from other countries by using her own foreign exchange resources. It also recognised the right of Nepal to follow a trade policy different from that of India. Though by this treaty some of the grievances of Nepal were removed still it did not solve the problem to her satisfaction.

(d) The Political Parties of Nepal.

(i) The Communist Party.

In Nepal there were certain parties which were essentially anti-Indian in character. The Nepal Communist Party, born in Calcutta in September 1949, under the guidance of the Indian Communists, considered, in accordance with the international communist strategy of the time, the Indian government as thoroughly reactionary—a stooge of Anglo-American imperialism. It did not co-operate with the democratic movement of Nepal sponsored by the Nepali Congress with the support of the Nepali King, Indian Government and the Indian Socialists. Remaining aloof from the entire democratic movement of the country, the Communist Party of Nepal brought various imaginary charges against the intervention of the ‘Anglo-American imperialists and the Nehru Government.’³⁸ The success of the anti-Rana movement under the leadership of the Nepali Congress and with the assistance of the Indian Government was considered by them as the triumph of the reactionary forces. Their attitude was clearly explained thus : “Afraid of the people’s movement led by the working class of Nepal, the feudalists and the bourgeoisie in spite of their mutual contradictions, enter into compromise at the dictate of foreign powers who plan to turn Nepal into a war base against the socialist world. That is what happened in the 1950-51 revolution.”³⁹ According to the communists the king and the

38. Jatiya Andolanma Nepal Communist Party (Report of the General Secretary of the Nepal Communist Party at its first Conference held in Sept., 1951), pp, 12-13.

39. *Nepal Tribune*. 7 December 1966, p. 2.

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Ranas represented the feudal force and the Nepali Congress was the party of the bourgeoisie. They were brought together by India with a view to turning Nepal into a base of military operations against Communist China. The Communist Party of Nepal was built in the image of the Chinese Communist Party and its policy was determined by that of Communist China. During the period of Sino-Indian friendship, its attitude towards India was accordingly revised. In its election manifesto during the general election of 1959 it expressed the desire to strengthen the "age-old friendship" between Nepal and her two big neighbours, India and China.^{39A}

(ii) The Praja Parishad.

Besides the Communists, there were three other political groups in Nepal which adopted more or less an anti-Indian attitude. They were the *Praja Parishad* of Tanka Prasad Acharya, the *Gurkha Parishad* of Bharat Shumsher and *Nepali Rashtriya Congress* of D. R. Regmi. Tanka Prasad founded the *Praja Parishad* in 1935 and was sentenced to life-long imprisonment. While still in jail he was made President of the *Nepali Rashtriya Congress*, but on his release from jail after the Delhi agreement he "returned to the Praja Parishad and joined hands with the communists against the government."⁴⁰ The ideology of his party was 'New Democracy' and its objectives, as it was stated in the manifesto, was the establishment of a "classless society".⁴¹ After the revolution, the *Praja Parishad* formed, in alliance with the communists, the *Jatiya Janatantrik Samyukta Morcha* (National Democratic United Front) in July 1951 with Tanka Prasad as Chairman. In a manifesto issued by the Morcha in November, the Rana-Nepali Congress coalition government was described as a puppet of the Indian government.⁴² It referred to the predominating influence

39A. For the election manifesto of the Nepal Communist Party see its weekly organ *Nayayug*, 26 November 1958.

For the detailed information of the Nepal Communist Party may see the article of Leo. E. Rose in Scalapino, Robert A (ed.), *Comparative Communism in Asia*. pp. 243-272.

40. Saul Rose, *Socialism in Southern Asia*, p. 74.

41. *Nepal Praja Parishad Ko Ghosanapatra*, p. 5.

42. *Jatiya Janatantrik Samyukta Morcha Ko Ghosanapatra*, p. 3.

of India upon the economic life of Nepal and stated that India would not allow Nepal to establish friendly relation with China. Though Tanka Prasad has never elaborated the ideological basis of his party in clear language,⁴³ its anti-Indian role was unmistakable. The organ of the party, *Samaj*, published articles and editorials critical of the Indian policy towards Nepal. It demanded a revision of the Indo-Nepal Trade Treaty and considered that the Indian policy towards Nepal was a violation of the principles of peaceful co-existence. The *Praja Parishad* organised a black flag demonstration when the Indian Prime Minister Mr. Nehru went to Kathmandu in the summer of 1961.

(iii) **The Gurkha Parishad.**

The *Gurkha Parishad* was formed in 1952⁴⁴ by a powerful section of the Ranas with Bharat Shumsher Jung Bahadur Rana as its General Secretary. This party was naturally against India because of the support India gave to the Nepali Congress in its struggle against the Rana regime. Though not formally opposed to democracy in its programme, the Gurkha Parishad tried to safeguard the interest of the Ranas as far as possible under the changed circumstances. In order to gain popularity it called itself a "party of nationalists"⁴⁵ and followed the usual strategy of raising the bogey of Indian interference in the internal affairs of Nepal. It warned the Nepalese people about the sinister role of the Indian ambassador, Indian advisers and the Indian Military Mission in

43. Sir Francis Tuka has described Tanka Prasad's party of Praja Parishad as a Marxist-Leninist Party. See his book *Gorkha—The Story of the Gurkhas of Nepal*, p. 247.

It is not proper to consider Tanka Prasad as a Communist or a Marxist. According to the Communist leader Puspallal he is simply a nationalist. He wanted closer relation with China in order to reduce Nepal's dependence on India (Based on my talk with Puspallal).

44. The *Gurkha Dal* or the *Kurki Dal* existed earlier, and in 1952 the name *Gurkha Parishad* was adopted.

45. Manifesto of the Policy and Programme of *Nepal Rashtravadi Gurkha Parishad*, p. 3.

Nepal. "They knew well that India also co-operated indirectly to finish Rana regime (their paradise), so they took pretence of narrow nationalism and propagated that India is an aggressor and interferer in Nepal's internal affairs."⁴⁶ Though anti-Indian, the *Gurkha Parishad*, unlike the communists or the *Praja Parishad* of Tanka Prasad, was not pro-Chinese. It preferred Indian collaboration to prevent the danger of the Chinese threat to Nepal.

(iv) The Nepali Rashtriya Congress.

D. R. Regmi of the *Nepali Rashtriya Congress* became critical of India because he believed that the Indian government had shown a special favour to the *Nepali Congress* by inviting leaders only of this party in Delhi to take part in the tripartite conference in February 1951⁴⁷ to the exclusion of other political groups, particularly his own. In his book he has expressed his views candidly which may well be quoted. He observes : "Yet very strangely only a few leaders of the Nepali Congress were called to Delhi for negotiation with the ruling Ranas. Sree Nehru who had taken earlier a very bold and democratic stand left everything to the discretion of his Ambassador who unfortunately took absolutely a partisan view of the whole development. It was mainly due to the latter's efforts that the parties other than the Nepali Congress were not allowed to participate in the talks...The author of this volume of work has a special reason to be aggrieved because one S. K. Sinha, then the Ambassador's Secretary, was openly taking sides in the party politics of the country by using his personal and his Embassy's influence to popularise Subarna Shumsher and decry in the same vein my own person and the party of which I was the President and leader. I can state it on authority that at the last stage he went to the length of involving the entire apparatus of the Embassy as well as the fair name of the Indian Prime Minister who were whisperingly given out to have been lending their full weight to Subarna group. At the time I reached Kathmandu this fellow was a virtual boss of

46. J. B. Singh, *India Nepali Congress and King Mahendra* (a pamphlet), p. 2.

47. See Chapter II, n. 48.

the popular agitation and he himself guided and directed the anti-Rana agitation. The machination of the Indian Embassy had it been limited to bringing about the downfall of the Ranas would have not provoked resentment in the populace and added to their goodwill, but as it had assumed a partisan colour, and every one who did not fall in line with Subarna's coterie fell a victim to slander and blackmail due to its machination, the amount of goodwill earned by India in course of the last three years of popular struggle seemed suddenly to undergo a process of exhaustion."⁴⁸ The Nepali Congress, it may be noted here, was the largest and the most popular party in Nepal and it acted as the spearhead of the revolution with the support of the king. Moreover, the Delhi negotiation tried to pave the way for the election of a constituent assembly in Nepal on the basis of adult franchise. Therefore, the decision of the Indian government not to invite representatives of others parties of Nepal in the tripartite conference appears to be justified. D. R. Regmi, it appears, looked with suspicion the spontaneous support of the Indians to the cause of democracy in Nepal. Referring to what was the unrelenting support of the Indian socialists to the democratic struggle of Nepal, he writes : "The worst was done by the intervention of certain political parties of India, whose leaders acted purely from narrow party interests."⁴⁹

(v) Samyukta Prajatantra Party of Dr. K. I. Singh.

Dr. K. I. Singh, a quixotic figure in the politics of Nepal of this period, had no consistent view about India. He, though a member of the Nepali Congress, was opposed to the Delhi Settlement of 1951 on the ground that it did not lead to a complete abolition of the Rana autocracy. He with his band of followers continued the movement with reckless violence and during the Rana-Congress coalition ministry a joint action of India and Nepal

48. D. R. Regmi, *Whither Nepal*, p. 114.

49. *Ibid.*, p. 46.

was necessary to arrest him.⁵⁰ He later on fled to China through Tibet. He, however, returned to Kathmandu in September 1955 after the diplomatic relation between Nepal and China was established, and he was granted a royal pardon by the king of Nepal. Many during this time suspected Dr. Singh to be an agent of Communist China.⁵¹ In October 1955 he formed the *Samyukta Prajatantra Party*. His public utterances during this period were violently anti-Chinese and pro-Indian.⁵² At the election of 1959 he was defeated, and then he started a vigorous anti-Indian propaganda under the auspices of the National Democratic Front formed by his party and those of Tanka Prasad Acharya and Ranganath Sharma.⁵³

50. In course of an interview in Calcutta on 4. 9. 1967, Mr. Parasuram Chaudhri, Education Minister in the elected Nepali Congress Ministry, who fled to India after the *royal coup* of December 1960, told me that Dr. K. I. Singh could not bring under his control the Bhairawa region in Western Terai which was placed under his charge during the revolution. This failure, he thought, possibly made him virulent against the Delhi Settlement, and out of anger and frustration, he let loose a reign of terror in that region.

Sir Francis Tukaer however seeks to justify the conduct of Dr. Singh in continuing the struggle against feudal autocracy with ruthless violence in spite of the Delhi Settlement. He writes: "On this, Dr. K. I. Singh, who was throughout perfectly consistent, and who may have followed his conscience rather than his own ambitions, threw over the Congress and led his forces against Bhairawa, the headquarters of the Western Terai, just north of Gorakhpore, determined at all costs to throw down the feudal autocracy." Sir Francis Tukaer, *Gorkha—the story of the Gurkhas of Nepal*. p. 262.

51. Mr. Nehru however thinks that "K. I. Singh is no Communist—just a free-booter who tried to seize power and failed." Look Magazine, 18 No. 22, 2 November, 1954, pp. 31-35. Werner Levi also thinks that "there is no need to share the doubts of many Nepalese about his being a Communist. It is likely that such doubts are purposely created as part of the Communist tactic in Nepal." Werner Levi, "Politics in Nepal", *Far Eastern Survey*, March, 1956, p. 40.

In course of an interview Mr. Subarna Shumsher told me that Dr. Singh became more sober and mature after his return from China. He however emphasised the fact that many consider him to be a Chinese agent but, he made it clear during the interview, that personally he would not like to bring any allegation against Dr. Singh.

The Communist leader of Nepal Mr. Puspahal told me that Dr. Singh can by no means be regarded as a Communist though he read some Communist literature during his stay in China. Mr. Puspahal thinks that the king brought Dr. Singh back to Nepal in order to encourage the rise of a force hostile to the Nepali Congress.

52. See Chapter IV, n. 62.

53. Tanka Prasad, leader of the *Praja Parishad* and Ranganath Sharma, leader of the *Nepal Prajatantrik Mahasabha*, were both defeated in the election of 1959.

(e) The Psychological factor

The Nepalese fear of Indian domination, whether based on facts or not, was nevertheless real. The political parties could not create it ; they simply utilised it conveniently for their purpose. It is not unnatural for a small and weak country to fear her big neighbour, and this natural fear was accentuated by the activities and conduct of some of the Indian officials. "The forceful personality of the Indian Ambassador, Mr. C. P. N. Singh," it has rightly been observed, "lent itself to a misrepresentation of India's policy."⁵⁴ The conduct of the ambassadors appointed later did much to allay the Nepalese fear. Mr. Kingsley Martin who visited Nepal in the early part of 1960 observed : "In 1948, some Indians began with the mistaken idea that they would inherit in Nepal the monopoly which had been exercised by the British. Mr. Bhagwan Sahay, who became Indian Ambassador in Kathmandu a little more than five years ago, overcame this prejudice amongst those who were willing to shed it."⁵⁵ But there still remained much to be improved. Referring to the same problem Bhola Chatterji wrote in December 1960 : "The Big Power complex and an attitude of superciliousness have been the distinguishing characteristics of very many of Delhi's representatives during the past decade in Nepal. They have left behind a legacy that is still being carried forward by many of those whom the Indian Foreign Office maintains in Nepal."⁵⁶ Describing the conditions of 1963, J. D. Singh observed : "There are on the Indian diplomatic staff in Kathmandu men who seem to be ignorant of the art of winning friends and influencing people. Some of them have aroused an astonishing degree of antipathy among the common people."⁵⁷

The importance of psychological factors in international relations cannot be ignored. The relation between a big power and its small

54. Girilal Jain, n. 1, p. 93.

55. Kingsley Martin, "Nepal Looks Outwards," *New Statesman*, 2 April 1960, p. 478.

56. Bhola Chatterji, "Communism and Nepal," *Hindustan Standard*, 6 December 1960.

57. *Times of India*, 29 November 1963.

neighbours is always delicate. Real friendship cannot be established if the small country cannot feel itself equal to its big neighbour. A patronising or a paternalistic attitude on the part of a big country will always cause resentment in the minds of the people of a small country. Popular sentiment is an important factor to be reckoned with, because the political parties seek to represent it or try to utilise it for their own purposes. Judged in this light, the attitude of Indians in some circles was not favourable for the growth of the Indo-Nepalese friendship. Nepal appeared "in less well-informed Indians' eye" as "just an Indian state", and it was believed that "the Indians have inherited British paternalism along with Britain's former place in Nepal."⁵⁸ This attitude tended to persist among some of the Indians living in Nepal. The Special Correspondent of the *Times of India* writes as late as September 1963 : "Indians swagger and stalk with condescending airs around Kathmandu treating the natives as an inferior race."⁵⁹

Kosi and Gandak River Projects.

The extent to which the Nepalese suspicion about India can be aroused by the political parties is illustrated by the attitude taken by a section of the Nepalese people towards the Kosi River and later on the Gandak River Projects. The purpose of the Kosi River Project on the border between the two countries was to construct in Nepal territory a dam over the river in such a way that the flood caused by it in the Bihar State of India could be prevented, a large area of land both in India and Nepal could be irrigated, and electric power for use in both the countries could be produced. The financial and administrative responsibility for the project was Indian. A large number of the Nepalese people began to suspect that the project agreement, concluded in April 1954, had granted to India such rights and privileges which would establish Indian domination over the Nepalese territory connected with the scheme. A strong agitation was organised in Nepal against this agreement, and the Prime Minister was

58. *Far Eastern Economic Review*, Nepal Supplement, 2 June 1960, p. 1105.

59. *Times of India*, 18 September 1963.

forced to issue a statement denying any sinister motive on the part of India. He said : "India could have very well put the barrage a couple of miles below the present agreed site (in Nepal). The sovereignty and territorial rights of Nepal have not been impaired by the Kosi agreement."⁶⁰

Anti-Indianism was practised by all the parties, not in power, though, when placed in power, the same parties acted differently. The Nepali Congress of B. P. Koirala condemned the government for concluding the agreement on the Kosi Project, but when it formed its own government after the general election of 1959, it concluded with India on 4 December 1959 a similar agreement on the Gandak Project.⁶¹ The purpose of this project was to construct on the river Gandak in the Indo-Nepal border area a multipurpose hydro-electric dam, one end of which would remain in Nepal and the other in Bihar. It envisaged the construction of two major canals and two power houses, one of each of which would remain in Nepal and one in India. The total cost of the project would be borne by India alone. This scheme was severely criticised by the parties in opposition, such as, the Communist Party of Nepal and the National Democratic Front consisting of three political parties, namely, the *Praja Parishad*, the *United Democratic Party* of Dr. K. I. Singh and the *Prajatantrik Mahasabha*.⁶² This agreement, it was alleged, implied an encroachment upon the Nepalese sovereignty over her own territory, and the Front leaders condemned the Nepali Congress as a tool in the hand of Indian imperialism. Tanka Prasad was certain that the Nepali Congress would gradually hand over all the Nepalese streams and the territory around them to India.⁶³ The Communist Party of Nepal was also very enthusiastic in organising protest meetings and demonstrations against the Gandak River Project agreement.

The response which the opposition parties found from a large

60. *The Hindu*, 5 June 1954.

61. "Agreement on Gandak Project", *Foreign Affairs Record*, Vol. V, No. 12, December, 1959, pp. 493-494.

62. The Front was formed after the Nepali Congress came to power in 1959.

63. *Halkhabar*, 8 December 1959.

section of the Nepalese people to their politically motivated anti-Indian propaganda clearly indicates a peculiar, though not inexplicable, psychological pre-disposition of Nepalese nationalism. So far as the real interest of Nepal was concerned there could be no complaint against these projects. "The complaint", as one writer has aptly put it, "is that Indians are benefitting themselves as well as Nepal !"⁶⁴

Indian Policy and the Nepali Congress.

In view of the peculiar though not unnatural suspicion of Nepal about India, and the existence of well-organised parties bent upon fomenting and exploiting the anti-Indian sentiment of the people to promote their own interest, India should have, among other things, tried to accelerate the process of democratic development of Nepal in accordance with the memorandum of December 1950. During the transitional period the king, as it has been referred to earlier, appointed, in accordance with his discretion, a large number of ministries many of whom had no popular basis in the country, and sometimes he ruled directly without any ministry. The parties which were deprived of power by the king imagined an unseen Indian hand behind the arrangement, and, therefore, became critical of India, and interpreted the friendly advice and aid of India as undue interference in the affairs of Nepal. Therefore, it was in the interest of India and also of the democracy in Nepal to bring the transitional period to an end as early as possible, and inaugurate a system of constitutional democracy through the election of a constituent assembly. But instead of pursuing this objective boldly, India followed a policy of compromise and drift. When the Rana-Congress coalition government, formed in Nepal in accordance with the Indian memorandum of December 1950, failed to work, the Nepali Congress demanded dismissal of Mohan Shumsher and his group, and installation of homogeneous cabinet. The Rana group, possibly to underline the dependence of Nepal upon India under the new conditions, suggested that the matter should be referred to India. Though

64. Kingsley Martin, "Nepal looks Outwards", *New Statesman*, 2 April 1960, p. 478.

the Nepali Congress was reluctant to adopt such a procedure, the matter was ultimately referred to the Indian Prime Minister Nehru. The Prime Minister Nehru, instead of supporting the demand of the Nepali Congress, adopted the policy of conciliation. After the Prime Minister Nehru had met the representatives of both the groups of Nepal, the Indian government in a press statement announced that "there was complete agreement that the Nepali Cabinet should work in a co-operative and progressive spirit for the political development and economic prosperity of Nepal."⁶⁵ Instead of pressing for the election of the Constituent Assembly, the Indian government suggested that a "little parliament" should be set up to give the coalition government a somewhat representative character. The attempt to give the government, which included a large number of old Rana rulers, a democratic character was absolutely futile. In view of the hostile relation between the Rana group and the Nepali Congress group in the coalition government, it was almost certain that this arrangement would not last long. The only result of the Indian attempt at compromise was to gain for her the resentment of the Nepali Congress. *The Nepal Pukar*, the official organ of the Nepali Congress wrote: "The lesson of the Delhi Conference is that the affairs of Nepal should be settled by the Nepalese themselves. The Nepali Congress leaders should keep in mind that the people wait to see how they deliver the final blow on the Rana rule. If this is not done their prestige would suffer to the dust."⁶⁷ Half-measures to conciliate both the Rana group and the Nepali Congress ended in dismal failure—it could not salvage the Ranas but it antagonised the Nepali Congress. Within six months, the Rana rule came to an end in Nepal. Indian interference was fruitless.

65. *The Hindu*, 17 May 1951.

As a matter of fact, 'economic prosperity' was not the immediate issue for Nepal in those days. D. R. Regmi very aptly pointed out: "We are not so much concerned with economic issues as such as with the question of laying a foundation of the democratic institutions. All schemes of economic development can wait for the duration of the interim administration." D. R. Regmi, n. 48, p. 175.

66. *The Hindu*, 12 May 1951.

67. *Nepal Pukar*, 8 Jaith 2008 V. S. p. 2.

In the eye of the Nepali Congress the Indian interference had no longer any progressive significance. After the resignation of Mohan Shumsher's group from the coalition cabinet in November 1951,⁶⁸ King Tribhuvan formed a new cabinet with M. P. Koirala as the Prime Minister. B. P. Koirala, the dominating leader of the Nepali Congress, and his followers, imagined an Indian hand behind the appointment of the M. P. Koirala cabinet to the exclusion of B. P.⁶⁹ Describing this incident Kavic observes : "When King Tribhuvan passed over the strong man of the Nepalese Congress, B. P. Koirala, and choose instead M. P. Koirala as the first commoner Prime Minister, the followers of the former blamed the move on the aggressive Indian ambassador, C. P. N. Singh, and B. P. Koirala himself charged Singh with taking an 'undue interest' in Nepal's internal affairs."⁷⁰ B. P. Koirala's followers stated in the political conference of the party held in December 1951 that the king kept B. P. Koirala out of the ministry on the advice of the Indian ambassador in Nepal.⁷¹ B. P. Koirala's party gradually developed a critical, sometimes amounting to a hostile, attitude towards India. The Nepali Congress Working Committee passed a resolution in March 1953 demanding the withdrawal of the Indian Military Mission "in the interest of healthy relationship between India and Nepal".⁷² The Nepalese Prime Minister M. P. Koirala, appreciating the Indian aid, replied to the Nepali Congress critics : "The Indian

68. In spite of the Indian interference, the tension between the Nepali Congress group and the Rana group within the Cabinet continued increasing. The situation came to such a pass that B. P. Koirala tendered resignation of all the members of his group in the Cabinet. Thereupon the Rana group also resigned.

69. King Tribhuvan had, it appears, an intense dislike for B. P. Koirala, and therefore, he insisted that M. P. Koirala must head the new ministry. See Anirudha Gupta, n. 1, p. 67, n. 41. This personal dislike of the king, which was shared by his son and successor, Mahendra, was an important factor in determining the subsequent development of the history of Nepal.

70. Lorne J. Kavic, *India's Quest For Security : Defence Policies, 1947-1965*, p. 58.

71. See *Sikshan Sibir Ke Udghatan Samaroha*. Balchandra Sharma, an important leader of the Nepali Congress, said at the conference : "I fear that the behaviour of the Indian representatives is not good. I believe these are individual mistakes, not the policy of the Government of India.....I think that the Indian officers are going far beyond their powers in Nepal". Quoted in Anirudha Gupta, n. 1, p. 67, n. 42.

72. *Resolution Passed at the Working Committee Meeting of the Nepal Congress held from the 10th to the 13th March, 1953*, p. 6.

Military Mission came to train and reorganise the Nepalese Army at our request during the Rana-Congress coalition government in 1951. There was not a single adviser for the government. Certain Indian officers were here for public relations. I definitely know that those who shout at the top of their voice about Indian interference had sought the help of Indian advisers themselves to the extent of taking them into Cabinet confidence and associating them in every administrative execution. During recent times these practices have stopped completely.”⁷³

The critical attitude of the *Nepali Congress* towards India however continued, and it found a violent demonstration in May 1954 on the occasion of the visit by an Indian Parliamentary goodwill mission at Kathmandu. The government held the *Nepali Congress* and the *Gurkha Parishad* responsible for the demonstration and arrested some of their leaders. B. P. Koirala, while denying his party's direct involvement in the affair, traced the origin of the anti-Indian demonstration to the “pent-up feeling” of the Nepalese against India. He observed : “The Kosi agreement, the presence of an Indian Military Mission, a large contingent of Indian advisers and technicians, and the India-Nepal trade agreement have been irritating the national sentiments of the Nepalese people...The incident at the airport was not an organised event but an outburst of pent-up feeling”.⁷⁴

Anti-Indianism arose in Nepal, the above analysis shows, partly due to factors on which India had no control, but partly due to wrong attitude of Indians and wrong policy of India. When the Chinese appeared in Nepal, their attitude towards the local people, as we shall see later on, was entirely different. India might have revised the trade treaty of 1950 earlier, and might have pressed the king to arrange for the election soon after the fall of the Rana regime according to the Indian memorandum of December 1950 to which Nepal was committed. The fruitless experiments of the king with a large number of ministries from which the party of B. P. Koirala was excluded created complications for which India had to suffer. The critical, sometimes hostile, attitude which developed in the Nepali Congress circle was particularly unfortunate.

73. *The Statesman*, 6 June 1954.

74. *Ibid.*, 2 June 1954.

CHAPTER FOUR
CHINA ENTERS NEPAL THROUGH INDIA

India's Nepal Policy

One of the basic principles of the British policy towards Nepal was, as it has already been mentioned, to keep her within the British sphere of influence. Though technically independent, Nepal in those days had no diplomatic relation with any power except the British. This arrangement contributed much to ensure the safety of the northern frontier of India. It was, however, not possible for Independent India to follow the same old British policy. Her outlook was different, and conditions in Nepal were changing. India supported the development of Nepal into a real International Person and welcomed her effort to establish diplomatic relations with different countries of the world. Explaining this aspect of the Indian policy Nehru stated in the Parliament on 6 December 1950 : "When we came into the picture, we assured Nepal that we would not only respect her independence but we wanted to see Nepal develop into a strong and progressive country. We went further in this respect than the British government had done, that is to say, Nepal began to develop foreign relations with other countries. We welcomed it. We did not come in the way although that was something which is far in addition to what had been the position in British times."¹ A resurgent Nepal would not certainly have remained content with the position it held in the comity of nations during the time of the British supremacy in India.

Though the Indian government followed a more generous policy towards Nepal, it was fully aware of its vital interests in that country. On 17 March 1950 Mr. Nehru declared in the Parliament : "Geographically, Nepal is almost a part of India although she is an independent country.....it was clear that insofar as certain important matters were concerned, so far as certain developments in Asia were concerned, the interests of Nepal and India were identical. For instance, to mention one point, it is not possible for the Indian government to tolerate an invasion of Nepal from anywhere, even though there is no military alliance between the two countries."² In

1. Jawaharlal Nehru's Speeches 1949-53, p. 176.

2. *Ibid.*, pp. 145-46.

his statement to the Parliament on 6 December 1950 the Indian Prime Minister categorically stated : "Frankly we do not like and shall not brook any foreign interference in Nepal."³ After the Chinese conquest of Tibet the outer line of defence created by the British Government for the safety of the northern frontier of India was demolished. Consequently, the importance of Nepal, from the point of view of the security of India, increased all the more. The government of India was fully conscious of the gravity of the situation, and in his above statement Mr. Nehru added : "Our interest in the internal conditions of Nepal became still more acute and personal, if I may say so, because of the developments across our borders, to be frank, especially those in China and Tibet. We are interested in the security of our country."

The special interest of India in Nepal arose, as it has already been explained, due to the geopolitical situation. India was interested directly not 'in the internal conditions of Nepal' as such, but in safeguarding her own northern frontier, the natural line of which goes to the northern border of Nepal. The divergence between the natural frontier and the political frontier in this region which was bequeathed by history was accepted by her as a settled fact. She tried to safeguard her northern frontier not by dominating Nepal but with her friendly co-operation. If her policy were one of domination she might have followed the traditional British policy of supporting the Ranas, ignoring all moral, political and historical considerations. The Ranas were too willing to transfer their loyalty from British India to Independent India. Their mind was fully revealed in the statement of Mohan Shumsher issued from Banaras in early 1950 in which he announced : "We shall give assistance to India whenever she needs it and come to her succour when she is in danger."⁴ Instead of responding to this alluring statement of Mohan Shumsher, India gave her support, directly and indirectly, to the resurgent nationalist and democratic forces of Nepal, knowing full well that they, unlike the Ranas, would never submit to the Indian domination. The ungrudging support of Mr. Nehru behind the

3. Ibid., p. 176.

4. *The Hindu*, 16 February 1950.

rise of Nepal as a full-fledged International Person having direct diplomatic relations with different countries of the world clearly indicates that India had no intention to keep Nepal within the sphere of her domination. She believed that friendship with independent and democratic Nepal was possible, because there was no clash of interest between these two countries. India was concerned with the fortification of the northern frontier of Nepal, and Nepal herself was vitally interested in it. The two countries had identical interests, and this provided a firm foundation on which the edifice of real friendship could be erected.

The country with which India was directly concerned in Nepal was obviously Communist China. The extension of the Chinese influence in Nepal would seriously jeopardise the safety of the northern frontier of India. India must contain China beyond the Himalayas at any rate. She must take measures "to ensure" that Nepal, together with Bhutan and Sikkim, should not be "included in the Communist Chinese sweep" along the Himalayas.^{4A} In the pursuit of her policy India was, however, aided by the fact that the traditional relation between Nepal and China was far from friendly.

Nepal and China—their Past relation.

The relation between China and modern Nepal, as established by the Gurkha rulers, was tenuous in the past. The relation must be studied mainly with reference to two treaties, one concluded in 1792 and the other in 1856.

In 1790 a war broke out between Tibet and Nepal, and after two years, in 1792, a Tibeto-Chinese army entered into Nepal. The war came to an end by a treaty concluded in the same year. The Chinese claim that this treaty brought Nepal under their suzerainty, but the Nepalese do not accept this. They maintain that "the Chinese emperor thinking it better to live in friendship with the Gorkhas made peace with them."⁵ By the treaty of 1792, as it is given in the *Life of Maharaja Sir Jung Bahadur* by

4A. Girilal Jain, *Panch Sheela and After : Sino-Indian Relation in the context of the Tibetan Insurrection*, p. 151.

5. Daniel Wright (ed), *History of Nepal*, p. 159.

General Padma Jung Bahadur Rana,⁶ China was recognised "as father to both Nepal and Tibet," and both of them agreed to refer all their disputes to China for final decision. China also agreed to come to the aid of Nepal if she should become the victim of any foreign aggression. Moreover, both Tibet and Nepal agreed to send to China "some produce of their country every five years in token of their filial love", and the Chinese government also, it was stated, would in return send to Nepal a friendly present. The terms indicate the recognition by Nepal of some superior status of China, but it is doubtful whether this recognition had any legal validity. Instead of referring their dispute to China, Nepal and Tibet again went to a war in 1854. In 1814 when the British invaded Nepal, China did not come to her aid. The treaty of Sagauli (as well as other treaties with the East India Company) was made by Nepal independently, and treaty-making power is usually regarded in International Law as a sign of sovereign authority. The only significant feature in the Sino-Nepalese relationship which can directly be traced to this treaty is the dispatch of mission by Nepal to Peking at an interval of five years bearing gifts and presents. This quinquennial mission was never regarded by the Nepalese as an indication of their acceptance of the Chinese suzerainty. Chandra Shumsher thought that the mission had little political significance, and he considered it important only from the commercial point of view. According to Balchandra Sharma the missions were sent in order to establish contacts with distant China. Moreover, the gifts which the mission carried with it for the Chinese court were always described in the accompanying letter as 'Saugat' which means presents and not tributes. It is also significant that the present which Nepal was required to send to China was not fixed; she only agreed to send "some produce" of her land. If the present were a tribute indicating Nepal's subordination to China, it would have been a fixed amount.⁷ D. R. Regmi, however, argues that even

6. For the text of this treaty see Girilal Jain, *India Meets China in Nepal*, Appendix B, p. 159.

7. See Ashok Kumar Nigam, "Chinese Claim of Suzerainty over Nepal", *The Modern Review*, August, September, 1968.

if Nepal had accepted Chinese suzerainty in theory that did not mean any limitation on her rights as an independent state. In those days China regarded countries like Korea, Annam, Siam, Burma as her dependents, but the "Chinese sovereignty in these countries was so little exercised that its acceptance did not mean curtailment of their own sovereign rights to any degree...In fact, in that context Chinese suzerainty was meaningless and Nepal was as independent as ever."⁸ Nepal did not send her five yearly mission to the Chinese court after 1908. Before the time of the dispatch of the next mission came, the revolution of 1911 overthrew the Manchu dynasty, and Nepal did not send any mission to China thereafter. It may, therefore, be reasonably concluded that with the end of the Manchu rule, all obligations of Nepal to China, if there was any at all, which followed from the treaty of 1792, came to an end.

Tibet was again invaded by Nepal in 1854, and this war came to an end by a treaty concluded in 1856. In this war Tibet was completely defeated by Nepal, and the treaty of 1856 gave Nepal a number of privileges over Tibet.⁹ By the terms of this treaty Tibet had to pay a tribute of Rs. 10,000 annually to Nepal. The Nepali citizens were given certain extra-territorial rights in Tibet, and the traders of Nepal in Tibet were exempt from all taxes and duties. A Nepalese representative was appointed at Lhasa, and her trade agents were given the rights to reside at Shigatse and Gyantse. These offices were protected by Nepal with escorts of her army. The treaty of 1856 determined the relation between Nepal and Tibet for one full century, and this was changed in 1956 by a new treaty concluded between Nepal and Communist China.

The treaty of 1856 has, however, a bearing on the Sino-Nepalese relation also. When the treaty was concluded, the Chinese *Amban* in Lhasa acted as the mediator, and there is a reference to the Emperor of China in the preamble of this treaty. There is a controversy about the translation and exact meaning of the language used in the preamble. According to the Nepalese text,

8. D. R. Regmi, *Modern Nepal*, p. 202.

9. For the text of the treaty see Girilal Jain, n. 6, Appendix C, pp. 160-61.

as translated by Mr. Perceval Landon, the preamble maintains that both Nepal and Tibet agreed to "respect" the Emperor of China. According to the Tibetan text, as translated by Aitchison, it means that Nepal and Tibet agreed to "obey" him. The Emperor of China is also referred to in Article 2 of the treaty. According to the Nepalese version it means that both Nepal and Tibet agreed to regard the Emperor of China with "respect", but the Chinese version indicates that both these countries agreed to regard the Chinese Emperor "with borne allegiance". From these references, the Chinese claim that by the treaty of 1856 Nepal acknowledged the overlordship of China, though the Nepalese have never accepted this interpretation.

It is not necessary for us to go into the details of this controversy. The significant point to be noted is that China has not given up her claim of suzerainty over Nepal. In 1908 the Chinese *Amban* at Lhasa tried to assert the suzerain right of China over Nepal, and advised the government of Kathmandu that Nepal and Tibet "being united like brothers under the auspices of China, should work in harmony for mutual good." After the fall of the Manchu dynasty Dr. Sun Yat Sen gave a list of territories which China had lost and which she should try to recover. He said : "We lost Korea, Formosa and Pen Fu to Japan after Sino-Japanese war, Annam to France and to Britain,...the Ryukyu Islands, Siam, Borneo, Sarawak, Java, Ceylon ; Nepal and Bhutan were once contributory states to China."¹⁰ In 1924 in reply to an enquiry by Perceval Landon about the Chinese attitude towards the quinquennial mission from Nepal, Dr. Wellington Kao, the Chinese Foreign Minister, wrote that though formerly the tribute came from Nepal once in five years, it was later on agreed that it should come once in twelve years. Though the new agreement referred to by the Chinese Foreign Minister was a fictitious one, it shows that China had no intention to give up her claim over Nepal. Communism in China, it appears, has inherited the national chauvinism. According to the Chinese communist propaganda Tibet is China's palm, and Nepal, Bhutan, Sikkim, Ladakh and NEFA are the five fingers. After the restora-

10. See Ashok Kumar Nigam in *The Modern Review*, n. 7.

tion of the palm to China, the fingers also naturally should go with it. In 1939 Mao Tse-tung tried to revive the Chinese claim upon her so-called lost territories including Nepal and Bhutan.¹¹ Though Communist China thinks it prudent not to make such direct claim at present, she has not at any rate given up her so-called right. The red ideology will, moreover, give her claim a revolutionary significance.

Indo-Nepalese reaction to Chinese aggression in Tibet.

The Nepalese leaders naturally became perturbed about the safety of their country after the establishment of communist rule throughout China on a firm and secure basis. They feared not the immediate Chinese invasion, but ideological infiltration and subversion. In March 1950 M. P. Koirala gave expression to this fear when he said : "We know that there is no danger of foreign aggression in Nepal at least in the near future. But an ideological invasion has already begun which will lead to internal complications in our country. The effective safeguard against this form of aggression is the introduction of democracy without any delay."¹² The Rana government of Nepal was equally perturbed, though it did not consider introduction of democracy as a part of the remedy. By early 1950, soon after the Chinese communists announced their decision to 'liberate' Tibet, the Rana government of Nepal made a move to consult India on matters of defence.¹³ India was also visibly disturbed by the ominous developments in Tibet, and she took various measures, political and military, to safeguard her northern frontier. She concluded three different treaties with the three Himalayan kingdoms to her north. The treaty with Bhutan was concluded on 8 August 1949 by which the Government of Bhutan agreed "to be guided by the advice of the Government of

11. Mao Tse-tung, "The Chinese Revolution and the Chinese Communist Party" (December 15, 1939 version), Current Background, No. 135, 10 November 1951.

12. *The Hindu*, 20 March, 1950.

13. *New York Times*, 16 February 1950.

India in regard to its external relations.”¹⁴ The treaty with Nepal, known as the Treaty of Peace and Friendship, was signed on 31 July 1950. The conclusion of the treaty was preceded by a visit to Nepal by Nehru in June. By this treaty India and Nepal undertook “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.”¹⁵ The India-Sikkim Peace Treaty concluded on 5 December described Sikkim as a ‘Protectorate of India’. India was made responsible for the defence of Sikkim and maintenance of her territorial integrity. She was given the right to station troops anywhere within Sikkim. The external relation of Sikkim, whether political, economic or financial, was given exclusively to the Government of India and it was categorically stated that ‘the Government of Sikkim shall have no dealings with any foreign power’.¹⁶

Besides these diplomatic preparations for the border defence, the Indian Government set up, at the request of the Defence Ministry, a committee, known as the North and North-Eastern Border Defence Committee, in February 1951 in order to examine the long-term aspects of the Himalayan security. In its report the Committee made a number of recommendations, and the Government accordingly adopted various measures to strengthen the northern and north-eastern frontier of the country.¹⁷

After the conclusion of the treaty the government of Nepal began strengthening their border security system with the aid of the Indian personnel to face the challenge from the north.¹⁸ The seriousness with which these measures were undertaken is clearly

14. *Foreign Policy of India—Texts of Documents 1947-59* (Lok Sabha Secretariat, New Delhi, 1959, second edition), p. 17-19. The conclusion of the treaty with Bhutan in August 1949 clearly indicates that the treaty had nothing to do with the establishment of the Communist regime in China. India would certainly have regularised her relation with the three Himalayan Kingdoms after the British withdrawal, but the establishment of Communist regime in China and its extension to Tibet gave India's relation with these countries an added significance.

15. For the text of the treaty see *Ibid.*, pp. 31-33.

16. *Ibid.*, pp. 37-40.

17. Lorne J. Kavic, *India's Quest For Security : Defence Policies 1947-65*, p. 46.

18. Barnett, A. Doak, *Communist China and Asia*, p. 312.

indicated by the fact that the cost of the defence posts on the northern frontier of Nepal increased from \$ 42,000 in 1952 to \$ 280,000 in 1954.¹⁹ Though Nepal was at that time entangled with her domestic problems and there were frequent changes in the government, the policy towards the northern frontier remained unchanged.

The Chinese occupation of Tibet was complete by the middle of 1951. By that time the Rana autocracy was replaced by the Rana-Nepali Congress coalition ministry. The Ranas were bitterly opposed to the Chinese Communists, and the Indian policy towards Tibet did not satisfy them.²⁰ The Chinese troop movements in Tibet created suspicion about their ultimate objective, and they caused grave apprehensions among the Nepalese. The Communist Party of Nepal sent its first greetings to Mao Tse-tung in October 1951.²¹ In the middle of 1952 Communist China, it was reported, renamed Mt. Everest, lying on the Sino-Nepalese border, as Chu-mu-lang-ma.²² The Nepalese request for the extradition of Dr. K. I. Singh from China went unheeded. In 1953 Tibet stopped the payment of her annual tribute to Nepal, based on the treaty of 1856.²³ These were all ominous developments for Nepal. With full Indian co-operation Nepal was preparing herself to meet this challenge from the north. After the democratic revolution in Nepal India helped her to put down the forces of lawlessness. There was co operation in border areas in the suppression of "bandits," and raiders from the other side. The Indian Air

19. L. G. Pine (ed), *The International Year Book and Statesman's Who's Who 1959*, p. 449.

20. "Nepal's royal government has no illusions about the Chinese. Nepalese leaders have strongly criticised India for failing clearly to condemn Chinese actions in Tibet." P. P. Karan and W. M. Jenkins, *The Himalayan Kingdoms: Bhutan, Sikkim and Nepal*, p. 115.

21. *Survey of China Mainland Press*, No. 195, 14 October 1951, p. 9. The hostile attitude of the Communist Party of Nepal towards the democratic revolution and the Indian Government made it a dangerous element in the political life of Nepal. The Party was banned in January 1952 because of its violent activities.

22. *Survey of China Mainland Press*, No. 347, 2 June 1952, p. 25.

23. Werner Levi, "Nepal in World Politics", *Pacific Affairs*, Vol. 30, No. 3, September 1957, p. 243.

Force made an aerial survey of Western Nepal and Indian military engineers constructed roads and airfields in various parts of Nepal.²⁴ The Indian aid, among other things, was “intended to build a shield to keep Chinese power contained north of the Great Himalaya.”²⁵ In the northern frontier of Nepal there were Indian radio operators on the 14 check posts.²⁶ The Indian Military Mission which went to Nepal in 1952 thoroughly re-organised the Nepalese army the strength of which was reduced “from 25,000 ill-organised, ill-paid and indisciplined soldiers to 6,000 properly trained men.”²⁷ “Selected personnel were also sent to the Indian National Defence Academy for training as officers. In July 1953 the Indian government provided transportation for Nepalese troops assigned to recapture Bellauri, a town near the Indian border, from Communist rebels and also placed a strong force of armed police at the disposal of the Nepalese government”.²⁸

Nehru's policy of friendship with China.

During this period India's policy towards China had two different aspects. While she started strengthening the defence of her northern frontier, she was at the same time trying to cultivate the friendship of China which appeared to her as a better solution of the problem. Mr. B. V. Keskar, the Deputy Minister for External Affairs, said in the Lok Sabha on 28 March 1951: “The Government is not unmindful of the protection of our frontiers adjoining Tibet. I may go further and say that the Government feels that the best way of protecting that frontier is to have a friendly Tibet and a friendly China.” Since the Communists came to power in China, the policy of the Indian Government towards her was consistently friendly. India recognised the People's Republic of China in December 1949. Disregarding the age-old aspirations of the Tibetans, the Indian Government recognised the suzerain right of China over Tibet. If India had any difference with the Chinese policy of ‘liberating’

24. *Ibid.*, p. 239.

25. Karan and Jenkins, n, 20, p. 122.

26. *Ibid.*, p. 123.

27. Girilal Jain, n, 6, p. 95.

28. Lorne J. Kavic, n. 17, p. 57.

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Tibet, it was only in the methods used by China. In the UN the debate on Tibet was postponed on India's request. India refused to support the U. N. resolution describing China as an aggressor in Korea. She was the most consistent and forceful advocate of the Peking Government's claim to be represented in the U. N. After the successful 'liberation' of Tibet by China, the first Indian goodwill mission started for Peking in September 1951.²⁹ This was followed by the dispatch of a number of 'delegations' and 'missions'. In April 1952 a cultural delegation under the leadership of Mrs. Vijaylaxmi Pandit was sent to Peking. All these delegations and missions, which were sent to China as a part of the Government's policy, were impressed by the liberating significance of the communist regime of China. As a result, a very favourable image of Communist China was created in the public mind of India.

The Chinese policy towards the Indian government was however positively hostile. Her attitude was determined by the strategy of international communism. The newly established independent governments of India and other countries of South East Asia were condemned by the Communists as thoroughly reactionary and agents of Anglo-American imperialism. The communist-sponsored World Youth Conference held in Calcutta in February 1948 was followed by the outbreak of communist insurrections in India and many other countries of South East Asia. The Communist rulers of China could not be sympathetic to the Indian Government against which the communists, in accordance with a predetermined plan, had already started a revolutionary struggle. Nehru was branded by Communist China as a "running dog of imperialism." He along with Chiang Kai-shek, Bao Dai and Syngman Rhee were described as belonging to the "dregs of mankind." In his reply to a message of greetings from the Indian Communist Party, Mao Tse-tung described India in October 1949 as still remaining "under the yoke of imperialism", and expressed his firm conviction that "relying on the brave Communist Party of India and the unity and struggle of all Indian patriots, India certainly will...emerge

29. "Chronology of Events" in Margaret W. Fisher and Joan V. Bondurant, *Indian Views of Sino-Indian Relations*.

in the socialist and People's Democratic Family".³⁰ A study of the Chinese notes to India during the time of their occupation of Tibet clearly reveals their unfriendly and hostile attitude towards the Indian government.

Mr. Nehru however persisted in his policy of friendship towards China. His attitude was possibly clearly reflected in the comment of Mr. Krishna Menon : "They (the Chinese Communists) appear to be very angry with us, but we must not be angry with them..."³¹ Nehru's China policy was based on certain fundamental premises. Firstly, both India and China would remain pre-occupied for a long time with problems of internal re-construction, and, therefore, both would require a climate of peace. This would provide a solid foundation for Sino-Indian co-operation. Secondly, a cordial and friendly relation between Communist China and other Asian countries would ultimately make China more or less independent of the Russian bloc, and thus strengthen the neutralist group in world politics which was devoted to peace. Nehru believed that the world was divided more fundamentally between developed and under-developed areas than between capitalism and communism. This concept coupled with his faith in the cult of Asian Unity led him to believe that India and China would be able to live in peace and harmony. Thirdly, recognition of the Communist China and her admission to the U. N. would give the country a greater sense of security, and that would make her more sober and responsible in her foreign policy. Given a sense of security, the Chinese foreign policy, in view of her gigantic problem of internal re-construction, would, Nehru possibly believed, take a peaceful turn. Besides, Nehru's disapproval of the U. S. policy of military alliance to contain communism, and the close relation between Pakistan and the U.S.A. culminating in the U. S. offer of military assistance to Pakistan might have provided additional arguments in favour of Nehru's China policy. Moreover, his emotional repulsion against the Western system long associated with capitalist and colonial exploitation, and fascination for socialism (and also communism) with its equalitarian motivation and anti-colonial tradition made Nehru, in spite of his devotion to liberal

30. *The Communist*, Bombay, January 1950. Quoted in Girilal Jain, n. 6, p. 103.

democracy, always anxious to distinguish himself clearly from the Western camp. A desire to see Asia playing a significant role in world politics may also in part account for Nehru's passion for Sino-Indian collaboration.

These were the major factors which led Nehru to follow a policy of friendship towards China even at the cost of condoning the Chinese aggression in Tibet. In this policy he had powerful supporters within the government, such as Sardar Panikkar and Krishna Menon. There were also a number of critics both within and outside the government. C. Rajagopalachari and Sardar Patel had misgivings about Communist China, and they judged the problem of Tibet strictly from the point of view of India's defence. The conquest of the buffer state of Tibet by China was viewed with alarm by Acharya Kripalani. M. N. Roy was a consistent critic of Nehru's China Policy and he wrote at length explaining its fallacies. Nehru's policy, he wrote, "may have the best of intentions in the world, but it was based on false premises." Nehru's expectations about the future behaviour of the communist rulers of China were regarded by him as 'mere wishful thinking'.³¹ He wrote : "He [Nehru] would befriend Communism as an anti-imperialist force as long as it left India alone. But Communism has no intention to please Nehru although it would flatter him as long as that served its purpose." The policy of alliance with Communist China was considered by him as dangerous as courting "the bear's embrace."³²

Nehru, however, pursued his policy towards China uninfluenced by such criticism. Fortunately for Nehru, though not due to his policy, the extended hand of Indian co-operation was ultimately clasped by China. Gradually there came about a change in the Chinese attitude towards India and other non-aligned countries not in response to the Indian overtures of friendship but owing to general shift in the international communist tactics. This changed attitude of China ultimately led to the conclusion of the Sino-Indian agreement on Tibet in April 1954 wherein the five principles of peaceful coexistence, known as the Pancha Shila, were mentioned for the

31. Lowell Thomas, Jr., *The Silent War in Tibet*, p. 96.

32. G. P. Bhattacharjee (ed), *M. N. Roy on Communist China*, pp. 18-21.

first time.³³ This treaty, which was considered by Nehru as a great triumph of his China policy, ushered in a period of Sino-Indian honey-moon which lasted about five years.

China enters Nepal through Delhi

The Sino-Indian treaty of 1954 produced a far-reaching effect on the politics of Nepal—on the Sino-Nepalese and the Indo-Nepalese relations. In view of the Sino-Indian friendship it became imperative for Nepal to establish cordial relation with China. “The Indian Pancha Sheela agreement with China on Tibet concluded in 1954,” writes John Rowland, “made Nepal’s need to re-negotiate its own relationship with China more urgent.”³⁴ Nepal could no longer count upon the Indian help in the event of any dispute with China. Nepal, for reasons stated earlier, was afraid of establishing closer relation with Communist China, and specially, as Werner Levi has put it, she was not sympathetic toward the establishment of a Chinese embassy in Kathmandu. The Sino-Indian treaty of 1954 based on the relinquishment of Indian interests in Tibet made Nepal even more reluctant to enter into negotiation with China. She feared that the Nepalese interests like the Indian interests in Tibet would suffer by any new treaty arrangement with China. But as Levi points out, the “Chinese-created circumstances and Indian pressure proved irresistible.”³⁵

China naturally was eager to establish closer contact with Nepal in order to extend her influence in this Himalayan Kingdom. Chou En-lai announced at the first National People’s Congress in China in the fall of 1954 that contacts with Nepal had been made to establish ‘normal’ relations. After the conclusion of the Sino-Indian treaty of 1954, India also pressed Nepal to ‘regularise’ her relation with China on Tibet. In May 1954 King Tribhuvan came to New Delhi to hold discussions on the matter. This was soon followed by the announcement of the Nepalese Foreign Minister D. R. Regmi,

33. For the text of the Treaty see *Foreign Policy of India*, n. 14, pp. 101-109.

34. John Rowland, *A History of Sino-Indian Relations* p. 147.

35. Werner Levi, “Nepal in World Politics,” *Pacific Affairs*, Vol. 30, No. 3, September 1957, p. 243.

CHINA ENTERS NEPAL THROUGH INDIA

who accompanied the king to new Delhi, that his government would discuss with Peking the new situation in Tibet very soon.³⁶ He further declared that if China approached Nepal formally, Nepal "will do the right thing at the right moment."³⁷ It was obviously not possible for Nepal to go against the Indian advice, and thus antagonise both India and China. She had no freedom of choice "for she can afford neither to run counter to the policies of her big neighbours nor hope seriously to effect the policies of any other nation."³⁸ Therefore, Nepal had to start negotiations with the Peking Government to determine her relation with Tibet and China afresh.³⁹ The Afro-Asian Conference of Bandung in April 1955 gave China and Nepal a good opportunity to establish contact with each other. In this Conference Nepal represented by Subhang Jang Thapu endorsed the principles of peaceful co-existence formulated by the Indian Premier Nehru and the Chinese Premier Chou En-lai. Immediately after the Bandung Conference Yuan Chung-hsien, the Chinese ambassador in New Delhi, came to Nepal and started formal discussions for the establishment of diplomatic relation between the two countries. On 1 August 1955 an agreement establishing diplomatic relation was signed by China and Nepal.⁴⁰

In deference to the wish of Nehru both Nepal and China agreed that for the time being their ambassadors accredited to New Delhi should be concurrently accredited to Peking and Kathmandu. By this treaty Nepal recognised Tibet as an integral part of China and it was announced that the relation between the two countries would be governed by the Five Principles of Peaceful Co-existence. On 3 August Yung Chung-hsien, the Chinese ambassador in New Delhi, presented his letters of credence to King Mahendra as the first

36. *The Hindu*, 7 May 1954.

37. *The Statesman*, 9 May 1954.

38. Werner Levi, "Nepal in World Politics", *Pacific Affairs*, Vol. 30, No. 3, September 1957, p. 237.

39. Nepal however proceeded very cautiously. Her Prime Minister M. P. Koirala met Nehru both before and after his (Nehru's) visit to Peking in October-November 1954 in order to ascertain his views on the matter.

40. For the Joint Sino-Nepalese Communique see *Survey of China Mainland Press*, July 30-August 2, 1955.

ambassador of the People's Republic of China at the court of Nepal.⁴¹

After the establishment of formal diplomatic contact China tried to convert the Sino-Nepalese relation into one of intimate cordiality by exchanging cultural delegations and official visits, by offering attractive economic aid, and by showing friendly and accommodating spirit. On 10 July 1956 a cultural delegation from Nepal, headed by the Education Minister himself, arrived in Canton, and their tour lasted for 30 days.⁴² On 20 September 1956 a new treaty between China and Nepal was signed at Kathmandu⁴³ by which the special rights enjoyed by Nepal in Tibet by the treaty of 1856 came to an end. This Agreement abrogated all treaties and documents which existed in the past between China and Nepal including those between the "Tibet region of China" and Nepal. The Chinese government by this treaty agreed to the establishment by the government of Nepal of three Trade Agencies at Shigatse, Kyerong and Nyalam in Tibet and in return the Nepal government also agreed to the establishment by China of an equal number of Trade Agencies in Nepal at locations to be specified later. The Chinese government specified four places in Tibet, namely, Lhasa, Shigatse, Gyantse and Yatung as markets for trade by the Nepalese, and Nepal also agreed to specify, with the growth of the Chinese trade in Nepal, an equal number of markets in its country for trade by the Chinese. Border trade and pilgrimages were to continue as before. By notes exchanged between the two governments⁴⁴ they mutually agreed to establish Consulates-General—the Nepalese Consulate-General at Lhasa, and the Chinese Consulate-General at Kathmandu. The government of Nepal also agreed to withdraw completely within six months its military escorts in Lhasa and other places in Tibet, together with all their arms and ammunition. The extra-territorial rights and tax-exemptions enjoyed by the Nepalese in Tibet by the treaty of 1856 were eliminated, and the two

41. Tirtha R Tuladhar, *Nepal-China—A Story of Friendship*, pp. 14-15.

42. *Ibid.*, p. 16.

43. For the text of the treaty see *New Developments in Friendly Relations Between China and Nepal* (Foreign Language Press, Peking 1960), pp. 1-6.

44. *Ibid.*, pp. 7-14.

parties agreed to establish direct wireless telegraphic service between Lhasa and Kathmandu.

Soon after the conclusion of this treaty, the Prime Minister of Nepal, Tanka Prasad Acharya, went to China on a friendly visit in response to an invitation by the Chinese Premier Mr. Chou En-lai. During this time the Nepalese Prime Minister discussed and settled certain procedural matters relating to the provision of exchange facilities to the Nepalese traders in Tibet. "In the settlement of this question the authorities in Peking", writes Mr. Tuladhar, "showed so much accommodating spirit that it proved beyond all doubt their favourable attitude towards the Nepalese traders."⁴⁵ "A still greater proof", in the words of Mr. Tuladhar, "of China's sincere goodwill towards Nepal" came with the announcement by the two Prime Ministers of an agreement between their countries on economic aid (7 October 1956).⁴⁶ By it China agreed to make a free grant to Nepal an amount of sixty million Indian Rupees. Of this amount one third would be given by instalments in foreign exchange and two-thirds in machinery, equipment, material and other commodities. This economic aid was given by the Chinese, without any condition, and Nepal was assured that no technical personnel would be despatched to Nepal in connection with this aid. Nepal was given entire freedom in utilising the aid.⁴⁷

The conclusion of this treaty on economic aid was soon followed by the return visit of Chou En-lai at Kathmandu on 25 January 1957. He brought with him ten million rupees as the first instalment of the Chinese gift to Nepal, and he was given by the Nepalese people, especially the young intelligentsia, a warm welcome.⁴⁸ Thereafter an uninterrupted exchange of visits of individuals, groups, delegations and missions took place between Nepal and China.

The basic motivation of the Chinese policy in Nepal during this period of peaceful co-existence was to extend her influence in that

45. Tirtha R Tuladhar, n. 41, p. 18.

46. For the text of this Agreement see *New Developments in Friendly Relations Between China and Nepal*, n. 43, pp. 15-16.

47. On the Sino-Nepalese Agreement on economic aid *The Hindustan Times* wrote on 9 October 1956: "Nepal does not possess the organisation to absorb even the aid India is giving. A deal with China can thus be interpreted only as a political move."

48. Tirtha R. Tuladhar, n. 41, p. 18.

country first along with India and then replacing India. As long as the Sino-Indian friendship, as developed in 1954, and confirmed at Bandung in 1955, would continue, neither India nor Nepal could prevent China from extending her friendly ties towards Nepal. And ties once established can be used under different circumstances for different purposes. Safe under the protective umbrella of the Sino-Indian friendship, the Peking regime tried to woo Nepal by granting string-free economic aid and by cordial manners and behaviour. Whatever might be the fear of the Nepalese government towards the communist regime of China, it could not, in view of the Sino-Indian cordiality, refuse the Chinese overtures of friendship. The Sino-Nepalese treaty of 1956 eliminated the Nepalese privileges in Tibet derived from the treaty of 1856, and it established regular channels of Chinese trade in Nepal. The diplomatic channel and the trade channel along with frequent exchange of visits threw the Himalayan kingdom open to the Chinese influence. Apprehending the unfavourable reaction in India, the Chinese proceeded at first very cautiously. They kept India informed of the substance of their negotiations with Nepal, and Chou En-lai assured the Nepalese Prime Minister in Peking that China would do nothing 'behind India's back'.⁴⁹ The acceptance by China of India's request that the Chinese and the Nepalese ambassadors to New Delhi should be concurrently accredited to Kathmandu and Peking indicates the same policy of China. But once established, the Sino-Nepalese relation became independent of India. China sent a number of officials with diplomatic standing into Nepal, and the Sino-Nepalese relation was no longer maintained via New Delhi. Economic aid, trade relations, official visits, cultural delegations—all tended to bring Nepal into direct relation with China. The Chinese gave the Sino-Nepalese agreements wide publicity proclaiming them as major contributions to peace in Asia, and a shining example of peaceful co-existence in operation. The Chinese tried to influence the Nepalese people also directly by various programmes of the exchange of cultural missions. They brought many Nepalese peasants and women to "democratic" and

49. Werner Levi, "Nepal in World Affairs" *Pacific Affairs*, Vol. 30, No. 3, September 1957, p. 242.

“peace” conferences in Peking, and many of them, not aware of the dubious methods of communist propaganda, were much impressed by what they were shown. The Nepalese traders in Tibet were subjected to various restrictions, but soon after the establishment of close Sino-Nepalese contact, and the rise of a new ambition of China regarding Nepal, the Chinese “have suddenly begun to treat the Nepalese in Tibet with unusual cordiality and are showing exceptional liberality in allocating foreign exchange for trade with Tibet.”⁵⁰ The diplomacy behind this “unusual cordiality” and “exceptional liberality” is obvious. Thus, “by ‘continuous effort’”, it has rightly been said, “Sino-Nepalese relations soon underwent what Peking’s leaders would undoubtedly regard as a ‘qualitative change’.”⁵¹

Mixed feeling of Nepal towards China.

The growing cordiality with China was viewed by the government of Nepal with mixed feelings. It might free her from exclusive dependence on India, and thus make her independence more real. By maintaining close relation with both her big neighbours, she might considerably enhance her importance in Asian diplomacy. As a matter of fact the rising Nepal wanted to establish diplomatic relation with as many countries as possible in order to italicise her existence as an International Person. King Mahendra represented this nationalist aspiration strongly. But as Nepal came closer to China, a sense of fear and suspicion was also lurking behind the minds of the Nepalese statesmen. They certainly could not fully ignore the possibility of a Chinese claim on Nepal. The myth of the Chinese suzerainty over Nepal in the past might influence their policy at present and add fuel to their ambition. The Chinese communism was no less dangerous than Chinesenationalism. Under such circumstances the Government of Nepal could not view the extension of the Chinese rule in Tibet and growing cordiality with herself with equanimity. These factors gave rise to an element of ambivalence

50. *Ibid.*, p. 245.

51. Shen-Yu Dai, “Peking, Kathmandu and New Delhi”, *The China Quarterly*, Oct-Dec. 1963, p. 91.

to Nepalese attitude towards China. The minds of the Nepalese statesmen such as Tanka Prasad and D. R. Regmi⁵² who strongly favoured close contact with China in order to reduce their dependence on India were not free from fear and suspicion. After the conclusion of the Sino-Nepalese treaty of 1956 D. R. Regmi, it is reported, drew attention of the Nepalese to the possibility that northern Nepal might become completely subject to the Chinese influence. In 1956 Tanka Prasad, who himself made the treaty with China, expressed his happiness over the developments in public but "in more private conversations, however, he expressed concern about being squeezed to death by the two giants." Chou En-lai, it is said, tried to allay his fears by assuring him that China as well as India had their hands full for the next twenty five years and that Nepal had nothing to worry about.⁵³

The public opinion of Nepal was divided. The enlightened democratic section of the Nepalese people, particularly the leaders who had their political training in India, were fully conscious of the dangers of the Chinese Communism. Mr. Kingsly Martin, on his visit to Nepal in 1960, found that the 'thoughtful people' of Kathmandu as well as of outside the valley were afraid of China. Among the orthodox frontier people of Nepal who are the worshippers of the Dalai Lama, he found an intense resentment against the Chinese. But, Kingsley Martin wrote, "the younger generation infected by modernity and less concerned about lamas will obviously not be content to remain as a primitive, forgotten country while their Tibetan neighbours, often relatives, become part of China's new leap."⁵⁴ He felt that unless B. P. Koirala's government could convince the people that he can carry out a swift economic revolution—Kingsley Martin's "general impression" was that B. P's

52. For views of Tanka Prasad see n. 63.

D. R. Regmi said in 1951 : "We do not regard the People's Government of China as an imperialist power and the occupation of Tibet as a threat to Nepal.....I consider the Chinese People's Government have been anti-imperialist throughout and Nepal has nothing to fear from them." *The Statesman*, 20 February 1951.

53. Werner Levi, "Nepal in World Affairs", *Pacific Affairs*, Vol-30. No. 3, September 1957, pp. 245, 237.

54. Kingsley Martin, "Nepal Looks Outwards," *New Statesman*, 2 April 1960, p. 480.

government could risk a somewhat bolder and faster drive towards socialist development—the impact on Nepal of the Chinese progress in Tibet would be formidable. “The Nepalese villagers,” he stated, “will not understand why the Chinese can build on their side of the high plateau more swiftly and effectively than the Nepalese government can on the precipices which fall down into Nepal.”⁵⁵ Werner Levi also gives much significance to the section of the Nepalese public which, without being communist, is very sympathetic to Communist China. They were much impressed with the Chinese achievements, and they even tried to rationalise the Chinese methods used in Tibet with the argument that reforms were overdue in Tibet.⁵⁶ Besides the existence of the pro-Chinese public opinion there is the Nepali Communist Party acting as the spearhead of the Chinese Communism.

Effects on Indian interest—Nehru's view.

How did India view the rapid growth of the Chinese influence in Nepal? Was it in her national interest? India was, as it has already been pointed out, fully conscious of the importance of Nepal to her security. Even after the conclusion of the Sino-Indian treaty in April 1954 Mr. Nehru referred to the importance of Nepal from the point of view of the Indian defence. In May 1954 he said that though India had no desire to interfere in the internal affairs of Nepal, her future was of great interest to India and what happened there affected India too.⁵⁷ After his return from the Peking visit in November 1954 Mr. Nehru referred specifically to India's special position in regard to foreign affairs of Nepal. While disclaiming any intention of India to interfere with the independence of Nepal, he emphatically pointed out that she would not look with favour the attempt of any other country to interfere with her independence.⁵⁸ In view of this policy, the rapid growth of the Chinese influence in Nepal should normally have been looked with suspicion by India. But the Indian diplomacy towards the Himalayan region

55. *Ibid.*,

56. Werner Levi, "Nepal's International Position", *United Asia*, Vol. 12, No. 4, 1960, p. 354.

57. M.S. Rajan, *India in World Affairs, 1954-56*, Vol. III, p. 236.

58. *The Hindu*, 14 November 1954.

during this period was based more on equanimity than suspicion. Did Nehru actually believe that acceptance of the five principles of peaceful co-existence would make China an ideal neighbour for all time to come? *The Hindu* in an editorial wrote that the government was not worried about the new developments in Nepal because it felt that it would be several decades before China, with her extensive internal problems, could turn her attention to the south-west.⁵⁹

It is true that after the Sino-Indian treaty of 1954 India maintained close relation with Nepal. In November 1955 King Mahendra came to India, and on his return to Kathmandu he described India as Nepal's 'truest friend'.⁶⁰ Nepal was admitted to the U. N. in December 1955, and her application for admission was supported by India. The Indian Vice President Dr. Radhakrishnan went to Kathmandu as the head of the Indian delegation to the coronation of King Mahendra. Immediately after the conclusion of the agreement between China and Nepal on economic aid (September 1956), the Indian President Rajendra Prasad went to Nepal (October 1956), and assured her that India had neither any territorial ambition in Nepal nor any desire to interfere in her internal affairs. Promising economic aid for the development of Nepal, the Indian President declared: "Any threat to the peace and security of Nepal is as much a threat to the peace and security of India. Your friends are our friends and our friends yours."⁶¹ The visit of the Indian President and the popular reception given to him might have re-emphasised the existing Indo-Nepalese friendship, but it did nothing to curb the growing Chinese influence in that country. Before the Nepal visit of the Indian President, Dr. K. I. Singh, the former Nepalese rebel who took shelter in China, came to India, and he was given an unusually warm reception by the Indian government. His speeches in New Delhi were highly critical of China and extremely pro-Indian. Dr. Singh declared that he was opposed to the presence of any foreign embassy in Kathmandu other than the Indian, and he expressed in unmistakable language his disapproval of the acceptance of the Chinese aid by

59. *Ibid.*, 14 August 1955.

60. *Ibid.*, 20 December 1955.

61. *Ibid.*, 23 October 1956.

Nepal.⁶² It is, however, extremely unlikely that the Indian government had any intention to utilise Dr. Singh for curbing the Chinese influence in Nepal. He was certainly not the person to be taken seriously or relied upon.

Soon after the Indian President's Nepal visit the Prime Minister of Nepal, Tanka Prasad Acharya, who had negotiated the treaty of economic aid with China, came to New Delhi in December 1956. He declared that Nepal was friendly both to India and China, and her role was that of a neutral which would help cementing the bonds of friendship between India and China.⁶³ So far as India and China were concerned Nepal was now occupying, as it were, a position in the 'equigravisphere', an area where the pull of China's gravity and that of India were equal. Under such circumstances, it was certainly not possible for India to maintain her "special position in regard to foreign affairs in Nepal." The 'special position' of India in Nepal was now lost. Commenting upon the Indo-Nepal relation of this period *The Hindu* wrote that as an independent country Nepal had full right to enter into friendly relations with other countries but "public opinion in India will naturally be reluctant to believe that she can ever be more friendly with any other country that she can be with us."⁶⁴ The effect of the Sino-Nepalese collaboration, which followed the Sino-Indian treaty of 1954, on the Indian interest in Nepal is clearly indicated in the above passage.

The basic objectives of Nehru's policy in Nepal were clear. No country, neither India nor China, should interfere in the internal affairs of Nepal. Nepal was an independent country and she had every right to establish diplomatic relations with other countries. But India must enjoy a special position in regard to the foreign affairs of Nepal.⁶⁵

62. *The Times of India*, 12 October 1956.

63. *Ibid.*, 5 December 1956.

64. *The Hindu*, 6 December 1956.

65. The special position which India might legally claim in the foreign affairs of Nepal was possibly derived from Article II of the Indo-Nepalese Treaty of July 1950. It stated: "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." See *Foreign Policy of India*, n. 15; see also *Asian Recorder*, n. 98.

The diplomatic relation between China and Nepal was opened with the full consent of Mr. Nehru. Describing the dangers involved in this policy one prominent Indian journal wrote that it was like "opening the sluice gate to a veritable flood and unknowingly heading for tragic consequences in her (India's) mistaken belief that such crumbs of friendship will keep Peking in good humour."⁶⁶ Such criticism had, however, no influence on Mr. Nehru's policy. It is doubtful whether the Sino-Nepalese agreement on economic aid in October 1956 had any disturbing effect on Mr. Nehru. His policy remained unchanged. In view of the Chinese acceptance of the principles of peaceful co-existence including non-interference in each other's internal affairs, Mr. Nehru possibly found no danger in increasing Sino-Nepalese collaboration. China after establishing diplomatic relation with Nepal tried vigorously, as it has already been pointed out, to extend her influence in that country. Had China any anti-Indian motive at this stage? Rushbrook Williams comes to know from "un-impeachable authority" of a message received by the Government of Karachi from Peking following on the Bandung Conference wherein "the Chinese People's Government assured the Government of Pakistan that there was no conceivable clash of interests between the two countries which could imperil their friendly relations, but that this position did not apply to Indo-Chinese relations."⁶⁷ Even if, in the absence of other corroborative evidences, we adopt a sceptical attitude towards the information supplied by Rushbrooke Williams, there is no doubt that the Chinese diplomacy was based on "the wisdom of the maxim that a country should conduct itself towards its enemies with the thought always in mind that they may one day become its friends—and towards its friends with the thought that one day they may become its enemies,"⁶⁸ Whatever might have been the diplomatic necessity for both the countries of their mutual friendship, India followed it with

66. *Thought*, 13 August 1955, p. 3.

67. L. F. Rushbrook Williams, *The State of Pakistan*, p. 122.

68. Guy Wint, *Spotlight on Asia*, p. 183. Guy Wint made this remark while explaining the post-war relations of the U.S.A. with China and Japan.

The non-recognition of the Indian claims on Kashmir by the Chinese clearly shows the cautious policy of China.

sincerity and China with duplicity. During the period of Sino-Indian friendship, China, in tangible terms, gained much at the cost of India. In Tibet, India lost her rights inherited from past treaties, and the Chinese authority was firmly established there. The Chinese influence in Nepal increased by leaps and bounds, which, if used for expansionist purpose, might prove to be a serious danger both to Nepal and to India.

Sino-Indian tension and its effect on Nepal.

The good relations between China and India did not, however, persist long. In 1959 when the revolt of Tibet against the Chinese rule took a formidable form, the Sino-Indian relation became strained and gradually it became worse and worse due to the border dispute. By this time tension between China and Nepal was also growing rapidly. In 1959 there came reports of ill-treatment of many Nepalese by China. In March the Nepalese press reported that as a result of the Tibetan uprising many of the approximately 25,000 Nepalese in Tibet were winding up their affairs and returning home. Many reports of the infiltration of Chinese communists into Nepal appeared in the press. On August 30, the Reuters press agency reported that Chinese agents were distributing portraits of Mao Tse-tung and Chou En-lai in the northern part of the country, particularly among that part of the population ethnically related to the Tibetans. Reuters also disclosed that Chinese agents in the Solu Khumbu region, not far from Mount Everest, were getting local inhabitants to sign a petition to the effect that they considered themselves to be Tibetans.⁶⁹ Addressing a news conference in Kathmandu on June 20, B. P. Koirala, the Prime Minister, confirmed that 8 Nepalese citizens were in Chinese custody in Lhasa for alleged complicity in the Tibetan revolt. He added that 13 others whose nationality was undetermined but who had indicated their willingness to opt for Nepalese citizenship were also under arrest for the

69. A. Kashin, "Nepal—Chinese Stepping Stone to India," *Bulletin of the Institute For the Study of the USSR*, Vol. XII, No. 7, July 1965, p. 23.

same reason.⁷⁰ The Nepalese traders in Tibet suffered great hardship because of currency difficulties when the Chinese authorities declared the Tibetan currency to be invalid and introduced Chinese dollars. The Nepalese students in Peking were pressurized to divulge various kinds of information about their country. They were sometimes required to produce credentials from the Nepalese Communist Party to obtain full facilities for study.⁷¹ The government of Nepal, therefore, adopted various measures to ensure the safety of her northern border. The frontier was reinforced and all check posts were properly manned. Roads in Nepal were carefully patrolled and the army was given training in modern and guerilla warfare. The defence budget of Nepal was increased twice in 1959. Addressing a news conference in Kathmandu on August 11 the Prime Minister of Nepal said that his country could no longer afford to ignore the defence of her 500-mile-long northern frontier due to the changed condition of Tibet.⁷² This was stated as an explanation for the increase in the defence budget. On September 4 he, referring to the developments in Tibet, assured the House of Representatives that the Government was fully alert and no one should feel panicky. He said that Nepal was strong enough to meet any situation.⁷³ On September 16 he told the House that the Chinese troops were seen at some points across Nepal's northern border "causing a change in the situation and some unrest among the border people." He announced that though some of the difficulties of the Nepalese traders in Tibet have been removed, the Nepal-China Agreement of 1956 was not yet fully implemented.⁷⁴

How can the hardening of the attitude of China towards Nepal during this period be explained? The revolt in Tibet certainly

70. *Asian Recorder*, Vol. V, No. 28, July 11-17, 1957, p. 2764.

The Prime Minister of Nepal told the House of Representatives on September 3 that the Nepalese arrested by the Chinese during the Tibetan uprising had been released. *Ibid.*, Vol. V, No. 38, September 19-25, 1959, p. 2907.

71. Werner Levi, "Nepal's International Position", *United Asia*, Vol. 12, No. 4, 1960, p. 353.

72. *Asian Recorder*, Vol. V, No. 34, August 22-28, 1959, p. 2843.

73. *Ibid.*, Vol. V, No. 38, September 19-25, 1959, p. 2907.

74. *Ibid.*, Vol. V, No. 39, September 26-October 2, 1959, p. 2915.

created difficulties for China, but this cannot be accepted as a full explanation of her attitude. With the rise of the dispute with India, China naturally apprehended that Nepal might take the side of India. The formation of the government by the Nepali Congress in May 1959 added to the fear of the Chinese. The Nepali Congress had a clear democratic outlook, and was opposed to communism. Moreover, there was a border problem between China and Nepal also. The Sino-Nepalese border was never delimited on the ground and the Nepalese themselves also never drew a map of their border. Meanwhile maps were appearing in Peking showing parts of Nepal as Chinese territory. "When it became clear that Chinese was claiming areas marked on Indian maps as Indian, there was apprehension that the same might apply to Nepal, and these fears were accentuated during the Tibetan rising in 1959."⁷⁵ In spite of economic aid and close friendship, China had not so long raised the border problem directly with Nepal. During his visit to Kathmandu in January 1957 Chou En-lai however refused, as he had done earlier in Peking, to give any border guarantee to the Nepalese. He did not discuss the problem directly at that stage because it might create complications and impair the growing Sino-Nepalese friendship. The policy of China was to extend adequate influence in Nepal and to bring Tibet effectively under her control and turn it into a base of military operation before discussing the border problem with Nepal. She followed the same policy towards the border problem with India also. The uncertainty of the attitude of the Nepali Congress ministry towards all these problems account for the hardening of the Chinese attitude towards Nepal during this time. The Chinese were, however, reassured when the Nepali Congress instead of siding with India adopted a neutral attitude. But in spite of the desire on both sides to maintain friendship, the Sino-Nepalese relation was not free from stresses and strains.

Neutral Foreign Policy of Nepal.

The conclusion of the Sino-Nepalese treaty of 1956 marked a turning point in the foreign policy of Nepal. So long her foreign

75. *Far Eastern Economic Review*, 2 June 1960. Nepal Supplement, p. 1106.

policy was unmistakably pro-Indian, whatever might have been the extent of anti-Indian sentiment among the Nepalese people. But after the conclusion of the treaty with China in 1956 by the Prime Minister Tanka Prasad a clear change in Nepal's foreign policy became discernable. Explaining the objective of his foreign policy Tanka Prasad said : "We must 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. We want open and frank relations between neighbours and nations based on mutual co-operative co-existence."⁷⁶ Henceforth Nepal began to follow a policy of neutrality and non-alignment. The main principles of the foreign policy of Nepal were clearly stated by her representative before the U. N. General Assembly in 1958.⁷⁷ Nepal, he said, would remain friendly with all nations, irrespective of their internal political or economic system. With goodwill towards all and ill-will towards none, Nepal, he declared, would follow an independent foreign policy aligning herself with no bloc. She was opposed as a rule to the system of military pacts and alliances and all forms of colonialism and imperialism. The foreign policy of Nepal thus appears to be the same as that of India. But the neutrality and non-alignment of the Nepalese foreign policy has to be understood in the context not only of the cold war between the U.S.A. and the U.S.S.R., but also and more importantly of any possible conflict and rivalry between India and China.

The Nepali Congress government continued the same foreign policy. In its election manifesto the Nepali Congress committed itself to a policy of non-alignment, and stated that friendly relation would be maintained with all countries on a basis of equality. The Nepali Congress formed its government at a very critical stage of the politics of the Himalayan region. The uprising of the Tibetan people against the Chinese rule had already broken out. The Tibetan revolt was followed by a steady deterioration in the Sino-Indian relation. The border dispute between India and China also came into prominence during this time. The Nepali Congress Government adopted a

76. *The Statesman*, 3 September 1956.

77. See Werner Levi, "Nepal's International Position," *United Asia*, Vol. 12, No. 4, 1960, p. 352.

policy of friendship with both India and China, and neutrality in Sino-Indian dispute.

During the general debate of the fourteenth General Assembly of the U. N., the representative of Nepal, Mr. Surya Prasad Upadhyaya, explaining the policy of Nepal towards China, Tibet and the Sino-Indian conflict, said : "The attitude of Nepal has been to foster and develop the best of relations and friendship on the basis of Panch Sheel with the People's Republic of China for the past so many years and she intends to pursue this policy." He added : "Again it is well known that Nepal had long, intimate, historical, economic, religious and cultural ties with Tibet. She deeply regrets the unhappy events in Tibet which led the Dalai Lama to leave his own country and which subsequently led to some misunderstanding between India and China. She cannot but hope that the border dispute between India and China will be solved through negotiation and not by force". Reaffirming the Nepalese policy of non-alignment Mr. Surya Prasad Upadhyaya strongly supported in his speech Peking's claim to be represented in the U. N. Nepal, he said, "felt highly disappointed when the question of representation of the People's Republic of China was being postponed year after year, thereby depriving the U. N. of universality and making it a less efficacious instrument of peace."⁷⁸ In October 1959 the Nepalese delegation, while expressing its views on the problem of Tibet, pointed out that this problem was intimately connected with the question of China's representation in the U. N., and it wondered what useful purpose could be served by bringing the question of Tibet before the U. N. when China herself was not represented in it.⁷⁹ On the question of the suppression of human rights in Tibet by China the Nepalese delegation observed : "The question of human rights and their suppression have been raised many times by many countries in the General Assembly. If we speak of human rights and their suppression in Tibet, we should first try to find out what human rights the Tibetan people have enjoyed through the centuries and which of these human rights have been denied to the people of Tibet today. This is the proper perspective of looking into the question

78. See *Nepal Speaks at the U.N.*, compiled by Mrs. L. Brojacharya, p. 17.

79. *Ibid.*, p. 49.

of Tibet in the context of new, changing, revolutionary Asia. In the tremendous transformation through which Asia is passing now, traditional patterns of life, the tempering with which the memorandum deplored, will have to be substantially modified and Tibet is no exception to this.”⁸⁰ B. P. Koirala clearly stated in June 1959 that Nepal had already recognised Tibet as a part of China and she was not concerned with the question as to whether Tibet should enjoy provincial autonomy or not⁸¹ He told the House of Representatives on September 16 that Nepal would give asylum to refugees from Tibet but would not permit them to indulge in political activities.⁸² Explaining Nepal’s policy of neutrality in the Sino-Indian dispute, B. K. Koirala said on September 4 that Nepal would not “take sides” or “get involved in any way” in the border dispute between India and China, and he assured the Nepalese that nothing would be done in the flush of excitement “involving Nepal.”⁸³ The Nepali Congress government thus continued the foreign policy of Nepal as evolved since 1956. It was a policy of non-alignment and non-attachment to military blocks, friendship with all countries particularly with India and China, neutrality in the Sino-Indian conflict and complete acceptance of the Chinese rule over Tibet.

It was very difficult for Nepal to follow a policy of strict neutrality in the context of the Sino-Indian conflict. Mr. Rishikesh Shaha rightly pointed out that “there is no cause for anxiety on the part of Nepal as long as the present day good relations between China and India persist.”⁸⁴ He further observed: “The security, independence and integrity of Nepal hinge on the performance of cordiality between India and China.”⁸⁵ In the absence of this cordiality it was extremely difficult for Nepal to maintain the balance between the two giants. But in this delicate task she was eminently successful.

B. P. Koirala, it is true, tried to follow strict neutrality in the Sino-Indian conflict in his official policy, but, as a political realist and a convinced democrat, he, it appears, had a great fear

80. *Ibid.*, p. 50.

81. *Halkhabar*, 21 June 1959.

82. *Asian Recorder*, Vol. V, No. 39, September 26-October 2, 1959, p. 2915.

83. *Ibid.*, Vol. V, No. 38, September 19-25, 1959, p. 1907.

84. Rishikesh Shaha, *Nepal and the World*, p. 43.

85. *Ibid.*, p. 39.

of Chinese expansionism and communism. There was no clash of interest between India and Nepal on any basic point. The vital interest of India in Nepal born of strategic considerations did not constitute a threat to the security of Nepal. Indian interest lay only in fortifying Nepal's northern frontier and in maintaining her independence. The ideological sympathy of the Nepali Congress was fully with India. There was no such harmony in Sino-Nepalese relation. The border problem, particularly controversy on the Everest, might take a dangerous turn.⁸⁶ The military suppression of the Tibetan uprising and the entry of refugees from Tibet to Nepal might give rise to untoward incidents. It made the Sino-Nepal border active and explosive. The aggressive revolutionary ideology of the Chinese Communists and their collaboration with the Communist Party of Nepal remained a source of potential danger to the democratic regime of the country. Still, in national interest, the Nepali Congress Government had to follow a policy of neutrality mainly for two reasons. First, alliance with India would give China a direct provocation, and would immediately extend the Sino-Indian conflict to Nepal also. Secondly, any preference for India would give rise to what Werner Levi calls "inner political difficulties".⁸⁷ The opposition political parties of Nepal always tried to discredit the government by interpreting its policy as subservience to India.⁸⁸ This argument, though not decisive, was still important. B. P. Koirala, while trying to maintain friendship with both, India and China, had to resist the indirect pressure coming from both the directions. Jawaharlal Nehru by emphasising the community of interests between the two countries tried to keep Nepal with India. Chou En-lai under the cover of a policy of conciliation and accommodation tried to secure for China advantages in Nepal which would

86. In its second issue for 1958, the Peking English-language journal *Evergreen* published a map showing the whole of Mount Everest as being on Chinese territory. A Kashin, *Nepal—Chinese Stepping Stone to India*, Bulletin of the Institute For the Study of the U.S.S.R., Vol. XII, No. 7, July 1955, p. 23.

87. Werner Levi, "Nepal's International Position", *United Asia*, Vol. 12, No. 4, 1960, p. 354.

88. In the previous chapter we have discussed the anti-Indian orientation of the Nepali nationalism and have seen how the political parties tried to exploit this sentiment for the party interest.

ultimately place the country at the mercy of the former. Koirala's task of resisting these pressures without antagonising them was a difficult one, but he performed it with admirable skill.

Among the political parties of Nepal, the Communists naturally pleaded for the closest collaboration with China and tried to arouse anti-Indian sentiment of the people on any conceivable pretext. The Gurkha Parishad of Bharat Shumsher, on the other hand, was in favour of an understanding with India in order to resist the Chinese Communism. In between them, the other opposition parties in the National Democratic Front⁸⁹ were interested mainly in discrediting the government by denouncing what they considered to be its policy of weakness either to India or to China.⁹⁰ The Nepali Congress, though officially neutral in the Sino-Indian conflict, was fully aware of the dangers of the Communist China. Mr. Shrishadra Sharma, the General Secretary of the Nepali Congress, told newsmen at Kathmandu on 2 January 1960 that his party had warned the Government to be careful of the Communist intentions. He said : "Suppression of Tibet by the Chinese is no less deprecable than the suppression of Hungary. China is a country which does not believe in democracy. The huge concentration of Chinese troops close to Nepal's border is not unintentional. China is out to impose her will on others. Nepal must be careful of Chinese intentions."⁹¹

Nepalese Diplomacy

(a) Relation with India

Soon after the Nepali Congress government was formed the Indian Prime Minister Mr. Nehru went to Nepal. He arrived in

89. After the Nepali Congress was elected into power, three political parties of Nepal, namely, the Praja Parishad, the United Democratic Party and the Prajatantrik Mahasabha formed this Front.

90. After the Mustang incident (See n. 122) the Front demanded resignation of the Nepali Congress Government on the ground that it was "compromising with the territorial integrity of Nepal by handing over Gandak to India and a large slice of Mustang to China." *Asian Recorder*, Vol. VI, No. 27, September 10-16, 1960, p. 3536.

91. *The Hindustan Times*, 3 January 1960.

Kathmandu on 11 June 1959 on a three-day visit at the invitation of King Mahendra. Referring to the developments in Tibet Mr. Nehru said in Kathmandu that though they did not constitute any threat to the security of Nepal, Indian troops had been sent to guard eighteen posts on the Nepal-Tibet frontier at the request of the Nepalese government.⁹² A joint communique issued by the two Prime Ministers on June 14 condemned domination of one country by another and "colonial control in whatever form." It referred to the "identity of views" of the two countries, and stated that the policies of both of them, in the international as well as in domestic spheres, are "animated by similar ideals and objectives."⁹³ The opposition groups in the politics of Nepal in order to discredit the ruling authority by raising the bogey of Indian domination found dangerous and humiliating implications in the phrase 'identity of views' used in the communique. A resolution of the Executive Committee of the United Democratic Front passed on 22 June stated that this joint communique was a clear indication of the abandonment by Nepal of her policy of neutrality. It warned the people about the Indian domination over Nepal, and stated that under the rule of the Nepali Congress, Nepal was in the process of becoming India's satellite. In view of this propaganda B. P. Koirala in a statement had to explain that the phrase "identity of views" used in the communique simply meant that there was no difference between the views of the two governments on international and allied problems, including Tibet.⁹⁴

Another example of the attempt by some of the political leaders of Nepal to vitiate the Indo-Nepalese friendship by playing upon the Nepalese fear of the Indian domination may be given here. Mr. Nehru in course of the debate in the Lok Sabha on 27 November 1959 said that aggression against Nepal and Bhutan would be treated by Indian as an aggression against herself. This remark gave rise to an intense resentment in Nepal against India. Such observations, however true from the point of view of the defence strategy of India, were considered by the Nepalese, highly sensitive about their

92. *Daily Telegraph*, 15 June 1959, quoted in Kavic, n. 17, p. 78.

93. See *Foreign Policy of India*, n. 14, p. 375.

94. *Asian Recorder*, Vol. V, No. 28, July 11-17, 1959, p. 2764.

independence, as an offence to their sovereignty. An awareness of the psychological pre-disposition of the Nepali nationalism should have made the Indian statesmen more discreet and restrained in their language. Moreover, it was well known that in Nepal there were parties and leaders eagerly searching for a pretext to raise the spectre of Indian domination over their country. Past experience should have made the Indian Prime Minister more guarded in the use of the language regarding the Indian concern for the defence of the northern frontier of Nepal. A spokesman of the External Affairs Ministry however explained on the same day (27 November) that Mr. Nehru's statement of Nepal was in accordance with the Treaty of Peace and Friendship signed by the two countries in 1950. He added : "There was no question of unilateral action by Indian in relation to Nepal."⁹⁵ In spite of this elucidation the remark of Nehru caused such provocations among the Nepalese that the Prime Minister Koirala had to issue a statement on November 29 explaining the real spirit of Nehru's observation, and reconciling it with the sovereign status of Nepal. In his statement B. P. Koirala said :

"Nepal is a fully sovereign independent nation. It decides its external and home policy according to its own judgement and its own liking without even referring to any outside authorities. Our Treaty of Peace and Friendship with India affirms this. I take Mr. Nehru's statement as an expression of friendship that in case of aggression against Nepal, India would send help if such help is ever sought. It could never be taken as suggesting that India could take unilateral action."⁹⁶ The statement then emphatically denied any apprehension by Nepal of any danger from any quarter. The pro-Chinese elements of Nepal including the communists however tried to impair the good relation between India and Nepal by taking advantage of Nehru's observation. Tanka Prasad, for example, said in a statement on December 2 that to say that the frontier of a sovereign country was India's frontier of defence was "extreme high-handedness." He added : "We wonder whether in the name

95. *Ibid.*, Vol. V, No. 51, December 19-25, 1959, p. 3060.

96. *Ibid.*, p. 3061.

of the Sino-Indian dispute, an attempt is not being made to move troops into Nepal.”⁹⁷

Next day on December 3 Mr. Nehru at a news conference in New Delhi tried to clarify his controversial statement. Referring to the Treaty of Peace and Friendship of 1950 he said that along with the Treaty, which was for an indefinite period, letters had been exchanged between India and Nepal in the course of which it had been stated : ‘Neither Government shall tolerate a threat to the security of the other by a foreign aggressor. To deal with such a threat, the two governments will consult with each other and devise effective counter measures.’ This clause was disclosed to the public for the first time by Mr. Nehru in order to justify his statement to the Lok Sabha on November 27. He however made it clear that this clause did not constitute a military alliance but was an assurance of help between friendly countries in the event of aggression. There was, he explained, no question of India taking any unilateral action with regard to Nepal. In this connection Mr. Nehru described B. P. Koirala’s statement as “entirely correct.”⁹⁸

Mr. B. P. Koirala along with Mr. Surya Prasad Upadhyaya, the Home Minister of Nepal, came to India in January 1960 at the invitation of the Indian government. They reached Patna on January 17, and after visiting several parts of India arrived in Delhi on January 24. A careful examination of the speeches delivered by the two Prime Ministers in connection with this visit will clearly show basic agreement as well as differences in approach and emphasis between the two countries. Mr. Nehru in his speeches always referred to the bonds of unity between the two countries and their common interest and destiny. He was eager to explain how a threat to either of them should be treated as a threat to both. Mr. Koirala, on the other hand, laid emphasis on the independent and sovereign status of Nepal, and showed his disgust at the constant repetition of the bonds of unity between the two countries which appeared to him as obvious. He also tried to discountenance any possibility of a war between India and China or the existence of any external threat

97. *Ibid.*

98. *Ibid.*

to the security of Nepal. In view of the Sino-Indian dispute this difference in the approach of the two Prime Ministers is significant.

On January 24 Nehru entertained B. P. Koirala at a state banquet. Speaking at the banquet the Indian Prime Minister emphasised the age-old bonds of culture, religion, history and geography between India and Nepal, and asserted that because of close relationship it was natural for India to consider any threat to Nepal as a threat to herself, just as any threat to India would be a threat to Nepal, whatever its nature. In his speech delivered at the Civic Reception given to Koirala by the citizens of Delhi at the Red Fort on January 27, Nehru declared : "We will not give over the Himalayas as a gift to any one. The Himalayas are pieces for our hearts and parts of our life, as in the case of Nepal. We shall always share your (Nepal's) trials and triumphs." Mr. Koirala in his speech said that the bonds between Nepal and India were so close that there was no further need to strengthen them. It was, he said, an obvious fact known to all. Therefore, he felt that repeated references to those ties were not necessary. In another speech the Prime Minister of Nepal referring to the close relation between his country and India said : "Any attempt, therefore, to explain or interpret the intimate relationship between brothers or among friends is rather unnatural. Such matters are self-proving and obviously natural." He further observed : "Your Excellency (Mr. Nehru) has always been a great friend and wellwisher of Nepal. We greatly appreciate your highest regard and respect for our sovereignty and independence and we are convinced that your best wishes will always be there for the promotion of the dignity and respect of Nepal." On January 28 Mr. Koirala, while addressing the National Conference of the All India Indo-Nepal Friendship Association, said that the views of India and Nepal on internal as well as external problems were so close that there was no need to stress the affinities of the two countries.⁹⁹

The joint communique issued by the two Prime Ministers on January 28¹⁰⁰ appears to be a triumph of Nehru over Koirala. It affirmed that India and Nepal "have a vital interest in each other's

99. *Ibid.*, Vol. VI, No. 7, 13-19, 1960, pp. 3156-3157.

100. *The Hindu*, 30 January 1960.

freedom, integrity, security and progress", and stated that the two governments should maintain close consultations in matters of common interest. It also referred to the similarity in approach of both countries to international problems and their desire to co-operate with regard to them. India agreed to revise the Indo-Nepali treaty of trade and commerce concluded in 1950 and promised to offer Nepal an economic assistance to the tune of Rs. 18 crores. The triumph of Nehru, if any, was however, only verbal. Koirala remained firm in his policy of neutrality in the Sino-Indian conflict. Before leaving for Kathmandu he addressed a news conference in Chandigarh on January 31 where he stated that he could never imagine a war between India and China, and hoped that the border dispute between the two countries would soon be resolved. The suggestion of a joint defence between India and Nepal was considered by him as absolutely unnecessary. A military alliance between such great friends as India and Nepal, was, according to him, "worse than useless." Asked as to whether, in his opinion, China had committed aggression upon India, Mr. Koirala replied : "I do not know. We, however, view with concern that our two big neighbours should fall out. There are differences between the two countries (India and China) about certain areas. But they are of a minor nature. Nepal does not apprehend any danger from China. We have no border dispute. But we have some minor border differences dating back to 60 years. These will be resolved soon."¹⁰¹ The Prime Minister of Nepal thus scrupulously maintained his stand of neutrality in the conflict between the two powerful neighbours of his country.

Nepal reacted to the joint Koirala-Nehru communique in two different ways. Mr. Tanka Prasad Acharya, President of the National Democratic Front, in a statement said that the joint communique and the various statements made by the Prime Minister Koirala during his Indian tour had completely identified Nepal with India regarding her (Nepal's) foreign, defence and economic matters. He was also very critical about the proposed changes in the Indo-Nepal trade treaty, and thought that India's new aid of Rs. 18 crores would hardly produce any concrete

101. *Asian Recorder*, Vol. VI, No. 7, February 13-19, 1960, p. 3158.

benefit for Nepal. Mr. Bharat Shumsher of the Gurkha Parishad, on the other hand, warmly welcomed the joint communique, the promised Indian aid and changes in the Indo-Nepal trade treaty.¹⁰²

In April 1960 King Mahendra left Kathmandu on a world tour and came to India. The joint communique issued at a conclusion of official discussions reiterated the vital interest of each country in the other's sovereignty and territorial integrity and their desire to consult together on matters of mutual assistance.¹⁰³ The Prime Minister Koirala, while going to Israel, had a talk with Nehru on 9 August. On 31 August an agreement was concluded in Kathmandu by which India offered a further economic aid to the extent of Rs. 91.5 lakhs to Nepal. A new treaty of trade and transit was signed at Kathmandu between the two governments on 11 September.

(b) Relation with China

After consolidating Nepal's friendly relation with India, though remaining neutral in the Sino-Indian conflict, B.P. Koirala went to China on 11 March 1960 at the invitation of Chou En-lai, and concluded on March 21 two treaties, one on the boundary between the two countries, and the other on economic aid. By the former treaty¹⁰⁴ Nepal and China agreed that "the entire boundary between the two countries shall be scientifically delineated and formally demarcated through friendly consultations, on the basis of the existing traditional customary line." They found that except for discrepancies in certain sections, their understanding of the traditional customary line was basically the same. Nepal and China agreed to set up a joint committee composed of an equal number of delegates from each side to discuss and solve the concrete problems concerning the boundary, conduct survey of the boundary, erect boundary markers and draft a Sino-Nepalese boundary treaty. The boundary was divided into three sections

102. *The Hindustan Standard*, 18 February 1960.

103. *The Times of India*, 27 April 1960.

104. For the text of the treaty see *New Development in Friendly Relations between China and Nepal*, n. 43, pp. 21-24.

according to the nature of the problem : first, areas where the delineation of the boundary line between the two countries on the maps of the two sides was identical ; second, areas where the delineation of the boundary line between the two countries on the maps of the two sides was not identical, but the state of actual jurisdiction by each side was undisputed ; third, areas where the delineation of the boundary line between the two countries on the maps of the two sides was not identical and the two sides differed in their understanding of the state of actual jurisdiction. By Article IV the two countries further agreed that in order to ensure tranquillity and friendliness on the border, each side would no longer dispatch armed personnel to patrol the area of its side within twenty kilometres of the border but only maintain its administrative personnel and civil police there.

By the agreement on economic aid¹⁰⁵ China, it was decided, would offer Nepal within a period of three years a free grant of economic aid amounting to one hundred million Indian Rupees without any conditions or privileges attached. Apart from this amount China would also pay forty million Indian Rupees provided under the Agreement on Economic Aid of 1956 which was not yet used by the Government of Nepal. Unlike the previous agreement of 1956 this agreement provided for the dispatch of the necessary number of Chinese experts and technicians to Nepal. The living expenses of the Chinese experts and technicians during their period of work in Nepal would be paid from the amount of the aid, but it was provided that their standard of living would not exceed that of personnel of the same level in the kingdom of Nepal. In view of the Nepalese resentment at the high standard of living enjoyed by the foreign technicians and experts working in their country, this stipulation shows a keen awareness by the Chinese of the psychology of the Nepalese, and their attempt to win the admiration of the common people. China also agreed to accept trainees sent by the government of Nepal to learn technical skill in China. The Chinese experts and technicians in Nepal, and Nepali trainees in China thus opened a further channel for China to influence Nepal.

At the conclusion of the visit by Koirala, a joint communique

105. For the text of the treaty see *ibid.*, pp. 25-28.

was issued on March 21. It stated that to further strengthen the ties and co-operation between the two countries, the two Governments agreed to establish embassies mutually in Peking and Kathmandu.¹⁰⁶ The communique referred to the approval by the Prime Minister Koirala of the Chinese proposal for the conclusion of a treaty of peace and friendship between the two countries.

The Agreement between China and Nepal on the border problem did not settle the issue in any way. They simply agreed about the procedure to be followed for its solution. The problem of the Everest still continued to trouble the Nepali government and the people. Mr. Koirala after his return from China told the newsmen on April 4 that China had claimed Mount Everest which he however could not entertain.¹⁰⁷ The Nepali people reacted sharply and promptly to the reported claim of the Chinese over the Everest. Processions, meetings and demonstrations were organised and they demanded a categorical stand by their government on Nepal's right to the Mt. Everest. An intense anti-Chinese feeling was aroused in the populace at large though the Nepalese communists were divided on the issue of the Everest.¹⁰⁸

The Chinese Premier Chou En lai along with Marshal Chen Yi, Vice-Premier and Minister of Foreign Affairs, came to Kathmandu from New Delhi on 26 April 1960. They came to New Delhi on April 19 for discussion with the Indian Government on the Sino-Indian border problems. The discussion failed, and, therefore, the Chinese adopted an extremely liberal attitude towards Nepal obviously with an eye to win her over to their side. A treaty of Peace and Friendship¹⁰⁹ was concluded between China and Nepal on April 28 by which they undertook to settle all their disputes by means of peaceful negotiation. China, it may be noted here, tried to conclude with Nepal a treaty on the pattern of the Sino-Burmese

106. For the text of the Joint Communique see *Ibid.*, pp. 17-20. The older arrangement by which the Chinese and the Nepalese ambassadors to New Delhi were concurrently accredited to Kathmandu was now given up.

107. *Asian Recorder*, Vol. VI, No. 18, April 30-May 6, 1960, p. 3294.

108. *Far Eastern Economic Review*, 2 June 1960, Nepal Supplement, p. 1106.

109. For the text of the treaty see *New Development in Friendly Relations between China and Nepal*, n. 43, pp. 29-31.

Treaty of Friendship and Mutual Non-Aggression.¹¹⁰ Mr. Koirala, however, declined China's suggestion for a non-aggression clause in the treaty on the ground that, in view of their acceptance of the Panch Sheel and the conclusion of the Sino-Nepalese Treaty of 1956, it was unnecessary and superfluous.¹¹¹ During this visit Chou En-lai also suggested the construction of a road by China connecting Nepal directly with Tibet. Speaking at a reception given to him by the Association of Nepalese Traders of Lhasa in Kathmandu on April 26 Mr. Chou En-lai actually expressed the hope that a direct road between Tibet and Nepal would be built soon facilitating direct communication between the two countries.¹¹² Mr. Koirala, however, significantly received Mr. Chou's suggestion for the road coolly, giving as his reason that the present volume of Nepal-Tibetan trade provided no economic justification for such an expensive project.¹¹³ The Prime Minister of Nepal was fully aware of the dangers of the growth of the Chinese influence in Nepal, and tried to keep it within restraint.

Mr. Chou En-lai, however, adopted a very lenient attitude towards the Sino-Nepal boundary question, particularly the problem of the Everest. In reply to a question put by the chief editor of the Nepalese paper *Kalpana*, Mr. Chou En-lai said that Mount Jolmo Lungma¹¹⁴ was according to the Chinese maps within the Chinese territory, though the Nepalese maps showed it on the boundary line between the two countries. In spite of this divergence in the maps of the two countries Mr. Chou categorically stated that he was ready to accept the delineation on the Nepalese maps and to draw Mt. Jolmo Lungma on the boundary line. He said that Mao Tse-tung had already accepted this position when Prime Minister Koirala visited Nepal in March

110. For the text of this treaty see *A Victory For the Five Principles of Peaceful Co-existence* (Peking), pp. 30-32.

111. *Far Eastern Economic Review*, 2 June 1960, Nepal Supplement, p. 1106.

112. *Asian Recorder*, Vol. VI, No. 21, May 21-27, 1960, p. 3331.

113. *Far Eastern Economic Review*, 2 June 1960, Nepal Supplement, p. 1106.

114. Jolmo Lungma is the name of the Everest in the Tibetan language. The Nepalese call it Sagar Matha. Mr. Chou said that he did not like the name 'Everest' as it was imposed on the mountain by Britain. See *New Development in Friendly Relations between China and Nepal*, n. 43, p. 71.

last.¹¹⁵ In reply to another question Chou En-lai said that the area of territory involved in Sino-Nepalese boundary dispute was "very small", and added that "if Nepal lays claim to these areas, China could give it consideration."¹¹⁶

The lenient attitude of China towards the problem of the Sino-Nepalese border, in sharp contrast to the attitude adopted by her towards the Sino-Indian border dispute, was clearly an attempt to woo Nepal and to discredit India. The Chinese success in settling her border dispute with Burma and Nepal would naturally create the impression that possibly the Indian stand on the border problem was unreasonable. In some of his speeches Mr. Chou made an attempt to create such an impression. In a speech at the state banquet, given in his honour by the Prime Minister Koirala, (26 April 1960) Mr. Chou referred, without mentioning names directly, to the similarity between the Sino-Nepalese and the Sino-Indian border problem, and praised the attitude of Nepal towards it and deplored that of India. He said : "The boundary between our two countries is over 1,000 kilometres long and has never been surveyed and demarcated for thousands of years. Under such circumstances it is only too natural that certain differences should exist between the two countries on the boundary question." According to China, the Sino-India border dispute also arose from similar circumstances. Mr. Chou, obviously contrasting the attitude of Nepal with that of India, continued : "But our two countries, setting great store by their friendship, have not exaggerated these differences, much less let our amity be damaged because of the existence of these differences, and on the basis of the Five Principles of Peaceful Co-existence and through friendly consultations we have reached agreement on the boundary question which is satisfactory to both sides." Holding India responsible for the deterioration of the Sino-Indian border situation he observed : "These agreements (Boundary Agreement) in principle demonstrate that as long as there is firm adherence to the Five Principles and the spirit of mutual understanding and mutual accommodation, which is fair to one's self and to others, a fair and reasonable settlement can be found to any

115. *Ibid.*, p. 70.

116. *Ibid.*, p. 74.

question existing between us.”¹¹⁷ In an editorial the *Renmin Ribao* made explicit the anti-Indian implications of the above statement of Chou En-lai. Referring to the friendly approach of Nepal and China in solving their border problems, it wrote : “The responsibility for the failure to reach an agreement providing reasonable solution to the Sino-Indian boundary question during Premier Chou En-lai’s visit to India does not in any way rest with the Chinese side,”¹¹⁸ The objective of the lenient policy of China towards the Sino-Nepalese border problem was to create a favourable impression of China among the Nepalese, “to hurt India’s relations with Nepal, isolate India, eliminate India’s influence there and secure a dominating position for China and thus draw Nepal into its own sphere of influence.”¹¹⁹ The immediate aim was to keep Nepal at least neutral in the Sino-Indian conflict.

Sino-Nepalese relation deteriorating.

In spite of Chou’s attempt to conciliate Nepal the border tension between the two countries continued. The success of three Chinese mountaineers in reaching the summit of the Everest in May gave rise to an excitement in Nepal, and they began to suspect the motive of China behind this adventure. It was reported that the Chinese had planted their flag on the Everest which they considered to be the highest peak of their Fatherland. The *Kalpana* wrote on May 21 that the Chinese attempt on the Everest was a “bad sign of arrogance” in the face of Nepal’s claim that the southern face and summit of the peak lie within Nepalese territories. The *Commoner* also wrote : “Cannot this expedition of the Chinese without Nepal’s permission be interpreted as a bid to establish their claim over the peak ? Cannot it be called as a bid to vindicate their right without arriving at a settlement which Mr. Chou En-lai agreed was necessary ?” Mr. Koirala, the Prime Minister of Nepal, told a news conference in Kathmandu on May 28 that the Chinese climb to the Everest had not affected Nepal’s stand on the mountain. He said that he did not see any

117. *Ibid.*, pp. 60-62.

118. *Ibid.*, pp. 90-91.

119. V. P. Dutt, *China's Foreign Policy 1958-62*, p. 178.

ground of protest to Peking against the Chinese climbing Everest in view of the tradition of climbing it from the north also. The Prime Minister told the Parliament on June 2 that the mere planting of the flag would not establish any claim by the Chinese, but if they had really described Everest as the highest peak of their Fatherland, that would be considered by him as "objectionable."¹²⁰

The Mustang incident of June put Sino-Nepalese relation under severe strain. The government of Nepal received a Note from Peking informing that the Chinese army was within the 20 kilometers of the Tibetan-Nepal border in order to "suppress Tibetan rebels."¹²¹ This was a clear violation by China of the Border Demilitarization Agreement between the two countries. When the Nepal Government was drafting a strong note of protest against this violation, the report came that the Chinese troops had fired upon the Nepalese border guards (June 28) near Kore Pass in Mustang by which one Nepalese officer was killed and ten of his men were captured.¹²² Nepal came to know of the Chinese attack in the evening of June 28 when four of the Nepalese civilian border party, who fled the place of the incident, came back to Nepal's nearest post to report. The issue was taken up promptly by the Nepalese Prime Minister who condemned the Chinese action in a forthright manner. On June 30 the Prime Minister Koirala had a series of talks with leaders of the different political parties of Nepal, including the Communist Party. During a discussion in Senate on July 12 he, however, expressed his faith that the incident did not indicate "any Chinese design against Nepal".¹²³ Speaking in the lower house of the Parliament on July 25 Koirala charged China with violating its Agreement with Nepal on the demilitarized zone by sending her troops there without prior consultation with Nepal. Mr. Chou En-lai in a letter to the Nepalese Prime Minister had however accepted a sort of a "shortcoming" on his part with regard to the sending of troops to the demilitarized zone on the Sino-Nepalese border. He also urged Nepal to regard both the Mustang incident and the question of the Chinese violation of the demilitarized zone as "closed" suggesting that Nepal should

120. *Asian Recorder* Vol. VI, No. 26, June 25-July 2, 1960, p. 3398.

121. *Ibid.*, Vol. VI, No. 30, July 23-29, 1960, p. 3449.

122. *Thought*, 9 July, 1960, p. 4.

123. *Asian Recorder*, Vol. VI, No. 30, July 23-29, 1960, pp. 3449-51.

not proceed with these matters any further.¹²⁴ The Chinese Premier expressed "regret" for the incident and agreed to pay cash compensation. He explained that the fire was opened by the Chinese troops on the misapprehension that the Nepalese men on horseback were Tibetan rebels. But on one vital point the difference, however, remained. Nepal claimed that the incident had taken place in Nepalese territory and charged China with the violation of the Nepal territory, but China maintained that the event took place within Tibet.¹²⁵

During this period the Sino-Nepalese border, like the Sino-Indian border, was in a state of unrest. Since the Mustang incident many reports reached Kathmandu about the Chinese army 'concentrations' at atleast 6 points very close to the Nepal border. The most dangerous of them was said to be at Kodari which is only three days' march from Kathmandu.¹²⁶ Besides, various reports, though without official confirmation, began to appear in Kathmandu about the intrusion of the Chinese forces within the territory of Nepal. The report of the intrusion of the Chinese troops into Nepalese territory in at least a dozen places in two months reached Kathmandu on July 22. Some of these violations were reported to have taken place subsequent to the Mustang incident of June 28. Aralanga and Riu in northwest Nepal were described as the points at which the most serious incursions had taken place.¹²⁷ The Sino-Nepalese relation at this time was at a very low ebb. The continued failure of the Peking government in nominating its personnel (Nepalese members were already nominated by the Kathmandu government) for the Sino-Nepalese border demarcation commission was considered to be a clear evidence of the deterioration of the Sino-Nepalese relation.¹²⁸ Mr. Koirala also complained: "China has not yet named its members to the Boundary Commission in spite of our having sent our five-man list long ago." He further regretted the dislocation of the traditional trade between Nepal and its northern neighbour "due to the uncertain situation in Tibet."¹²⁹

124. *Ibid.*, Vol. VI, No. 32, August 6-12, 1960, p. 3480.

125. *Ibid.*, Vol. VI, No. 37, September 10-16, 1960, p. 3536:

126. *Ibid.*, Vol. VI, No. 30, July 23-29, 1960, p. 3449.

127. *Ibid.*, Vol. VI, No. 32, August 6-12, 1960, p. 3480.

128. *Thought*, 9 July, 1960, p. 4.

129. *The Hindustan Times*, 27 June 1960.

These developments had an alarming effect upon the nationalists of Nepal. In spite of the spirit of accommodation shown by Chou En-lai, they began to suspect the motive of China. The developments in the Sino-Indian frontier tended to reinforce their suspicion. Mr. Bharat Shumsher of the Gurkha Parishad acted now as the most powerful spokesman of the nationalist fear of the Chinese aggression. He submitted to the Prime Minister a memorandum on 28 February 1960 giving details of the Chinese incursions into Nepal.¹³⁰ The Mustang incident was considered by him as a "calculated move" by China against Nepal's sovereignty, and he pleaded for a closer Indo-Nepalese collaboration.¹³¹ The Communists, always trying to foment anti-Indian feelings of the Nepalese people, accused Bharat Shumsher of promoting anti-Chinese propaganda in Nepal under Indian influence in order to pave the way for the entry of the Indian troops into Nepal.¹³²

The Communists of Nepal were in the process of becoming isolated from the main stream of the nationalist politics of the country. The General Secretary of the Communist Party of Nepal, Dr. Kesar Jung Raimajhi, told a news conference in Kathmandu on July 4 that he did not think the Chinese had any aggressive design against Nepal.¹³³ The Nepali communists appeared to be more critical of their own government than the Chinese. They thought that the Prime Minister had created the Everest issue to divert the attention of the people from the Gandak agreement and the anti-democratic measures of his government.¹³⁴ "The Nepalese Communists," it was reported, "have been heard to say that the incident at Mustang would not have taken place had the Nepalese Government prevented the Tibetan rebels' entry into Nepal and if the Indians were not associated with the border checkposts"¹³⁵ When the situation of Nepal was thus developing in favour of India, a sudden change in Nepali politics brought about a topsy-turvy in the Indo-Nepalese relation. These developments are dealt with in the next chapter.

130. *Halkhabar*, 29 February, 1960.

131. *Asian Recorder*, Vol. VI, No. 30, July 23-29, 1960, pp. 3449-51.

132. *Halkhabar*, 21 January, 1960.

133. *Asian Recorder*, Vol. VI, No. 30, July 23-29, 1960, p. 3451.

134. *Samaj*, 16 April, 1960.

135. *Thought*, 9 July, 1960, p. 4.

CHAPTER FIVE

INDIAN POLICY AFTER THE ROYAL COUP.

On 15 December 1960 King Mahendra acting upon the emergency provisions of the constitution dissolved the Cabinet and the elected Parliament of Nepal. This was followed by the arrest of B. P. Koirala and many other ministers and national leaders, and the imposition of a state of emergency upon the country. The world was taken aback by the move of the king—it was entirely unexpected. In April 1960 Kingsley Martin wrote in *New Statesman* that though the king of Nepal had formidable reserve powers “he behaves with admirable constitutional propriety.”¹ In their article A. Appadorai and L. S. Baral held an optimistic view about the future of democracy in Nepal, and they wrote : “Those who have recently visited Nepal would be struck with the keen desire of all concerned—the king, the leaders and the common people—to make a success of their Constitution” (Constitution of 1959).² One writer while explaining Art. 55 of the Constitution of 1959 which deals with the emergency power of the king, however, observed : “The powers granted to the king in this article are very wide, and wider the powers, the more likely the danger that they may be abused. We know from history that heads of States often seize unto themselves even the powers that are not permissible to them under the constitution on the pretext of national emergency. Therefore this provision can constitute a real threat to the Nepalese democracy.”³ Nobody, however, could anticipate that the danger to democracy contained in the Constitution would become real within a period of less than two years after the constitution was brought into operation.

While dissolving the Cabinet and the Parliament the king brought about five main charges against the ministry, namely, (1) it set aside the interest of the country and wielded authority to fulfil the individual and party interests only ; (2) it made an attempt to dislocate and paralyse the administrative machinery in the name of investing it with speed and competence ; (3) the misuse of power

1. Kingsley Martin, “Nepal Looks Ahead”, *New Statesman*, 2 April 1960, p. 478.

2. A. Appadorai and L. S. Baral, “The New Constitution of Nepal”, *International Studies*, January 1960, p. 244.

3. Narendra Goyal, *The King and His Constitution*, p. 85.

by the ministry resulted in the encouragement of corruption and it dangerously threatened the law and order situation of the country ; (4) its policy was undermining the national unity of the country ; and (5) its economic policy produced a disturbed and vitiated atmosphere instead of producing desirable changes in the social set up.⁴ All the charges were, however, significantly vague and general. Some try to explain the royal *coup* with reference to the king's desire to rule autocratically. The king, they hold, was taken aback by the remarkable success of the Nepali Congress in the general election of 1959. Apprehending the rise of real democracy in Nepal "the King took action before it was too late."⁵ According to this view the motives of the king behind the *coup* were "personal and dubious."⁶ The communists in their attempt to explain history with reference to economic forces think that the royal *coup* meant the triumph of feudalism in Nepal. They think that the history of Nepal in the post-Rana period was the history of a struggle among three forces—feudal force represented by the King, the bourgeois force represented by the Nepali Congress, and the people's force represented by the Communist Party of Nepal. The failure of the bourgeois government of the Nepali Congress gave the king, in their opinion, a chance to assert his authority.⁷

Indian Reaction to the Royal Coup

Whatever might have been the motive of the king, the Indian reaction to the royal *coup* was sharp and prompt. The democratic movement of Nepal was organically related with the Indian nationalist movement, and the Indian Government contributed not a little to the success of democracy in Nepal. The royal *coup* naturally was a great disappointment for India. Expressing the Indian sentiment the *Vigil* wrote : "Whatever attitude others may adopt

4. For the charges brought by the King against the Nepali Congress Government see his Proclamation of 15 December 1960 in *Pages of History—A Collection of Proclamations, Messages and Addresses by His Majesty King Mahendra*, Series I, pp. 1-4.

5. Satish Kumar, "The Panchayat Constitution of Nepal and its Operation," *International Studies*, October 1964, p. 138.

6. "Direct Rule in Nepal—its implications," in *Nepal To-day Tract Number I*, a Nepali Congress publication, p. 4.

7. Based on my talk with the Communist leader of Nepal Mr. Puspala on 11 April 1967.

in this matter, India both for the sake of her friendship for Nepal and in her own interests cannot but feel and express concerned disapproval of what has happened in Nepal. It is not a case for expressing mere regret or adopting a pose of diplomatic neutralityIt would be extremely wrong to suggest that India's relations with Nepal would be unaffected by the snuffing out of democracy in the latter country. Such a suggestion would be expressive not of respect for the Nepalese people's right to manage their own internal affairs as they like, but rather of our indifference or even unfriendliness towards them from the democratic standpoint.There should be maximum moral pressure put on King Mahendra to undo the folly he has committed".⁸

The Eastern Economist, viewing the problem exclusively from the point of view of India's security, however, warned the nation against any precipitate action. It wrote : "Our theoretical devotion to democracy is far less than our practical interest in the security of that long border in which the policy of Nepal and the policy of India are inextricably inter-twined."⁹ It expected that the king might side with India as against the Chinese instead of following the policy of neutrality of the Nepali Congress Government. *The Thought*, while regretting the sudden end of parliamentary democracy in Nepal, wrote that it must not embitter the Indo-Nepalese relation.¹⁰

The Indian Prime Minister Mr. Nehru, however, expressed his strong opinion against the king's action soon after the royal *coup*. He said : "This is a complete reversal of democracy, of the democratic process and it is not clear to me that there can be return to the democratic process in the foreseeable future.....Naturally one views such a development with considerable regret."¹¹ This criticism of the new government of Nepal by Nehru soon after it was founded had an unfortunate effect on the Sino-Nepalese relation. It caused intense resentment in the governing circles of Nepal against India. The resentment was increased when a number of political leaders of

8. *Vigil*, Vol. XI, No. 47, 24 December 1960, pp. 742, 755.

9. *The Eastern Economist*, 16 December 1960, p. 1115.

10. *Thought*, 24 December 1960, p. 1.

11. *Asian Recorder*, Vol. VII, No. 2, January 8-14, 1961, p. 3727

Nepal started a movement against the royal regime from India. This movement produced widespread disturbance in Nepal, and created a serious problem for the king.

Movement Against the Royal Regime.

During the royal *coup* a number of Nepali Congress leaders were in India and a few others crossed the frontier subsequently. In January 1961 they held a convention at Raxaul which was followed by an emergency secret convention in Patna. The Patna Convention secretly laid down the course of action to be followed by them and it "decided to protest against the King's autocratic regime and build resistance movement."¹² Many other political organisations of Nepal also joined with the Nepali Congress in the struggle. In a press statement issued after his escape from Nepal, Bharat Shumsher pledged whole-hearted support of the Gurkha Parishad to the Nepali Congress struggle for the restoration of Parliamentary Democracy in Nepal.¹³ Later on, he announced the decision of the Gurkha Parishad to merge with the Nepali Congress.¹⁴ The Praja Parishad, the United Democratic Party of Dr. K. I. Singh, and the Terai Congress were also merged in the Nepali Congress to strengthen the struggle against the royal regime.¹⁵ The Communist Party of Nepal was divided into two groups : one wing, led by Dr. Rai Majhi, was actively supporting the king, and the other, led by Puspahal, was thoroughly opposed to the king's regime. Mr. Subarna Shumsher, the leader of the Nepali Congress group in India, in his statement of 31 January 1962 welcomed the anti-king attitude of the party of Puspahal, but there was no co-operation between them in the struggle against the royal regime.¹⁶

The movement against the new regime of Nepal started in 1961. There were meetings, demonstrations and processions in

12. P. N. Chowdhury, "From Non-violence to Violence," *Nepal To-day*, 1 May 1962, p. 109.

13. *Nepal To-day* 1 December 1961, pp. 4, 6, 8.

14. *Ibid.*, 2 January 1962, p. 23.

15. Kashi Prasad Srivastav, "Nepal To-day and the Nepali Congress," *Ibid.*, 15 February 1962, p. 57.

16. For the Statement see *Nepal To-day*, 1 February 1962, p. 45.

defiance of the government ban. On July 11, on the occasion of his birthday, the king's effigies were burnt, processions were taken out and leaflets distributed in various districts of Nepal.¹⁷ By the beginning of 1962 the struggle became more vigorous and organised. There were many reports of clashes between the Nepali Congress volunteers and the Government soldiers in the eastern areas of Nepal adjoining the tri-junction of Nepal, Sikkim and Darjeeling borders. A rostrum erected at a meeting place in Janakpur where the king was scheduled to receive a civic address was dynamited on January 19. A police check-post at Aurhi, three miles from Janakpur, was raided and burnt. The opponents of the royal regime captured many other check-posts and custom posts and decamped with money, arms and ammunition.¹⁸ The king's visit in Biratnagar on January 17 was marked with demolition of welcome arches by the revolutionaries. In a village in Ilam district of Eastern Nepal, 60 miles away from Darjeeling-Nepal border, there were firings by Nepal security forces, and the Nepalese insurgents, it was reported, also opened fire from their hideouts.¹⁹ A bomb was thrown at a vehicle carrying King Mahendra at Janakpur on January 22, and it created a serious sensation in Nepal.²⁰ A serious revolt was reported to have broken out in Bharatpur area of Southern Nepal.²¹ It was also reported that Government forces and rebel units exchanged fire in the northern region of the kingdom.²² Doti, a district headquarter town in Western Nepal, which was the constituency of Dr. K. I. Singh in the General Election, was captured by the rebels. It was reported that after disarming 175 royal troops of Doti, the rebels took possession of all arms.²³

It is not necessary to describe in details the movement in Nepal against the new regime established by the king. This movement is important for our purpose only in so far as it affected the Indo-Nepal relation.

17. "Some More Facts About Unrest in Nepal's Districts During King's Direct Rule" in *Nepal To-day Tract No. 1*, p. 6.

18. *The Hindustan Standard*, 22 and 23 January, 1962.

19. *Ibid.*, 22 January 1962.

20. *Ibid.*, 24 January 1962.

21. *Ibid.*, 11 February 1962.

22. *Times of India*, 26 February 1962.

23. *The Hindustan Standard*, 28 July 1962.

India's Responsibility in the Movement—Indo-Nepal Differences.

Prime Minister Nehru's criticism of the royal *coup*, and more particularly the violent activities in Nepal against the royal regime, brought about a steady deterioration of the Indo-Nepalese relation. The king thought that the violent activities in Nepal were organised by the Nepali Congress leaders living in Indian territory. In many of his speeches delivered on different occasions in 1962 the king referred to the activities of what he called the 'anti-national elements' from the sanctuary of a foreign soil, and he feared that their activities might in the long run undermine the friendly relation of Nepal with India. He expressed the hope that "the friendly country India will also turn her timely attention to it, in view of the traditional friendship subsisting between the two countries."²⁴ The king, in other words, expected India to take measures against the Nepali Congress leaders who, he thought, living in the Indian territory, were organising and directing the violent movement in Nepal against the established government.

The Government of Nepal sent various Notes to India drawing the attention of the government towards this development. The Indian Government, however, did not accept the allegation that the Indian territory was being used in organising the violent activities in Nepal against the king's regime. The Indian Government maintained that it only gave the Nepali Congress leaders the right to express their views peacefully, and denied all allegations of the Nepalese Government that the armed squads were being trained in India and sent to Nepal from the Indian territory. The Note of the Indian Embassy in Kathmandu dated 8 February 1962 stated that "the suggestion that expeditions have been mounted against Nepal from India is clearly far removed from the fact." This view of the Indian Government was considered by Nepal as politically motivated and empirically unfounded, and it increased the Nepalese resentment against India. The Indian replies to the various complaints of Nepal about the activities of the Nepali Congress leaders in India directed against the royal regime were considered by the Nepalese

24. Speech of the King at Birgunj on 19 January 1962, *Pages of History*, Series II, n. 4. p. 73

Government as “replies not in the nature of a friendly good neighbour but ones to be expected from the defence counsel of the hostiles.”²⁵ It may be mentioned here that the view of the Nepali Congress leaders living within India was similar to that of the Indian Government. They held that the violent movements in Nepal were local in origin—they were the spontaneous expression of the people’s disaffection against the new system of Nepal. Mr. Subarna Shumsher, the Acting President of the Nepali Congress, characterised the struggle of the Nepalese people against the royal regime as “a real people’s movement.” He pointed out that it was not possible for a few persons living in India to stir revolt in so many different parts of Nepal.²⁶ Bharat Shumsher also stated that the movement had its origin in, and was being guided from, the native soil, and it had no foreign backing.²⁷

Under such circumstances, the Indo-Nepalese tension continued to increase dangerously. In a brochure entitled *Hostile Expedition and International Law*, the Government of Nepal collected various evidences showing that “the hostile expeditions against Nepal are organised, financed and armed in the territories of India” with the “full knowledge of the Indian Union and its constituent states having common border with Nepal.”²⁸ By quoting opinions of various authorities on International Law and by citing relevant case laws it concluded that it was the “legal duty” of India “to prevent the hostiles from using her territory against Nepal.”²⁹ By analysing the relevant sections of the Indian Penal Code, the Foreign Relations Act 1932 (of India), the Registration of Foreigners Act 1939 (of India), the Foreigners Act 1949 (of India), as well as the Constitution of India, the Nepal Government tried to show that the activities of the “anti-national elements of Nepal, who are making India the focus

25. Prakash Bahadur K. C., *Hostile Expeditions and International Law*, (published by the Govt. of Nepal), p. 10.

26. For the full text of the press statement of Subarna Shumsher see *Nepal To-day*, 1 February 1962, pp. 45-46.

27. *The Hindustan Standard*, 22 January 1962.

28. Prakash Bahadur K. C., n, 25, p. 15.

29. *Ibid.*, p. 54.

of criminal conspiracy" were punishable in India by her own laws.³⁰ The Government of India should at least, the Nepal Government asserted, take preventive measures by imposing reasonable restrictions on their activities.³¹ The Government of Nepal further pointed out that 'the anti-national elements' by making defamatory statements in India against the king and giving them wide publicity were actually abusing the right to the freedom of the press, but, it complained, the Indian Government connived at all these unlawful activities committed by them.³² The authorities of Nepal also referred to the legal competence of India to make suitable provisions for controlling in particular cases the movement of Nepalese nationals on the Indian soil without however disturbing the general arrangement existing between the two countries.³³ No principle of International Law, Nepal warned India, recognised it a right of persons having received political asylum in foreign countries "to organise and indulge in violent activities against their home state, more so when the home state happens to be a friendly neighbour of that foreign state and when the Municipal Law of that foreign state expressly and strictly makes punishable such activities."³⁴ The Indian Government, however, continued to deny any relation between the violent movement in Nepal and the activities of the Nepali Congress leaders in India. The Indo-Nepalese relation thus became extremely strained.

Diplomatic Blunder of India.

The Indian reaction to the royal *coup* in Nepal was a diplomatic blunder.³⁵ Nehru's prompt expression of regret at what he considered to be "a complete reversal of the democratic process" in Nepal had a profound effect upon the new government of the country. It was

30. S. P. Gyawali (Attorney General for Nepal), *Friendship on Trial* (published by the Govt. of Nepal), pp. 3-4.

31. *Ibid.*, p.10.

32. *Ibid.*, p.4.

33. *Ibid.*, p.14.

34. *Ibid.*, p.22.

35. Kavic characterises it as 'a tactless response'. Lorne J. Kavic, *India's Quest For Security: Defence Policies, 1947-1965*, p. 80.

Mihaly considers it 'a tactical error'. E. B. Mihaly, *Foreign Aid and Politics in Nepal*, p. 109.

not, as one journalist about six years after the *coup* described it to be, "just a simple, honest reaction of a genuine democrat who had an inherent dislike for dictatorship of all kinds."³⁶ The statement of Nehru had a great diplomatic significance—it was an indication of the attitude that India would adopt towards the new government of Nepal. It indicated that the sympathy of India was towards the deposed government of Nepal. The view of the Indian Government that the Nepali Congress leaders living in India had nothing to do with the violent movement in Nepal was palpably untenable. That the whole movement was guided from India was clearly established by the fact that it was, as we shall see later on, suspended and then called off by the appeal of General Subarna Shumsher issued from Calcutta. What was the basis of the Indian policy? India might have ideological sympathy for the Nepali Congress but ideological considerations alone cannot determine policy towards a Government. Did India believe that the King's government would not last long, and would not be able to maintain political stability in the country? The prompt reaction of Mr. Nehru shows that the Indian policy was determined without a close observation of the developments of the situation. India certainly had no reason to fear that the king would follow a pro-Chinese policy, and give up the neutral attitude of the previous government. The king, it is true, favoured a closer relation of Nepal with China, but that did not imply a policy of siding with China against India. It was the Indian attitude towards the royal regime of Nepal which, as we shall see, forced the king to lean more towards China. That gave China an opportunity to increase her hold over Nepal. The Indian policy towards Nepal during this period appears to be short-sighted, determined more by moral sympathy for a cause than a cold analysis of her national interest. Diplomacy determined by national interest very often comes in conflict with ideological convictions and loyalty to a value system. To be effective, foreign policy on the diplomatic level must not overstep the necessary limitations.

36. J. D. Singh, "Nepal To-day—More Congenial Climate," *Times of India* 30 November 1966.

Nepal's Neutral Foreign Policy

The deterioration of the Indo-Nepalese relation following upon the royal *coup* of December 1960 determined the pattern of the foreign policy of the king. The declared objective of his foreign policy was still neutrality and non-alignment. As a matter of fact, under the circumstances, it was the only policy consistent with her interest. She was in need of economic aid, and tried to secure it from all quarters, India and China, the U. S. A. and the U. S. S. R. In his speech at the Belgrade Conference of the neutral countries in September 1961 the king observed : "As we are absorbed completely in this national development we want to keep away from all sorts of military alliances, and, so far as bloc formation is concerned, we are not in favour of forming even a neutral bloc."³⁷ In the statement on 'Policy and Main Objects' issued on 5 July 1961 by the Government of Nepal it was stated : "The end of our foreign policy shall be to maintain friendly relations with all friendly countriesDetermined to stand on her own legs, Nepal shall yet welcome aid from friendly countries, provided such aids for the development of our country have no strings attached to them and are inspired by selfless spirit."³⁸ During his visit to India in April 1962 the king, in course of a speech, said : "The Kingdom of Nepal is always committed to following the policy of peace and friendship towards all friendly countries including India."³⁹ Earlier, in September 1961, he, during his visit to China, said that Nepal would "heartily welcome the co-operation of neighbouring big countries", and added : "we have no intention of following any particular country or power bloc. It is our conviction that a small nation can make contributions in world affairs only by adopting such a policy."⁴⁰ Nepal, as a matter of fact, had nothing to gain but

37. *Statement of Principles*, Major Foreign Policy Speeches By His Majesty King Mahendra, p. 16.

38. *Policy and Main Objects of His Majesty's Government*, published by the Ministry of National Guidance, HMG, Nepal, p. 2. -

39. Speech at the Palam Airport (Delhi), *Pages of History*, Series II, n. 4, p. 133.

40. Speech at a State Banquet while on a State visit to China, *Ibid*, Series I, p. 84.

much to lose by giving up the policy of non-alignment. Alignment with any of her big neighbour, either of the north or of the south, would mean an alliance between the rider and the horse. A country highly sensitive of her national independence and dignity cannot adopt this course, unless compelled by circumstances. The non-alignment policy of Nepal has a foundation in the national interest of the country. As a realist, the king could not ignore it. The basis of the king's foreign policy has rightly been summed up in an official publication thus : "King Mahendra is a political realist. As a realist he cannot but be conscious of the manifold ties of friendship between Nepal and India ; and as a realist, too, he cannot ignore the great reality of revolutionary China. He has rejected isolationism as Nepal's policy but has come to realise that for a small country like Nepal sandwiched between two giants the best way open to it is to limit itself as far as possible to its own interests."⁴¹ The king sought to promote the interest of Nepal by maintaining friendly relation with all countries, particularly India and China.

Indo-Nepal Estrangement and Its Repercussions on Nepal's Foreign Policy.

The greatest problem of Nepal in the pursuit of her foreign policy during this period arose from the increasing deterioration of her relation with India. The attempt to hold the king of Nepal responsible for this deterioration appears to be unwarranted. In his pamphlet J. B. Singh describes King Mahendra as 'anti-Indian' and holds him and his advisers responsible for anti-Indian feeling in Nepal.⁴² Another writer maintains that "the logic of events proved that precisely in order to meet the internal exigencies and ensure the continuity of the new system, the King's Government had to adopt anti-Indian attitude."⁴³ Anti-Indian feeling in the new form arose in Nepal after Mr. Nehru's adverse comment on the new system and particularly after the outbreak of a violent movement against the royal regime with its headquarter in the Indian soil. The Indo-

41. *Statement of Principles*, n. 37, p. 4.

42. J. B. Singh, *India, Nepali Congress and King Mahendra*, pp. 2-3.

43. Anirudha Gupta, *Politics in Nepal*, p. 245.

Nepalese relation improved steadily, as we shall see later on, after India accepted the right of Nepal to have her own form of government and the movement against the royal regime was called off. The sequence of events thus clearly shows that a violent challenge to the new system of Nepal led to the deterioration of the Indo-Nepalese relation. The strained relation of Nepal with India went directly against her interest at least in two ways. Economically Nepal was still dependent upon India. Though she received Indian aid even in the worst days,⁴⁴ still the position was not agreeable, and her dependence on India for the foreign trade made the situation all the more embarrassing. Secondly, a hostile relation with India would inevitably lead Nepal within the Chinese sphere of influence, and make her policy of neutrality and non-alignment meaningless. The king was, therefore, trying hard to improve relations with India, without, of course, sacrificing the political system established by him in Nepal through the Panchayat Democracy. The king adopted two methods to improve relations with India. One was the indirect method of putting pressure upon India by establishing closer relations with China and Pakistan. The king possibly believed that closer relation of Nepal with these countries would lead India to reconsider her policy towards his government, and to re-establish the old friendly relations. The other method adopted by the king to improve relations with India was direct negotiations.

Repercussion on the Nepal-China Relation.

Whatever may be the attitude of the communists towards the monarchy, the policy of Communist China towards the Government of Nepal was not influenced by it after the royal *coup* of December 1960. The Chinese attitude towards the king's government became rather more friendly and cordial due to the estrangement in the Indo-Nepalese relations. China tried to reap a good harvest in

44. Preliminary statistics relating to trade between Nepal and India shows that there was a decline of about Rs. 10 million in Indian exports to Nepal from 1960-61 to 1961-62, and an almost equal fall in the level of imports from Nepal to India. Y. P. Pant, "Nepal's Recent Trade Policy" *Asian Survey*, July 1964, p. 953.

Nepal taking full advantage of her hostile relation with India. The king's policy of friendship towards Communist China was not, however, a new development. It was in a sense a continuation of the old policy, but in the context of the changed Indo-Nepalese relation, it assumed a new meaning. In spite of friendship, the Sino-Nepalese relation, as it has been described in the previous chapter, was not free from tension. In her dealings with China, Nepal was particular not to do anything which might give offence to India. Her friendship with both India and China gave Nepal an opportunity to negotiate with both of them from some position of strength. But hostility of India made Nepal almost helpless in her negotiation with China. Besides, Nepal's flirtation with China during this period was a strategy to win back the favour of India. Therefore, she granted to China rights and concessions which might be injurious and shocking to India. The Sino-Nepalese relation of this period must be understood with reference to this context. Nepal's relation with Pakistan during this period was fully in harmony with her nationalist aspiration to establish closer relation with as many countries as possible, particularly with her neighbours. Moreover, Pakistan gave Nepal transit facilities for the promotion of her foreign trade. It had the effect of reducing her dependence on India. For a land-locked country like Nepal this advantage had a vital significance. The hostile relation of Pakistan with India, however, gave the growing Nepal-Pak solidarity an anti-Indian orientation. And Pakistan like China tried to take full advantage of the Indo-Nepalese estrangement.

Nepal and China in 1961

In 1961, when the Indo-Nepalese relation was cold, Nepal concluded three important agreements with China ; first, Protocol to Sino-Nepal Agreement on Economic Aid (of March 1960) concluded on September 5 ; second, Sino-Nepalese Boundary Treaty on October 5, and third, Sino-Nepalese Highway Construction Agreement on October 15. Of these three, the first two were not of any unusual significance. They were the logical developments of the Sino-Nepalese relation established before the royal *coup*.

(a) *The Protocol* :⁴⁵

The Agreement on Economic Aid of March 1960 could not be implemented because of the failure of Nepal to meet the necessary local expenses. In recognition of this difficulty the People's Republic of China came forward with an offer of ten million Indian rupees in cash and twenty five million Indian rupees in goods for meeting the local expenses necessary to implement the construction of projects under the Chinese aid.⁴⁶ By the beginning of October 1961 Nepal and China came to an agreement about the list of imported goods. The agreed list included silk, cotton, yarn textiles, chemicals, newsprint, readymade garments, galvanised wire, sheets, casting machines, electric motors, radios, fountain pens, paints and varnishes.⁴⁷ Payment for these imported goods would be made by Red China from their aid to Nepal, and sale proceeds of these imported goods, it was agreed, would be used by the Nepal Government to meet their obligations regarding the local cost of projects undertaken with the Chinese aid. As a consequence of this Protocol a huge amount of Chinese goods appeared in the market of Nepal.

(b) *The Boundary Treaty* :⁴⁸

At the invitation of the Chinese Government the king of Nepal together with the queen went to Peking during the time of the 12th anniversary celebration of the Chinese People's Republic. He was given by China an unprecedented welcome. During this visit the final Boundary Treaty was signed by the King Mahendra and China's head of the State Liu Shao-Chi.

The Nepal-China Boundary Treaty signed in Peking on 21 March 1960 referred to the formation of a Joint Committee, composed of equal number of persons from each side, in order to discuss and solve the

45. For the full text of the Protocol see G. V. Ambekar and V. D. Divekar, *Documents on China's Relations with South und South East Asia* (1949-1962), pp. 337-339.

46. Dr. Y. P. Pant, *Nepal-China Economic Co-operation*, published by the Ministry of National Guidance, HMG, Nepal, p. 5.

47. *The Hindustan Standard*, 5 October 1961.

48. For the full text of the Boundary Treaty see G. V. Ambekar and V. D. Divekar, n. 45, pp. 209-215.

concrete boundary questions, conduct survey of the boundary, erect boundary-markers and draft a Nepal-China Boundary Treaty. The inaugural session of the Joint Nepal-China Boundary Committee was held in Kathmandu on 11 August 1960.⁴⁹ The fourth session of the Committee, opened in Kathmandu on 24 August 1961, prepared a draft boundary treaty which was signed on October 5. By this treaty Nepal gained 300 square miles of territory and Mount Everest remained within Nepal.

On this occasion speeches were made from both sides emphasising the Sino-Nepalese friendship. In a mass rally at Peking the Mayor Peng Chen welcoming Their Majesties said that the Himalayas which were never an obstacle to the growth of China-Nepal friendship have become "all the more a link of friendship."⁵⁰ In his reply speech King Mahendra described the conclusion of the treaty as "another milestone in our growing friendly relations".⁵¹ He offered thanks to the host country for extending "a friendly helping hand in our programmes of economic development at a time of great stress and strain in your economy". Referring to the five principles of peaceful co-existence, particularly the principle of absolute non-interference in the internal affairs of other countries, the king observed that during the last ten years Nepal had invariably worked in this spirit, and he reminded the host country that "we expect others to work in the same spirit too." In his speech the king significantly referred to the assurance given to him by Chairman Liu Shao-Chi that though China in the past oppressed other peoples, the present government led by the Communist Party would "take meticulous care to avoid the repetition of such blunders" and would "never take the road of aggression and invasion against the territorial sovereignty and political independence of its neighbours." In a speech at a banquet given by him in honour of Their Majesties, Liu Shao-Chi praised the King Mahendra as a "sincere patriot", and warmly appreciating the policy of Nepal, he said: "When the handful of reactionaries in

49. *Nepal-China Boundary Protocol*, published by the Ministry of National Guidance, HMG, Nepal, pp. 4-5.

50. *Survey of China Mainland Press*, No. 2601, 19 October 1961.

51. *Statement of Principles*, n. 37, pp. 34-40.

China's Tibet staged their rebellion, Nepal firmly adhered to a correct stand of non-interference in China's internal affairs."⁵² In his reply speech the king referred to the importance of friendliness, goodwill, non-aggression, non-interference in internal affairs and other allied attitudes for the maintenance of international amity in the present-day world, and then observed: "Conformity between profession and practice is called for."⁵³

In the Joint Communique issued on October 15 King Mahendra and Liu Shao-Chi agreed that to maintain international peace it was necessary "to end colonialism, to oppose wars of aggression and to have mutual respect among nations for each other's sovereignty and non-interference in each other's internal affairs." The king supported the claim of Communist China to be represented in the U.N., and China assured the king that she "would never adopt an attitude of great nation chauvinism towards Nepal."⁵⁴

The king went to Mongolia from China and returned to Kathmandu in the last week of October, highly satisfied with the conclusion of the Boundary Treaty with China. In a speech at a Civic Reception given to him on his return to Kathmandu the king said: "By the northern boundary treaty the Kingdom of Nepal has gained three hundred square miles and I feel all the Nepalese will experience a sense of glory when I state that Sagarmatha on which the eyes of the world seem to be focussed, continues to be as it has been ours and within our territory."⁵⁵ The press of Nepal hailed this treaty as a great triumph of Nepal. The *Nepal Samachar* referred to the three prominent features of this Treaty, namely, settlement of centuries old boundary question between Nepal and China, the gain of 300 square miles of land, and settlement of the question of Sagarmatha. "On this account" the journal commented, "it (The

52. *Peking Review*, No. 40, 6 October 1961.

53. Reply speech of the King at the State Banquet on 29 Sept. 1961, *Pages of History*, Series I, n. 4, p. 84,

54. *Peking Review*, No. 42, 20 October 1961, p. 5.

55. King's speech at a Civic Reception in Kathmandu on 27 October 1961, *Pages of History*, Series I, n. 4, p. 103.

Boundary Treaty) must be considered the best one in the history of Nepal.”⁵⁶

After the conclusion of the treaty, it may be mentioned here, Boundary-Markers Erection Teams were sent to demarcate the boundary in accordance with the line of delineation. After the completion of this work the 6th session of the Joint Boundary Committee was held in Kathmandu and Peking from 9 December 1962 to 19 January 1963. During these meetings the two sides jointly drafted the Boundary Protocol and prepared detailed maps which were attached to the Boundary Treaty. The Protocol to the Nepal-China Boundary Treaty was signed in Peking on 20 January. For this purpose Dr. Tulsi Giri, the Vice-Chairman of Nepal, came to Peking and said that Protocol “will not only prove a great landmark in the history of our two countries but also inspire confidence for others who have yet to accomplish this much-desired task.”⁵⁷ In course of a speech on this occasion Marshall Chen Yi, who signed the Protocol on behalf of China, reassuring Nepal said : “China will never treat any country with big-nation chauvinism, nor will it tolerate being treated by any country with big nation chauvinism.”⁵⁸

The press of Nepal welcoming the signing of the Boundary Protocol made significant comments with possibly an implied reference to the Indian approach to the boundary problem with China. The *Gorkhapatra* observed that the Boundary protocol is “a clear example of how successful a policy of settling disputes by peaceful means through mutual negotiations with open heart can be.”⁵⁹ The *Samaj* wrote that no greater example than this Boundary Protocol could be found in recent history of how a question could be prevented from assuming false proportions through mutual negotiations. It added : “If any one is interested in finding out how a country should behave towards its neighbour and what is the mode of conduct for the peaceful co-existence, he can find no better example

56. *Nepal Samachar*, 24 January 1963. This comment was made after the conclusion of the Nepal-China Boundary Protocol in January 1963.

57. *Nepal-China Boundary Protocol*, n. 49, pp. 2-3.

58. *The Hindustan Standard*, 21 January 1963.

59. *Gorkhapatra*, 22 January 1963.

than the Boundary Treaty, and the subsequent Protocol to it, signed between Nepal and China.”⁶⁰

(c) *The Sino-Nepal Highway Construction Agreement* :⁶¹

This Agreement of far-reaching significance, signed by Dr. Tulsi Giri and Chen Yi, was concluded on 15 October 1961. The two countries agreed about the construction of a highway connecting Kathmandu with Lhasa. According to this Agreement China was responsible for constructing the section of the highway which was within the Chinese territory, and Nepal was responsible for the section which fell within the Nepalese territory. At the request of the Government of Nepal, China would grant economic aid amounting to 3,500,000 pounds sterling to her in instalments. Within the amount of this aid China would help Nepal by sending experts and technicians, by the supply of technical assistance and necessary machines and materials, and would also assist her in the training of technicians and skilled workers. Article IV of the Agreement stated that after an on-the-spot survey by experts of China, the representatives of the two governments would discuss and decide on the route of the highway, its construction programme, the method of concrete implementation, and then sign a relevant protocol. This protocol, it may be mentioned here, was signed in Kathmandu on 13 January 1962.

The Agreement on this highway was the greatest gain China secured from Nepal during this period and its construction gave the Chinese a permanent position of vantage in their relation with this Himalayan State. The 104-kilometre Kathmandu-Kodari Road (K-K Road) starts at Bhatgaon, one-time capital of Bhaktapur, eight miles east of Kathmandu. Kodari is a low pass (16,000 ft.) in the Nepal-Tibetan Himalayan range and is free from snow throughout the year. By jeep the distance from Kathmandu to Kodari is covered in three and a half hours and by truck in five hours. The northern terminus of the road faces the international frontier near the Kuti pass which was linked with Lhasa by a road even before

60. *Samaj*, 27 January 1963.

61. For the full text of this Agreement, see G. V. Ambekar and V. D. Divekar, *ibid.* 45, pp. 339-41.

work began on the Nepalese section of the Kathmandu-Lhasa Highway.⁶²

The dangerous significance of this Agreement from the stand-point of the security of Nepal and of India was evident to all. In a statement Mr. Bharat Shumsher said that this Agreement "has brought nearer to us the biting wind of the Communist plateau."⁶³ Another Nepali Congress leader wrote: "The King's recent road treaty with China, which the Nepali Congress had ruled out, is nothing except throwing Nepal into the lap of expansionist Red China..."⁶⁴ The king, however, refused to see in this Agreement any strategic significance dangerous to the security of his own kingdom. In November 1961 he observed: "I have heard that some interested persons are floating the rumour that the projected Kathmandu-Lhasa Road will be tantamount to an invitation to communism. I find it worth a good laugh..."⁶⁵ According to the king the road had only a commercial significance and he ridiculed those who "blindly shout that communism immigrates in a taxi." Whatever may be the argument of the king to rationalise the Agreement on the K. K. Road, its strategic significance and its dangerous implication for Nepal did not certainly escape his notice. Why did king agree to conclude this treaty? The conclusion of this treaty without any prior information to India was certainly an expression of his resentment against the Indian policy towards his regime in Nepal.⁶⁶ But this cannot explain why should the king dangerously undermine the security of his own state. Did he find the Chinese pressure insurmountable? The Chinese made the proposal for the construction of this road to the Government of B. P. Koirala without any success. The Chinese scheme for such a road is, therefore, an old one. It might be that under the new circumstances the Chinese

62. For reports on the K. K. Road see *Times of India*, 13 January 1965, and *The Statesman*, 4 and 5 February 1964.

63. *Nepal To-day*, 1 December 1961, p. 4.

64. Surendra Upadhyaya, "Nepal, China and Asian Democracy", *Nepal To-day*, 15 December 1961, p. 11.

65. King's speech on 18 November 1961, *Pages of History*, Series I, n. 4, p. 109.

66. See Press Interview of the King on 7 February 1962, *Ibid*, Series II, p. 84.

succeeded in persuading the king to give consent to their proposal. But the king himself said that it was he who made the proposal at first, and the Chinese agreed to it.⁶⁷ If so, it was certainly a short-sighted move on the part of the king.

As a commercial proposition the K.K. Road, it may be mentioned here, was a failure. In 1961 Nepal had very limited commercial transactions with Tibet or China,⁶⁸ but the Government of Nepal expected its rapid growth. "Now with an opening of Tibet with the Central China by road transport and also the development of transport and communications in Nepal, it will be much easier to develop trade between Nepal and China."⁶⁹ This was the faith of the Government of Nepal. But a publication of the Ministry of National Guidance issued in Kathmandu on 19 December 1962 stated that new trade and customs regulations imposed by China had adversely affected Nepal's trade with Tibet. The official review, however, expressed the hope that trade relations would improve on completion of the K.K. highway.⁷⁰ But contrary to their expectation the Chinese maintained their restrictive regulations. Due to severe restrictions on trade, the number of Nepalese living in Tibet was reduced (within seven years) from 25,000 to about 1,000 in 1966. The Chinese followed a policy of sealing off Tibet from the outside world, and, therefore, there was no chance of any improvement in the trade relation between Nepal and Tibet. On the other hand, the volume of this trade declined rapidly, and the Government had to close three Nepalese trade agencies in Tibet. The Agency at Kyerong was closed on 26 December 1965 and the other two, at Kutu and at Shigatse, were closed in January 1966."⁷¹ One of the reasons of the rapid decline of the Nepal-Tibet trade was believed to be the withdrawal of incentives by China to the Nepalese private traders in Tibet. They were not allowed to retail their goods

67. *Ibid.*

68. According to the report of *The Hindustan Times* (25 August 1966) Nepal's export to Tibet in 1960-61 constituted 0.27 per cent of her total exports and her import constituted 0.94 percent of her total imports.

69. Y. P. Pant, n. 46, p. 7.

70. *Asian Recorder*, Vol. IX. No. 2, January 8-14, 1963, p. 4986.

71. *Ibid.*, Vol. XII, No. 11, March 12-18, 1966, p. 6975.

in Tibetan markets freely but had to sell large part of their merchandise to State agencies at fixed prices.⁷²

Repercussion on Nepal-Pak relations.

During the period of Indo-Nepalese estrangement the King Mahendra tried to establish close relation with Pakistan also. The attempt had a political as well as an economic implication. To establish contact with different nations of the world, particularly with the neighbouring countries, was a natural urge of Nepali nationalism.^{72A} Close relation with Pakistan would also have an embarrassing effect on India which might persuade her to change her policy towards Nepal. Above all, Nepal was trying to find out an alternative channel for her trade and commerce through Pakistan. President Ayub Khan of Pakistan was also eager to develop intimate relation with Nepal in order mainly to reduce the influence of India in that Himalayan Kingdom. Another unifying factor between King Mahendra and President Ayub was their opposition to parliamentary democracy and their attempt to build up a different form of democracy in their respective countries. "Both King Mahendra and President Ayub", wrote the biographer of the king, "were united on one issue ; a variant of parliamentary democracy."⁷³

On 10 September 1961 the King of the only Hindu State in the world went on an official visit to the Islamic State of Pakistan. King Mahendra and President Ayub discussed matters of common interest in an atmosphere of extreme cordiality. The king accepted the award of Nishan-i-Pakistan (Glory of Pakistan) and President Ayub was made Ojaswi Rajanya (The most effulgent King). The mutual acceptance of titles might be "typical to a decade of co-existence,"⁷⁴ as Krishnamurty has put it in his book on King's biography, or it might simply illustrate the fact that national interest transcends all

72. *The Hindustan Times*, 25 April 1966.

72A. For Nepal it had a prestige value. "Having enlarged the sphere of Nepal's relations with the outside world Nepal has earned a great prestige on international scene." Bishwa Pradhan, *Foreign Policy and Diplomacy*, p. 84.

73. Y. G. Krishnamurti, *King Mahendra of Nepal—A Biography*, p. 367.

74. *Ibid.*, p. 367.

considerations of religion and secularism. It was certainly not "very strange," as Gupta has characterised it.⁷⁵ The king, in one of his speeches, expressed his firm conviction that "the relations between our two countries can be further cemented through programmes of cultural and commercial exchange."⁷⁶ The visit of the king to Pakistan was naturally viewed with concern in India.

Nepal was mainly interested in securing transit facilities for her goods through Pakistan. A trade Agreement was signed between these two countries on 19 October 1962. Nepal requested Pakistan to provide her with trade transit facilities through Chittagong in order to enable her to be less dependent on India for carrying on external trade. On 10 January 1963 Nepal and Pakistan signed an agreement providing in principle for transit facilities for Nepalese goods through Pakistan territories.⁷⁷ On January 28 another Agreement between the two Governments was signed in Karachi for regulation of traffic in transit. The Agreement stated that goods intended for import into or export from the territories of either country from or to a third country would be accorded freedom of transit through the territories of the other country. Article III of the Agreement stated that the traffic in transit would be exempt from customs duty and from all transit duties except reasonable charges for transportation and such other charges as are commensurate with the cost of services rendered.⁷⁸

Mr. Vedananda Jha, the Minister for Commerce and Industry of Nepal, who signed this Agreement in Karachi, said in Lahore that the Transit Agreement between Nepal and Pakistan was not directed against India or any other country. On his return to Kathmandu Mr. Jha expressed his hope to a representative of the National News Agency that India would not adopt an attitude of non-co-operation

75. Anirudha Gupta, n. 43, p. 247.

76. Speech of the King at a State banquet on 11 September 1961, *Pages of History*, Series I, n. 4, p. 75

77. *Times of India*, 12 January 1963.

78. For the full text of the Agreement see *Nepal-Pakistan Transit Agreement*, published by the Ministry of National Guidance, HMG, Nepal, pp. 1-5.

in the matter of the implementation of this Agreement. "I do not see any reason why India should do anything to hurt popular feelings in Nepal", he observed.⁷⁹ The *Commoner* in its issue of January 30 observed that no "political angle" was involved in this Agreement at all, and reiterated the opinion of Mr. Jha that it was not directed against any country. The Agreement on transit was followed by another establishing scheduled air service between Dacca, capital of East Pakistan, and Kathmandu. In an article published in a leading Indian daily one journalist wrote that the newly-inaugurated service of Pak International Airways between Dacca and Kathmandu was not innocuous. He observed : "The Pakistan air service is hardly a commercial proposition at the moment. It forms part of Pakistan's anti-Indian policy. India's fear is that it may be utilised for transporting spies and miscreants into Nepal and from there to India."⁸⁰

Indo-Nepalese Tension at its Highest.

The increasing cordiality of Nepal with China and Pakistan was partly a natural development of her foreign policy and partly a pressure and a warning to India. The king of Nepal tried at the same time to restore friendship with India by direct negotiation. On his way to Belgrade to take part in the conference of the neutral countries, the King Mahendra came to New Delhi in the last week of August 1961. He discussed with Nehru the existing state of Indo-Nepalese relation, and explained the policy of Nepal. A few months later, he, in a press conference, recalled his discussions with Nehru, and remarked : "I do not think that Mr. Nehru has not understood full well our present policy"⁸¹ But the discussion proved to be a failure, and the tension remained. The Indian Government, however, meanwhile sent instructions to states bordering Nepal to keep a close watch on the border for preventing smuggling of arms into Nepalese territory, and the Nepali Congress leaders were asked not to do anything against the laws of the country. The violent movement in Nepal, however, continued, and a serious rift in the Indo-Nepalese

79. *Ibid.*, p. 11.

80. *Times of India*, 29 November 1963.

81. Press Interview granted by the King in February 1962 to Nepal Sambad Samiti and Sagarmatha Sambad Samiti, *Pages of History*, Series II, n. 4, p. 89

relation was brought about particularly due to the attempt on the life of the king at Janakpur. In a statement issued from New Delhi, Mr. Rishikesh Saha, however, declared that though some Nepalese living in India were responsible for the violent activities taking place in Nepal, neither the Indian Government nor the Indian people were involved in them.⁸² During the same time Dr. Tulsi Giri, Foreign Minister of Nepal, issued a statement from Kathmandu accusing India directly for the attempt made on the life of the king. He stated that the 'assassins' had come from the Indian soil, and that "no local person had a hand in the attempt". He made the Indian policy of 'inaction' in checking the raids to Nepal from the Indian bases responsible for this event.⁸³ While the attitude of Dr. Giri towards India was tough, Rishikesh Shaha still favoured a policy of conciliation and negotiation. During this time the Nepalese press and radio started an anti-Indian campaign in a virulent manner.

The King Mahendra in course of a special interview⁸⁴ with the *Hindusthan Samachar* on 7 February 1962 said that the growth of anti-Indian feeling in Nepal was the result of violent movement in the country organised by hostile elements from the soil of India. After the Janakpur incident, he added, it was getting difficult for him to control the anti-Indian sentiment. He emphasised the need of stopping the violent incidents at the earliest to avoid further increase of the anti-Indian feeling in Nepal. Commenting upon the measures of the Indian Government to prevent smuggling of arms to Nepal, and to persuade the Nepali Congress leaders not to do anything against the laws of the country, the king said that it might be "a silver lining in the dark horizon". When the king was requested to give his views on the contradictory statements of Rishikesh Shaha and Dr. Tulsi Giri on the responsibility of India for the violent activities in Nepal, he replied that Mr. Shaha was speaking in New Delhi and used diplomatic language, whereas Dr. Giri was stating facts. Regarding the demand for extradition of the leaders of the Nepali Congress the king said: "We have not demanded any extradition,

82. *Dainik Nepal*, 23 January 1962.

83. *Nepali Samachar*, 24 January 1962.

84. Press Interview granted by the King to *Hindustan Samachar*, *Pages of History*, Series II, n. 4, pp. 81-83.

but we have requested the Government of India to surrender persons operating against Nepal from Indian soil."

The King Mahendra believed that in order to maintain friendly relation with Nepal it was imperative on the part of the Indian Government to take strong measures to prevent the Nepali Congress leaders from organising violent activities in Nepal from the soil of India. The Nepal Government had no doubt that these violent activities were guided from India. The reluctance of the Indian Government to control the activities of the Nepali Congress leaders in India made the king exasperated. He said : "Although I cannot say that the anti-national elements.... enjoy the cent per cent support of the Indian Government, I notice a growing apprehension among the Nepalese that these anti-national elements themselves might jeopardise the traditional relations with India."⁸⁵ He referred to various violent activities committed by the 'anti-national elements', and said that failure of India to take strong measures against them would "make it increasingly difficult for me to control or restrain the popular reaction in Nepal." "It is not enough," he added, "that we regard India as our friend, India also should have the same feelings towards us".

The Government of India, however, persisted in its policy of denying all such allegations of the Nepalese Government. The Indian Deputy Minister of External Affairs, Shrimati Lakshmi Menon, said in the Lok Sabha on 16 March 1962 that all the allegations of the Government of Nepal were investigated and found to be without any foundation. She further observed : "No armed Nepalese organisation exists in India, and no hostile expeditions have entered Nepal from India. Nor has Indian territory been used to train and organise squads of armed Nepalese for the purpose of carrying out subversive activities in Nepal. Every allegation made so far was investigated and no evidence in support has come to light." "Even so", she continued, "the Indian border authorities have been instructed to take all possible precautions to prevent the transit of armed persons, arms, ammunitions, explosives, and other prohibited articles into Nepal. The Government of India are satisfied that the police

85. Press Interview granted by the King to the Nepal Sambad Samiti and the Sagarmatha Sambad Samiti in Feb. 1962, *Ibid.*, p. 89.

are doing their best to carry out these instructions scrupulously.”⁸⁶ On the same occasion the Indian Prime Minister Nehru also observed : “All I can say is that we have taken adequate measures to prevent these arms and ammunition going across the border. I cannot guarantee against some odd thing going across. It is a long border. There is free transit on the border. But nothing substantial can possibly go across because of the steps we have taken.” Replying to the charge of the Nepalese Foreign Minister that the rebels were found to possess Indian arms and ammunition Mr. Nehru stated that because Indian arms and ammunition were supplied to the Nepalese army, it “is possible that the local rebels might have got them from some of their outposts”.⁸⁷

In such an atmosphere of tension and misunderstanding the King Mahendra together with the queen came to New Delhi on 18 April 1962 at the invitation of the Indian Government. In a message to the nation on the eve of his departure for India the king expressed his hope and confidence that the old cordial relation between Nepal and India would be re-established, and observed : “whatever imaginary or possible clouds of misunderstandings have emerged, would be dispelled by this meeting and talk in the context of the cordial atmosphere subsisting between us from times immemorial.”⁸⁸

In his speech at the Palam airport immediately after his arrival in India the king said that if all the nations followed the principles of the United Nations Organisation and the Five Principles of Peaceful Co-existence “both by profession and by practice”, there would arise no “mentionable misunderstanding” between them. Reminding India that “friendship is not a one-sided affair” he said that the friendly exchange of views was the best way to dispel all misunderstanding between the countries.⁸⁹

In a speech at the State Banquet arranged in honour of Their Majesties by the Indian President Dr. Rajendra Prasad, the King

86. *Lok Sabha Debates*, Vol. LXI, No. 5, 16 March 1962, Col. 689-90.

87. *Ibid.*, Col. 691.

88. Message of the king to the nation on the eve of his departure to India on a State visit, *Pages of History*, Series II, n. 4. pp. 130-31.

89. *Nepal-India Friendship*, Speeches by King Mahendra in the course of the Royal Visit to India (April 18-22. 1962), pp. 1-2.

referred to the activities of the Nepali Congress revolutionaries from India, and said that they were undermining the old historic relation between Nepal and India. He also expressed his regret at the unfriendly comments by India on the internal political developments of Nepal. He said : "It is but natural that the statements, propaganda and activities indulged in by certain irresponsible elements,..., should inject alertness and vigilance into all those who are interested in maintaining the friendly relations between the two countries on a permanent basis." The king requested all friendly countries "not to give expression to comments on Nepalese affairs in an unfriendly tone and language without properly understanding them", and said that it was "not unnatural to hope for such friendly, co-operative demeanour" from countries which were the propounders and champions of the fundamental principles of Panchasheela and peaceful co-existence. He expressed his conviction that all misunderstanding between Nepal and India would be removed "by means of mutually affectionate, sympathetic and open-hearted conversations."⁹⁰ In an important speech at a meeting organised under the auspices of the Indian Council for World Affairs at Sapru House, New Delhi,⁹¹ the King Mahendra spoke earnestly for the restoration of friendly relation between India and Nepal. Sino-Nepalese friendship, he said, should not stand in the way of the friendly relation between India and Nepal. The Sino-Nepalese relation, he explained, was based upon the principles enunciated by Mr. Nehru himself. The king recalled that Nepal's Agreement with China on Tibet was based on the India-China Agreement of 1954, and that the doctrine of the Panchasheela enunciated by India and China were accepted by Nepal. The Sino-Nepalese relation therefore, the king said, did not differ 'in principle' from India's relation with China, and he assured the audience that "it has never been the policy of Nepal, in her relations with India and China, to play off one neighbour against the other." He explained that the "values of life, spiritual and material, which are deeply cherished by Nepal are certainly more in common with those of India than of China", but the difference in the values of life, he said, should not prevent Nepal from following a policy of

90. *Ibid.*, pp. 4-6.

91. Full text of this speech in *Statement of Principles*, n. 37 pp. 20-33.

coexistence with China. Similarly, differences in the political systems, he appealed, should not be the cause of any tension between India and Nepal. The conditions of India, the king explained, were different from those of Nepal, and so the same system, he pointed out, could not be implemented in both countries. In this connection he stated : "We have great respect for Indian public opinion. Nevertheless, it seems to us that the Indian public opinion, as expressed through the press, platform, and even parliamentary debates, tends to base itself almost exclusively on the Indian experience and not on the profound awareness of the Nepalese conditions."

Though no concrete step was taken to remove the Indo-Nepalese tension,⁹² the visit of the King to India and his frank expression of views brought about an improvement in the general atmosphere. The king was eager to take advantage of this improvement, and so in July 1962 he made Rishikesh Shaha the Foreign Minister of Nepal.⁹³

The appointment of Rishikesh Shaha as the Foreign Minister was clearly an attempt on the part of the king to improve relation with India. Mr. Shaha came to New Delhi on September 4, and held discussions with the Prime Minister Nehru and others. The discussion, however, did not yield any result to the satisfaction of Nepal. The Indian policy remained unchanged, and on September 9 Mr. Nehru said in a Press Conference in London that it was not possible for the Indian Government to deny the Nepali Congress leaders living within India the right to express their views peacefully. He further stated that he had advised the king to improve the situation through friendly negotiation with the Nepali Congress leaders.⁹⁴ This statement of Nehru produced a serious reaction

92. The organ of the Nepali Congress published from Calcutta wrote in the editorial : "Unable to persuade Mr. Nehru to extradite Nepali Congress leaders in India, King Mahendra has returned to Kathmandu a disappointed man." *Nepal To-day*, 1 May, 1962, p. 106.

93. Commenting upon this appointment an article published in *Nepal To-day* observed : "The overtures to China which Dr. Giri and others of his persuasion thought would have India come begging at their doorstep had just the opposite reaction. ... The King realised that this policy was having adverse effects and made Mr. Rishikesh Shaha, the Foreign Minister." T. Shumsher, "The dismissal of Rishikesh Shaha," *Nepal To-day*, 1 October 1962, p. 212.

94. *Naya Samaj*, 10 September 1962.

upon the Government of Nepal. In the same month (September 22) the king made Dr. Tulsi Giri again the Foreign Minister, and Dr. Biswa Bandhu Thapa was made Minister of Home Affairs and National Guidance. This cabinet reshuffle was very significant. The exit of Shaha from the Foreign Office implied a hardening of Nepal's attitude towards India. Giri and Thapa were regarded as the most anti-Indian members of the Government of Nepal. The communique announcing these changes referred to the "gravity of the situation" created by violent rebel activities across the Indo-Nepalese border. It alleged that the 'anti-national elements' received all kinds of aid, cooperation and facilities from India, and stated that they "enter fully armed into Nepalese territory from their bases across the border, commit acts of arson, loot and murder, and then run back to their safe haven in India." Mr. Thapa at a Press Conference on September 30 said that the Indian Government had "permitted its soil to be used for gun-running against Nepal."⁹⁵

The Indo-Nepalese tension was further increased when on September 29 three Nepalese policemen entered the Indian border town of Raxaul, and opened fire in the heart of the bazaar, wounding four Indian policemen. The Indian Government demanded a joint inquiry of the border incident. The raid made the Indian traders reluctant to cross the border, and consequently large stocks of goods accumulated at the railhead at Raxaul. This led Nepal to complain of a "trade boycott" by India, and the king referred to it in a speech on October 8. The Indian Government spokesman categorically denied that there was any embargo of any kind, and said that the Indian officials were trying to maintain the movement of supplies to Birganj "despite grave provocations from across the border." Meanwhile on October 4 at Birganj a strong anti-Indian demonstration was held in which an effigy of Mr. Nehru was burnt in full view of the population of Raxaul.⁹⁶

At this critical juncture of the Indo-Nepalese relation, the Chinese Foreign Minister Marshal Ch'en Yi said on 5 October at a reception held in Peking to celebrate the first anniversary of the signing of the Sino-Nepalese Boundary Treaty that should any "foreign power"

95. *Keesing's Contemporary Archives*, January 26-February 2, 1963. p. 19220.

96. *Ibid.*

attack Nepal, the Chinese Government and people "will stand by Nepal". In his speech he denounced in bitter and bellicose language the "Indian reactionaries" who were trying to occupy the Chinese territory by force.⁹⁷ This declaration of Ch'en Yi was broadcast by Radio Nepal and was welcomed by the Nepalese press. During that time the Nepalese and the Chinese cultural delegations were exchanging visits to each other's country, and preparations for the construction of the Lhasa-Kathmandu Highway were going on rapidly.

It was believed by many that Ch'en Yi's assurance to help Nepal was calculated to boost the morale of the royal regime which was beset with serious troubles. It was, however, clearly an attempt on the part of China to bring Nepal within the sphere of her influence by taking advantage of her internal difficulties and strained relation with India. It was rightly believed that "the Chinese leader could not have chosen a better time for this declaration than now, when, as a result of statements of leaders of the banned Nepali Congress, the relation between India and Nepal were under great strain."⁹⁸

97. *New York Times*, 6 October 1962.

98. See *Amrita Bazar Patrika*, 7 October 1962.

CHAPTER SIX

INDIAN POLICY AFTER THE CHINESE INVASION

On the eve of the Chinese invasion of India in October 1962 the relation between India and Nepal was at its lowest watermark. In his message to the people on the occasion of the Vijaya Dashami on 8 October the king drew the attention of the nation "to the possibility of our age-old friendly relations with friendly country India being spoiled, despite all our wishes to the contrary."¹ He pointed out that the activities of the 'anti-national elements' who, the king asserted, were receiving 'encouragement from India', were dangerously undermining the traditional Indo-Nepalese friendly relations. "India too", he continued, "should understand this because this has become as clear as crystal before the world. This defies all attempts at concealment". In the form of a warning to India he said : "Facts demand that India should revise her thinking on this matter from the standpoint of the welfare of both the countries." "There is still time for the correction of such mistakes", the king added. "Nepal", he explained, "is always desirous of friendly relations with friendly country India as well, but Nepal is never prepared to play a second fiddle to any country and will never lag behind in thinking out ways and means of her own welfare."

The Vijaya Dashami Message of the king clearly shows the extent of his irritation at the violent activities of what he called 'the anti-national elements' from the soil of India. His attitude towards the Indian Government also became by this time extremely stiff. Such an attitude of Nepal at a time of the Chinese invasion of India constituted a serious danger to the security of India.

Chinese Invasion of India and Nepali Congress Suspends Movement.

At this critical situation, Mr. Subarna Shumsher, the Acting President of the Nepali Congress, issued on 8 November 1962 a statement from Calcutta appealing to those who were fighting inside Nepal to suspend the struggle.² In this statement he referred to China's 'naked aggression' on India and expressed the solidarity of

1. *Pages of History—A Collection of Proclamations, Messages and Addresses by His Majesty King Mahendra*, Series II, pp. 187-191.

2. For the full text of the Statement see *Nepal To-day*, Vol. I, No, 24, 15 November 1962, p. 246.

the Nepali Congress with those who were fighting for democracy and freedom. Referring to the statement of Chen Yi promising 'assistance' to Nepal in the case of aggression, and to the severely anti-Indian Vijaya Dashami Message of the king, Mr. Subarna Shumsher stated that the rightful struggle of the people inside the country had been mis-represented as being directed from India, and characterised as aggression, and "as such it may be made a pretext for 'assistance' and all that it necessarily implies". "We do not want" the statement continued, "the people's democratic movement in Nepal to be an excuse for the King to compromise our country's independence, sovereignty or territorial integrity or to be a cover for those with aggressive designs for their expansionist ends."

The immediate reaction of the king to this statement is clearly indicated in his press interview on November 10.³ The king said that it would have been better if Mr. Subarna Shumsher had announced not suspension but complete cessation of the movement,⁴ "and that too, not only in view of the Indian situation, but trying to be true to Nepal as well." The statement of Subarna Shumsher, the king explained, clearly proved that the origin of the violent activities in Nepal was not inside the country, but India. It had, the king added, exposed the past misdeeds of the anti-national elements of Nepal residing in India "for the benefit of those who had so far found difficulty in acknowledging the fact." In this interview the king said that Nepal would like to maintain "friendly relation with India in a correct manner" and added that "every one in Nepal would have heartily lauded India's showing a proper understanding of the matter much earlier." "The posture of events", he continued, "calls for positive actions more than verbal assurances to carry conviction to the citizens of Nepal."

In the same interview the king pointed out that Nepal would adopt a neutral and non-aligned attitude towards the Sino-Indian conflict. "This being a dispute between India and China", he said, "Nepal deems it most appropriate that they should resolve it through

3. Press Interview granted by the King to the Rashtriya Sambad Samiti, *Pages of History*, Series II, n. 1, pp. 198-202.

4. In January 1963 the whole movement was called off by Subarna Shumsher. For the full text of his statement see *Nepal To-day*, Vol. 2, No. 4, 15 January 1963.

mutual understanding.” He described the Sino-Indian conflict as a “border controversy between these two countries”, and expressed the hope that they would “expeditiously settle it through mutual negotiations.” Explaining Nepal’s attitude towards it he observed cryptically : “Nepal of today is not that of the years preceding 1951, nor is she in such a condition as she was in till the year 1960. Now she can no longer be easily misled nor can she permit anybody to further his narrow self-interest at the cost of the vital interests of her people.”

The Nepali Congress, it may be mentioned here, regarded the king’s attitude towards the Sino-Indian conflict as pro-Chinese. It considered China as a danger not only to India but also to Nepal. The organ of the Nepali Congress wrote :

“To-day it may be India’s turn to face Chinese onslaught. Tomorrow it may be Nepal’s. And if India goes down, this possibility will become a certainty. ...Even now King Mahendra may cry a halt to Nepal’s present pro-Chinese foreign policy...On the political plane, Nepal should climb down from the fence, brand China for what she is, an aggressor, and extend moral sympathy to the victim of aggression, India.”⁵

Indo-Nepal Relation Improves.

The suspension of the movement by the Nepali Congress gradually brought about an improvement in the Indo-Nepalese relation. The Home Minister of Nepal Mr. Vishwabandhu Thapa said in a news conference in Kathmandu on 15 January 1963 that Nepal’s relations with India were only “slightly better” than before despite the fact that there was an overall improvement in the border situation and rebel activities from across the border had stopped. He explained that although violent activities by the rebels had declined sharply, there was fear that anti-social elements associated with the rebels might create trouble. The Home Minister further observed : “So long as the rebels continue to assemble and organise themselves in India, Nepal cannot have any peace. If the rebels receive no encouragement in India, Nepal will remain a friend of India at all times”. He

5. “Nepal’s Turn Will Come”, Editorial, *Nepal To-day*, 1 December 1962, pp. 2-3.

also referred to the 'Raxaul blockade' which, he said, had created an 'intolerable situation'.⁶ The King Mahendra before leaving Lucknow for Kathmandu on January 27 at the end of a private visit to India, however, told newsmen that relations between India and Nepal were steadily improving.⁷

The visit of Lal Bahadur Shastri, the Indian Home Minister, to Nepal in March 1963 must be regarded as a landmark in the history of the Indo-Nepalese relation. His visit brought the period of tension to an end and the old friendship was restored. His quiet diplomacy and friendly but dignified manners left a deep impression upon the Nepalese Government and people. He went to Kathmandu on March 2 on a four-day goodwill visit and held important discussions with the King, the Foreign Minister Dr. Tulsī Giri and the Home Minister Mr. Viswabandhu Thapa. These discussions were, as he told the newsmen in Kathmandu, "very useful and fruitful." While the discussions were going on Dr. Giri told the newsmen that an "earnest attempt is being made by both sides to remove all misunderstandings." All issues which had caused 'irritation' in the past, he said, were discussed in general. The joint communique issued on March 5 at the end of Shastri's visit stated that "the discussion covered many matters of common interest to the two countries in the context of the conditions prevailing in the region and of the general world situation." It referred to the 'unbreakable ties', of geography, culture and tradition between Nepal and India, and these two countries, it was stated, "have a vital interest in each other's well being." It was agreed that the process of frank consultation would be continued in order to promote the common objectives of the two governments.⁸

As a result of the new policy of India towards Nepal, the Indo-Nepalese relation entered into a new phase. India now fully accepted without any mental reservation the system of the Panchayat democracy as introduced into Nepal after the royal *coup* of December 1960. She gave up her past policy of sympathising with the cause of parliamentary democracy in Nepal. This, coupled with the suspension of the movement of the Nepali Congress against the royal

6. *Asian Recorder*, Vol. IX, No. 7, February 12-18, 1963, p. 5045.

7. *Ibid.*, Vol. IX, No. 11, March 12-18 1963, p. 5088.

8. *Ibid.*, Vol. IX, No. 20, May 14-20, 1963, pp. 5201-5202.

regime, created conditions favourable for the restoration of the Indo-Nepalese friendship. The Indian Home Minister Lal Bahadur Shastri was eminently successful during his visit to Nepal in re-establishing the old ties of friendship between the two countries. The Indo-Nepalese friendship was further cemented by the frequent exchange of official visits, and the generous grant of economic aid by India. But the damage caused during the brief period of Indo-Nepalese estrangement could not be fully repaired. The ascending Chinese influence in Nepal secured mainly through the construction of the Kathmandu-Lhasa road remained a great threat to the security of Nepal as well as of India. Likewise the cordiality that grew between Nepal and Pakistan during this period had an implication which was, though to a lesser extent, unfavourable for India. The Indo-Nepalese relation, on the whole, however, became henceforth very cordial, though some specific causes of dispute still remained.

Friendly Exchange of Official Visits.

The renewal of Indo-Nepalese friendship found its greatest expression in the frequent exchange of official visits between the two countries. A brief account of some of the important of these numerous visits will give an idea of the new relationship established between them.

The King of Nepal visited India in August 1963 at the invitation of the President Radhakrishnan, and expressed his satisfaction "at the way India has been trying to understand the problem of Nepal."⁹ In a speech at a state banquet given in honour of the Indian President by Their Majesties, the King Mahendra said that Nepal was so busy with the execution of her own programme of development "within the framework of the partyless Panchayat System" that "we have neither time nor inclination to get enmeshed in the disputes and conflicts of others."¹⁰ In the joint communique issued at the end of the king's visit, India and Nepal welcomed the agreement on the nuclear test ban treaty as the first step towards relaxation of international tension. Mr. Nehru, according to the communique, hoped

9. H. M. King Mahendra, *Proclamations, Speeches and Messages*, p. 194.

10. *Ibid.*, p. 196.

that trade between India and Nepal would continue to expand on the basis of the most favoured treatment by both sides, and he reassured the King Mahendra of India's continued readiness to assist the social and economic development of Nepal in all possible ways. The Indian Prime Minister had also conveyed to the king the decision of India to extend assistance for the construction of Sonauli-Pokhara road which would connect Uttar Pradesh with the regions of West and Central Nepal.¹¹

Soon after the king's visit a team of six persons representing the Federation of the Indian Chambers of Commerce and Industry headed by Mr. Bharat Ram went to Nepal on a four-day trip at the invitation of the Nepalese Government. This delegation in its report to the Indian Government stated that reasonable prospects existed for Indo-Nepalese joint ventures in such important industries as jute, paper and pulp, cement etc.¹²

The Indo-Nepalese relations had by that time considerably improved. On 16 September 1963 the Indian Prime Minister Mr. Nehru, while initiating the debate on international situation in the Lok Sabha, said : "Our relations with Nepal are particularly good at the present moment." Asked by the members as to whether there was absolutely no difference in outlook between the two countries, Mr. Nehru in course of his speech observed : "That kind of question does not permit of a suitable answer. But as countries we are co-operating, we recognise each other's view-points. We do not interfere with each other and we hope to further each other's good."¹³ In November the Indian President Dr. Radhakrishnan went to Kathmandu on a four-day official visit (Nov. 4 to 7). In a speech at the Tribhuvan University (The Indian President was given an honorary degree of Doctor of Literature by the Tribhuvan University) Dr. Radhakrishnan, praising the Panchayat system of Nepal, said : "It is our privilege that in this country you have put a philosophy which is rational and spiritual, which recognizes diversity and not

11. For the joint communique see *Nepal—A Monthly Bulletin of General Information*, Vol. I, No. I, October 1963, pp. 9-11.

12. See *Nepal Today*, 1 October (p. 199) and 15 October (p. 210), 1963.

13. *Vital Speeches and Documents of the Day*, Vol. IV, No. XIX., 1 October 1963, p. 666. Full text of the speech is given.

conflict.” In another speech the Indian President explained that India was interested in a stable, independent, prosperous, friendly and sovereign Nepal and she was anxious to see that everything was done to preserve that ideal.¹⁴ In a reply speech at a state banquet given by Dr. Radhakrishnan to the king and queen of Nepal, the King Mahendra said : “We on our part are ever ready to render whatever help we can to India in harmony with our circumstances and our policy.”¹⁵ In the joint communique issued on the conclusion of the state visit, Dr. Radhakrishnan assured the king that India would continue to extend to Nepal all possible co-operation in the task of Nepal’s economic development and social advancement. The King and the President re-affirmed that India and Nepal had “vital interests in each other’s well being, independence and integrity.”¹⁶

On 4 May 1964 the King Mahendra came to Valmikinagar to lay the foundation stone of the Gandak Barrage at the invitation of the Indian Prime Minister Mr. Nehru. In course of his address the king observed : “In this age, the relations between sovereign nations should not only make for the material well-being of the people of the respective countries but should also be such as to ensure mutual respect, affection and good-will to a proper extent. This is what every Nepali ever confidently expects from neighbouring friendly nations.”¹⁷ Nepal welcomed foreign aid but she was not in a mood to tolerate big brotherly attitude.

Mr. Swaran Singh, the Minister for External Affairs of India, went to Kathmandu on 23 August 1964 on a three-day official visit. On 25 August he signed an agreement with Nepal by which India agreed to construct a road between Sunauli on Indo-Nepal border and Pokhra in mid-western valley. The Indian Foreign Minister announced in Kathmandu that Nepal would get with immediate effect from India 40 per-cent more of steel to expedite her development projects.¹⁸

14. *Nepal Today*, 15 November 1963, pp. 225, 227.

15. H. M. King Mahendra, n. 9, p. 206.

16. *Nepal Today*, 15 November 1963, p. 225.

17. *Amrita Bazar Patrika*, 5 May 1964.

18. *Times of India*, 26 August 1964.

In January 1965 Mr. Kirti Nidhi Bista, the Foreign Minister of Nepal, came to India on a two-week visit. The joint communique, issued at the conclusion of the visit, stated that Mr. Swaran Singh, the Indian Minister for External Affairs, and Mr. Bista found a broad measure of unity and identity of purpose and approach between them during their talk on the international situation. India expressed her desire and anxiety to extend co-operation and assistance in all possible ways to Nepal's development plans. Mr. Bista sought India's co-operation and assistance in the execution of the Karnali hydal project, and it was agreed that experts of the countries would consider ways of accelerating its progress. Mr. Bista also raised the question of "the free flow of goods manufactured by Nepal's newly established industries into India."¹⁹ In November 1964 India and Nepal signed an agreement on Rs. 4 crore Chetra Canal Project to be carried out in Nepal under the Indian aid.²⁰

At the invitation of Their Majesties the King and Queen of Nepal, the Prime Minister of India Mr. Lal Bahadur Shastri and Mrs. Shastri paid a goodwill visit to Nepal from April 23 to 25, 1965. In one of his speeches welcoming the Indian Prime Minister, the king recalled Mr. Shastri's first visit to Nepal which, he said, was "of great historical significance."²¹ The joint communique²² issued in this connection described the visit as "an important step in the further strengthening of the friendly relations existing between the two countries." The discussions, it was stated, "were marked by cordiality and understanding" and the communique referred to "a broad measure of unity and identity of purpose and approach" between the two countries. In the presence of the Indian Prime Minister the King Mahendra inaugurated the Kosi Barrage on April 24 the foundation of which was laid by him about six years ago at the invitation of Mr. Nehru. Mr. Shastri later on laid the foundation of the Western Kosi cannal.

Their Majesties the King and Queen of Nepal paid a state visit to India from 25 November to 19 December 1965. They were

19. *Nepal To-day*, 15 February 1965, p. 526.

20. *The Hindustan Standard*, 3 November 1964.

21. H. M. King Mahendra, n. 9, p. 309.

22. For the joint communique see *Nepal To-day*, 1 May 1965, pp. 575, 577.

accompanied by Mr. Kirti Nidhi Bista, Vice-Chairman of the Council of Ministers and the Foreign Minister of Nepal. During this visit they went to various parts of India of economic, cultural and religious interest, and visited a number of important development projects. During this time the Indo-Pak war was going on, and expressing "great concern" of Nepal at the sudden out-break of the war, the king said : "When there is a conflict between two neighbouring states, Nepal is of the opinion that, instead of taking sides, the realities of the situation should be borne in mind and greater stress should be laid on re-establishing friendship between the two." In the same speech he further said : "If we are unable to live as peaceful neighbours, we shall have no moral justification to speak for peace in other parts of the world."²³ In the joint communique issued at the conclusion of the visit, the King and the Indian Prime Minister Mr. Shastri reaffirmed their faith in the policies and principles of non-alignment and peaceful co-existence, and stated that "the principle of self-determination can apply only to dependent and Trust Territories and cannot be extended to integral parts of sovereign states." In view of the Indo-Pak war on the Kashmir issue the above statement had a significance of its own. The communique, however, categorically stated that the King of Nepal and the Prime Minister of India "agreed that the Indo-Pakistan differences should be resolved between India and Pakistan in a peaceful manner without interference from third parties."²⁴

It may not be out of place to mention here that in a function organised in the Raj Bhavan of Orissa in celebration of the Constitution Day of Nepal,²⁵ Mrs. Lakshmi Menon, Minister of State in the Ministry of External Affairs in the Government of India, referred to the Panchayat System of Nepal, and stated that its practice was praised and appreciated by the people of India. In the same function the Indian Ambassador to Nepal, Mr. Shriman Narayan, said that every nation had the right to experiment with its own system, and pointed out that India was interested in the Nepalese experiment with

23. H. M. King Mahendra, n. 9, pp. 357-8.

24. Full text of the communique in *Nepal News*, 26 December 1965, p. 5.

25. December 16, 1965 marked the completion of the 5th year of the introduction of the new regime in Nepal.

the Panchayat system.²⁶ In an editorial *The Rising Nepal* wrote that the renewal of the Indo-Nepalese friendship was largely the result of "the growing faith of the Indian people in the Panchayat system adopted by Nepal."²⁷

In March 1966 a delegation of the National Panchayat of Nepal led by its Chairman came to India at a joint invitation of the Speaker of the Lok Sabha and the Chairman of the Rajya Sabha of the Indian Parliament. This invitation was taken as the evidence of complete acceptance by India of the Panchayat system of administration introduced into Nepal. *The Rising Nepal* wrote editorially that "the recognition that the Panchayat system has really come to stay with the Nepalese" was now given by India.²⁸ This tour did much to promote the Indo-Nepalese goodwill. On his return to Kathmandu the National Panchayat Chairman Mr. Rajeswar Dev Kota, while speaking on his impressions of the visit to India, said that he found a better understanding about Nepal among the Indian leaders. The Indian people and the leaders, he observed, had already developed an interest in Nepal's constitution, her administrative set up and in the Panchayat philosophy.²⁹

Soon after the conclusion of the Indian visit by the National Panchayat members, Mr. Surya Bahadur Thapa, the Chairman of the Council of Ministers of Nepal, came to New Delhi at the invitation of the Indian Prime Minister Mrs. Indira Gandhi. His 18-day official tour of India began on 11 April 1966 with his arrival in New Delhi. The joint communique issued after the conclusion of the talk between Mr. Thapa and Mrs. Gandhi showed that there was no serious problem between the two countries and that there was complete understanding between them on important issues. The Indo-Nepalese relation during this time, one Nepalese Weekly commented, was so friendly that the "formal communique issued by the two countries tend to contain nothing except repeating almost the same themes."³⁰

26. *Nepal News*, Vol. IV, No. 45, 26 December 1965, p. 3.

27. "Seal on Friendship", Editorial, *The Rising Nepal*, 22 December '65.

28. "Great Friendship", Editorial, *Ibid.*, 17 April 1966.

29. *The Rising Nepal*, 7 April 1966.

30. *The Nepalese Perspective*, 23 April 1966, p. 5.

On his return to Kathmandu Mr. Thapa in his brief press conference referred to the very cordial relation between India and Nepal, and said that the Panchayat system was well understood in India.³¹

Five months after the visit of Mr. Thapa, the Indian Prime Minister Mrs. Indira Gandhi went to Nepal. She arrived in Kathmandu on 4 October on a four-day official visit at the invitation of His Majesty the King. By her speeches Mrs. Gandhi tried to remove the lingering fear of the Nepalese, if there was still any at all, about India's reservation on the Panchayat system introduced into Nepal. In a reply speech at a dinner given by the king and queen of Nepal in her honour, the Indian Prime Minister observed : "Every nation has the right to lead its own life and shape its own destiny in accordance with its needs and circumstances and the genius of its people. Our common heritage and our common interests and outlook on so many matters are, therefore, fully compatible with diversity in other areas. We do not regard it as strange."³² She praised Nepal for choosing a new path under the wise guidance of the King Mahendra whom she admired as a 'philosopher-king'. Addressing a civic reception organised by the Kathmandu Nagar Panchayat in her honour, she again emphasised the right of every nation to adopt a course suitable to its own nature and tradition, and said that India also was introducing panchayats in villages and therefore was watching the progress of Nepal's new system with close interest.³³ Referring to these observations of the Indian Prime Minister, *The Rising Nepal* wrote in an editorial : "That for the first time a leader from India of a stature and position of Mrs. Indira Gandhi has fully and frankly hailed the achievements recorded under the Panchayat System in Nepal, and unambiguously stated that every state has a right to choose its own form of government without the interference or pressure from other states is a very healthy sign and a proper attitude."³⁴ Mrs. Gandhi, among many other activities in Nepal,

31. *The Rising Nepal*, 29 April 1966.

32. *Nepal News*, 9 October 1966, p. 6.

33. *Ibid.*, p. 8.

34. "New Trend", Editorial, *The Rising Nepal*, 9 October 1966.

inaugurated the Sundarijal Water Supply Project,³⁵ and in course of her speech on this occasion she stated that India would make available an additional forty crore rupees worth economic aid to Nepal during the next plan period.³⁶ At a press conference prior to her departure for India Mrs. Gandhi proposed that the Indian Aid Mission in Nepal should henceforth be called Indo-Nepal Co-operation Mission, because, as she said : "It is not the aid that we give to Nepal. It is the co-operation that we have been rendering for the economic development in different development projects of Nepal."³⁷ In the joint communique³⁸ issued on the eve of the departure of the Prime Minister for India "both sides re-affirmed a vital interest in each other's territorial integrity, prosperity and general well-being." The Kosi Agreement was soon revised to satisfy the grievances of the Nepalese.

In the following year one Indian Parliamentary goodwill delegation led by the Speaker of the Lok Sabha, Mr. Sanjeeva Reddy, went to Nepal. After a successful tour it returned to New Delhi on September 6 convinced, in the words of its leader, of the immense goodwill in Nepal for India.

The three-day goodwill visit of Nepal by the Deputy Prime Minister of India Mr. Morarji Desai began on 22 October 1967. Speaking to the pressmen in Kathmandu Mr. Desai, in reply to a question, said that every country had its own political system, and every country should take its own path as an independent and sovereign entity.⁴⁰ The concrete result of Mr. Desai's visit was an additional offer of Rs. 50 million from India for Nepal's development.⁴¹ In the joint communique⁴² issued at the conclusion of

35. This project would help in alleviating the water problem of Kathmandu.

36. *The Rising Nepal*, 7 October 1966.

37. *Ibid.*, 8 October, 1966.

38. For the full text of the Joint Communique see *Nepal News*, 9 October 1966, p. 13.

39. *Nepal To-day*, 15 September 1967, p. 1154.

40. *Nepal News*, 29 October 1967, p. 9.

41. *The Nepalese Perspective*, 2 March 1968.

42. For the full text of the communique see *Nepal News*, 29 October 1967, p. 10.

Mr. Desai's visit "the two Deputy Prime Ministers reiterated their firm support and unflinching dedication to the principles of peaceful coexistence, non-alignment, international co-operation and peace."

The Indian President Dr. Zakir Hussain went to Kathmandu on 12 October 1968 on a four-day state visit and laid the foundation stone for the Gandhi Memorial Hostel at Tribhuvan University.⁴³ The visit strengthened the basis of the Indo-Nepalese friendship, and in the joint communique issued on October 15 the President and the King, re-affirmed that "Nepal and India have a permanent and continuing interest in each other's prosperity, progress, independence and territorial integrity."⁴⁴ The frequent exchange of official visits gave a final seal to the renewal of Indo-Nepalese cordial relations.

Renewal of Indo-Nepalese Friendship and its effect on China.

The renewal of the Indo-Nepalese friendship had its effects on the Sino-Nepalese relations. The gain secured by China in Nepal during the time of Indo-Nepalese estrangement remained, as it has already been indicated, undiminished. But the Chinese policy of swallowing up Nepal by friendship did suffer a setback. Due to the tense relation with India, Nepal went closer to China who embraced her warmly. For Nepal the flirtation with China was a pressure to India, but for China it was an opportunity for penetration. The renewal of the Indo-Nepalese friendly relation brought back the competitor for China in Nepal. The subsequent Chinese policy towards Nepal had two distinct aspects. First, China tried to maintain and strengthen the existing ties of friendship with the Government of Nepal; and secondly, she tried to create a good impression about Communist China in the minds of the Nepalese people and to encourage and organise a Maoist movement among the Nepalese. Whatever might be its fear of China, the Nepalese Government had to maintain friendly relation with her northern neighbour as long as possible. Enmity with China would go against the national interest of Nepal at least in three ways. First, it would deprive Nepal of the valuable economic assistance from China; secondly, it would make Nepal

43. *The Hindustan Times*, 15 October 1968.

44. *Nepal To-day*, 15 November 1968, p. 1426.

dependent on India which is an anathema to Nepali nationalism ; thirdly, it would severely threaten the survival of Nepal as an independent State. The record of the Sino-Indian conflict of 1962 certainly does not inspire confidence in the ability of the Indian army to save Nepal against an invasion from the north. The Maoist movement in Nepal encouraged by China is causing Sino-Nepalese tension. If this tension overpowers the ties of friendship, the Sino-Nepalese relation would take a different shape which might be of advantage to India. Meanwhile, India must maintain friendliest relation with Nepal and increase her military capability in order to inspire confidence in others.

(a) Official Policy of Friendship

After the resumption of the Indo-Nepalese friendship, China tried to maintain friendly relations with the Government of Nepal through aid, trade agreement, verbal support to the Panchayat System etc. On 27 April 1964 Nepal and China signed an Agreement by which China undertook the construction of several projects in Nepal. These projects were in the place of the cement, paper and other factories which China originally agreed to set up but later on gave up for 'technical reason'. By this Agreement China proposed to construct free of charge the Dhalkewar-Ithari Highway, Kathmandu Brick and Tile Factory, Kathmandu Warehouse and Birgunj Warehouse.⁴⁵ Later on, on the request of the Government of Nepal the Chinese had to withdraw from participation in the construction of the Dhalkewar-Ithari Road which would run close to the Indian border.⁴⁶

On 19 May 1964 Nepal and China entered into a two-year trade agreement giving each other the "most favoured nation" treatment, and assuring traditional trade across the 600-mile long Nepal-Tibet border.⁴⁷

In 1965 the Vice-Premier of China Marhal Chen-Yi came to Nepal and had discussions with the Nepalese leaders on various problems

45. For the full text of this Agreement see *Nepal - A Monthly Bulletin of General Information*, Vol. I, No. 8, May 1964, p. 15.

46. See *The Hindustan Times*, 31 August 1965.

47. *Amrita Bazar Patrika*, 20 May 1964.

of mutual interest. A joint communique on his talks with the Nepalese Government was issued in the first week of April.⁴⁸ In August Mr. Kirtinidhi Bista, Vice-Chairman of the Nepalese Council of Ministers and Foreign Minister, went to Peking and had talks with Marshal Chen-Yi. They exchanged views on the ways and means for the further strengthening of the economic and technical co-operation between the two countries. The Chinese Government agreed to help Nepal in building new highways and a corresponding protocol was signed by the two countries. The Chinese Government also expressed its readiness to provide new items of aid for the new five year plan of Nepal.⁴⁹

In a banquet given in the honour of Mr. Bista Chen Yi said that the imperialists and their followers (obviously meaning India) had never succeeded in their repeated efforts to sow discord and undermine the unity and friendship between the Chinese and the Nepalese peoples. This was because, he said, both sides had sincerely taken the five principles of peaceful co-existence and the ten principles of the Bandung Conference as the guiding lines in their relations.⁵⁰

The first direct postal exchange between China and Nepal was opened on 19 October 1965 at the friendship bridge on the China-Nepal border along the Lhasa-Kathmandu Highway in accordance with a provisional agreement signed in Kathmandu on 21 January 1965.⁵¹

In April 1966 Nagendra Prasad Rajal, Minister for Industry and Commerce of Nepal, went to China and signed on 2 May an agreement on trade, intercourse and related questions on the basis of the Nepal-China trade treaty of 1956.⁵² In a speech at a banquet given in honour of Mr. Rajal the Chinese Vice Premier Chen Yi observed : "The Nepalese people may rest assured that in our common struggle the Chinese people will always remain their trustworthy friends."⁵³ On his return to Kathmandu Mr. Rajal announced that China was

48. *The Statesman*, 4 April 1965.

49. *Survey of China Mainland Press*, No. 3536, 14 September 1965.

50. *Ibid.*, No. 3528, 31 August 1965, p. 34.

51. *Ibid.*, No. 3564, 25 October, 1965, p. 38.

52. *The Rising Nepal*, 3 May 1966.

53. *Ibid.*, 1 May 1966.

interested in purchasing Nepalese goods specially jute.⁵⁴ The prospect of the Chinese purchase of jute came to Nepal as a great relief, because it would provide her with an alternative market for her jute and jute products which were so long confined to the Indian market alone. As a matter of fact the two jute mills of Biratnagar were faced with a crisis because they could not find a suitable market to sell their products. In August it was announced that the People's Republic of China had agreed to buy Nepalese jute above the worth of 50 lakhs sterling pound.⁵⁵

Birendra Bir Bikram Shah, the Crown Prince of the Kingdom of Nepal, went to China in June 1966 and was given a warm welcome. He was very much impressed by the show of the Chinese respect for the Panchayat Democracy established in Nepal. In one of his speeches the Crown Prince said : "It is heartening to note that the Chinese leaders have a sincere appreciation of our Panchayat system of democracy prevailing in Nepal under the leadership of my august father, His Majesty King Mahendra."⁵⁶ The direct outcome of the talks of the Crown Prince with the Chinese leaders was the Chinese proposal to grant without any condition one hundred and fifty million rupees to Nepal to assist her economic development.⁵⁷ In accordance with this proposal an agreement was signed between the two countries on 21 December 1966 providing to Nepal a free grant of 150 million Rupees. Along with this agreement letters were also exchanged between the two governments by which China agreed to provide 15 million Rupees in cash by the end of 1968 and 27 million Rupees in the form of commodities by instalments. Local expenses and transportation of equipment and materials to be supplied by China to Nepal required for the enterprises under the Chinese aid would be, it was agreed, met out of the same amount.⁵⁸

54. *Ibid.*, 12 May 1966.

55. *Nepal News*, Vol. V, No. 25, 7 August 1966, p. 3.

56. *The Rising Nepal*, 12 July 1966. It is significant to note that though Communist China praised the Panchayat System, the Maoist group of the Nepal Communist Party considered it simply "a cover for the feudal rule over Nepal." *Nepal Tribune*, 7 December 1966, p. 2.

57. *The Rising Nepal*, 8 July 1966.

58. *The Nepalese Perspective*, 31 December 1966, pp. 5-6.

In May 1968 Mr. Kirtinidhi Bista went to China to sign a trade pact and returned to Kathmandu on 2 June after "friendly and useful talk" with the Chinese leaders including Mao.⁵⁹ This pact, Mr. Bista said, was "more or less" a renewal of the previous treaty signed by them in 1964. He was given by China a warm reception and his visit was given a wide publicity. The friendship between China and Nepal was maintained on the official level by many other visits and agreements.

(b) Revolutionary strategy of China in Nepal,

The Chinese policy of friendship with the king was soon accompanied by a revolutionary strategy for fomenting a Maoist movement in Nepal. Though Communist China was in cordial terms with the king after the royal take-over in December 1960, the Maoist group of the Nepalese Communist Party (as opposed to the group which followed the Russian line) was opposed to the monarchy itself. After the royal *coup*, many of them including their leader Mr. Pushpa Lal came to India. The members of this group within Nepal started work among the people, particularly among the peasants, for an ultimate show-down with the king. They could carry on their underground work efficiently because they, unlike the Nepali Congress Party, already had an apparatus suitable for it.⁶⁰ The cordial relation of China with the Government of Nepal must have considerably helped them in their activities. Due to the violent movement started by the Nepali Congress the king also began to prefer the communists

59. *Nepal To-day*, 15 June 1968, p. 1336. For the Trade Agreement and the Joint Communique see *Annual Report 1967-68* (Ministry of Foreign Affairs, Nepal), pp. 76-82.

60. "Communist strength in Nepal has steadily grown since the royal 'coup d'etat' of December 14. The Communist Party of Nepal is the only party unaffected (by the *coup*) because it has an active and superior underground movement." Narendra Bahadur, "*Unrealistic Foreign Policy*", *Nepal To-day*, 1 November 1964, p. 447.

"Because of their international and subterranean character they (the Communists) have been able to survive more easily in the controlled atmosphere of the Panchayat system. The democrats being essentially nationalistic and regional and suited to function in an open climate were atrophied." *The Statesman*, 13 October 1968.

to the democrats. The pro-Moscow faction of the Communist Party of Nepal, it may be mentioned here, gave tactical support to the king, and in 1963, the leader of this group Dr. Raimajhi was nominated to Nepal's Council of State.⁶¹

The work of the Maoist group of the CPN was much aided by the activities of the Chinese sent to Nepal. The Chinese adopted various methods to earn the goodwill of the common people of Nepal. The Chinese experts and technicians who worked in Nepal on various Chinese projects were able to make a good impression upon the Nepalese by their friendly manners and dealings. It was a part of the Chinese policy to win over the Nepalese psychologically to their own side.

The Chinese experts and technicians sent to Nepal had to work according to the design of the Communist Government, because, as it was reported by Huang Jung-Sheng⁶² in the *Free China Weekly*,

61. At the second party congress of the Communist Party of Nepal (CPN), held in 1957, Dr. Raimajhi and his group maintained that owing to the great regard of the Nepalese people for kingship, a republic was not possible in Nepal. This policy of limited support for the monarchy was, however, defeated in the party congress. Dispute on this question was one of the main immediate factors leading to the eventual split in the CPN. The Maoist group of the CPN held the "third congress" of the party in May 1962 at Banaras in India. This congress was described by the General Secretary of the pro-Moscow group, Dr. Raimajhi, in a message to the Ceylon Communist Party, as "unconstitutional", and as being held by a small "factionalist group of Left adventurists." This group held the "third congress" of the party in 1968, from August 30 to September 6. This congress praised the Soviet Union as a "bulwark of peace, socialism and national liberation," and criticised the erroneous views of China. It condemned the "intervention of Chinese leadership in the internal affairs of our party," and proclaimed that the Party's immediate task was to focus attention on the need for restoring democratic rights in Nepal, with the ultimate aim of establishing a national democracy. For an account of the third congress of the pro-Moscow group see *New Age*, 12 January 1969. For the viewpoint of Maoist group and for the account of the third congress of the party held by it see *Nepal Communist Party Ko Athahru Barsako Krantikari Sangharsako Singhabalokan Abang Siksha* (in Nepali), published by Puspala.

62. Huang Jung-Sheng, a Chinese engineer working on the road in Nepal, defected to Taipeh in the last week of June 1964, and gave this information to the *Free China Weekly*. See the report of D. F. Thomas sent from Hong Kong to the *Times of India*. *Times of India*, 26 July 1964.

many of them were spies engaged, along with their technical work, in espionage activities. According to Huang, of the 800 road workers in Nepal about 500 were regular communist engineer troops who smuggled arms and explosive into the country. At least half of the 40 experts with the road team, he disclosed, were spies collecting information and carrying out subversive activities. The Chinese Embassy in Kathmandu, he is reported to have stated, was in reality a spy centre.

The Chinese surveyor officers working on the proposed Kathmandu-Kodari Road were reported to have made a great impression on people in the villages they passed through by working with the labourers and cooking, cleaning utensils and washing clothes on holidays.⁶³ After the work of the construction of the Road actually began, the Chinese experts and technicians working on it were similarly able to earn the goodwill of the common people. "The Chinese experts are praised everywhere as hard workers, working from morning till evening and with their own hands just like other labourers. Stories are told in the hills of how the 'Cheeni Sahibs' do their own cooking and washing and do not keep servants. This has impressed people tremendously".⁶⁴ Randhir Suba, the ambassador of Nepal to China, while presenting his credentials to Liu Shao-Chi, Chairman of the People's Republic of China, said that "the efficient manner in which your technicians in Nepal do their jobs has won the admiration of us all."⁶⁵ In a speech in Peking on the occasion of the sixteenth anniversary of the National Day of Nepal, he again observed : "China's aids are appreciated, but what is more, the spirit behind these aids and the brotherly but correct attitude and demeanour of Chinese specialists and technicians in our country is still more appreciated."⁶⁶ The Crown Prince of Nepal, Birendra Bir Bikram Shah, during his visit to China, also expressed similar appreciation. In course of a speech in a banquet given in his honour at Peking by the Chinese Vice Premier Chen Yi, he said : "The Chinese technicians who worked on the highway (Kathmandu-Kodari Highway)

63. *The Statesman*, 22 March 1963.

64. *Ibid.*, 4 February 1964.

65. *Survey of China Mainland Press*, No. 3547, 29 September 1965, p. 36.

66. *The Rising Nepal*, 21 February 1966.

apples, they are asked not to eat them but to send them to Chairman Mao".⁷⁵

The Chinese activities on the border region inside the Nepalese territory along the K.K. road amount to a challenge to the sovereign right of Nepal. Mr. Ram Pansch, editor of the anti-Communist bilingual weekly of Nepal, *Nayasandesh*, was prevented by the Chinese from photographing the anti-American slogan-bearing posters set up by them inside the Nepalese territory. The posters, a photograph of which he eventually managed to take and publish in his weekly, bear quotations in Chinese and Nepali from *Mao's Thoughts* which speak of "final victory over American imperialists and their stooges."⁷⁶ The Chinese camps established along the K.K. road ultimately were turned into centres for Maoist and Red Guard propaganda.⁷⁷ The Chinese Embassy in Kathmandu itself became a centre of Maoist propaganda. It started distributing Mao's badges and copies of the *Thoughts of Mao* in Kathmandu. The Nepalese labourers working in projects under execution with Chinese collaboration were also, it was reported, being indoctrinated in the Maoist philosophy.⁷⁸

The activities of the Chinese, obviously in close collaboration with the Maoist section of the CPN, created a tense situation in Nepal. The democratic section of the Nepalese intelligentsia, particularly of the student community, and the Nepalese press had to take a serious view of the situation. The Government of Nepal also could not remain indifferent to it.

The Chinese magazine *Peking Review* published on 24 February 1967 a photograph of Nepalese peasants and children looking at a picture of Mao displayed in Kathmandu with the caption : Nepalese acclaim Chairman Mao as the Red Sun in the heart of the world's people. The photograph created a stir among the people and in the press of Nepal.⁷⁹ The daily newspaper *Motherland* in an article

75. *The Hindustan Standard*, 26 July 1967. See also *Times of India*, and *The Hindustan Times* of 27 July 1967.

76. *The Hindustan Standard*, 9 July 1967.

77. *The Hindustan Times*, 3 February 1968.

78. *Nepal To-day*, 1 May 1968, p. 1305.

79. See *The Hindustan Standard*, 3 May 1967.

wrote that the photograph exposed "China's narrow thinking", and added : For the Nepalese the Mao philosophy is meaningless since for them Mao thoughts are far from reality and workable only in Chengis Khan's period. The *Swatantra Samachar* wrote editorially that the Chinese had insulted the Nepalese people by publishing this photo, and it described as "imperialistic" the tendency of one country to impose its leaders over another. The daily *Nepal Samachar* wrote in an editorial that the Nepalese people could not tolerate the insult the Chinese inflicted upon them by publishing an "unreal" photograph in their official magazine. The daily *Nepali* termed the Chinese action as "undignified propaganda". The *Naya Samaj* wrote that Nepal-China relations were based on respect for each other's sovereignty but the Chinese action went against this principle.

On the arrival of the Chinese diplomats, who were expelled from India in June 1967, at Kathmandu airport a large number of Chinese, about 200 in number, including personnel working on aid projects, accompanied by Nepalese communists, shouted anti-Indian and 'anti-imperialist slogans'. In this case also the reaction of the Nepalese press was strong. The *Motherland* on June 25 condemned the Chinese behaviour as not only an infraction of "all canons of diplomatic practice, but also a serious abuse of our hospitality." It further observed : "We being a poor aid-receiving nation have to put up with this unequal friendship." The Indian Government sent a strong protest note to Nepal against the incident, and the Nepalese Government assured India that re-occurrence of such incidents would not be permitted.⁸⁰ Referring to this assurance to India by the Government of Nepal the *Motherland* wrote : "Our soil should not be used by anybody, least by foreigners, for their cold war quarrels." The *Swatantra Samachar* also warned China against using Nepali territory for demonstrating against India.

The Chinese, however, made loud claims that there was a strong support among the Nepalese people for the politics of Mao. A number of Nepalese students attracted by the Communist propaganda began to use the Mao badge and carry the Red Book as

80. See *Times of India*, 25 June 1967.

symbols of their revolutionary convictions. The democratic section of the Nepalese students resented this move, and there were occasional reports of conflicts between the two sections of the students. On 30 June 1967 the annual function of the Trichandra College had to be cancelled following clashes between Mao-badge wearing Nepali students and others who were opposed to the wearing of the badge and demanded that badges bearing King Mahendra's portrait be worn instead.⁸¹ On July 1 a large number of Nepalese youths organised a demonstration outside the Chinese pavilion at the annual Fair in Kathmandu celebrating King Mahendra's 48th birth day and demanded an end of the propaganda activities of the Chinese in Nepal. The Chinese exhibition of photographs of the cultural revolution and Chairman Mao was ransacked. The demonstrators tried to remove the grand portrait of Mao Tse-tung from the pavilion and demanded that Mahendra's portrait should be substituted for the Mao portrait. Earlier the students went round the city in procession shouting anti-Chinese slogans and broke into a book stall distributing Maoist literature. They also pulled down the sign-board of the 'Nepal-China Friendship Association'. Commenting upon this demonstration the *Commoner*, in its issue of July 3, denounced the Chinese attempts to spread propaganda about the 'cultural revolution' in Nepal "not only at the Fair, but almost everywhere they set foot." It further observed: "We are a neutral country, believing in non-alignment and peaceful co-existence among different nations of the world. Only those who are unfriendly to us or who are secretly working to damage Nepal's interest will try to subvert this neutrality."

Enraged by this demonstration and the press comments the Chinese attitude towards Nepal became stiff. The New China News Agency reported in a bulletin on July 8 that the demonstration was planned "with the close collaboration of U. S. imperialism, Soviet revisionists and Indian reactionaries", and that the Chinese Ambassador had lodged a strong protest at this "anti-China outrage" which was "approved and supported" by the Nepalese Government. The bulletin condemned the criticism of the Chinese activities in Nepal

81. *The Statesman*, 3 July 1967.

by "the reactionary Nepalese press".⁸² The Radio Peking alleged that the demonstrators who raised anti-China slogans were supported by "imperialist Nepalese Government."⁸³ Thereupon the Foreign Secretary of Nepal summoned the Chinese Ambassador and strongly protested against the allegation made in the bulletin and the Radio Peking broadcast. A Foreign Office spokesman characterised the Chinese allegations as "baseless, false, unfounded and malicious propaganda." This was followed by a further Chinese Note (21 July) threatening serious consequences if the situation was allowed to continue. These developments caused great concern in official circles of Nepal.⁸⁴ They realised the dual character of the Chinese diplomacy in Nepal. They understood that whatever may be the warmth of the Chinese embrace, she carries a dagger concealed in her hand which may stab in the back.

The Sino-Nepalese relations show a clear tendency of fluctuation, and it can be understood only if the dual aspect of the Chinese policy in Nepal is taken into consideration. Since the royal *coup* China was extra-ordinarily friendly to the king, but at the same time she encouraged a revolutionary Maoist movement directed against the king and the system he represents. In the initial period the emphasis was on the first aspect, because under the cloak of friendship, she tried to secure from the king, antagonised by India, privileges which would enable her to realise her revolutionary objective in Nepal. After the privileges were secured particularly in the form of the K. K. road, the Chinese policy in Nepal gradually began to show its revolutionary teeth. The restoration of friendly relation of Nepal with India had the effect of accelerating the process. The offer of co-operation by the Nepali Congress to the king in 1968 brought, as we shall see later on, the revolutionary aspect of the Chinese policy more into prominence. But it did not replace the policy of friendship—it went along with it.

In the beginning of 1968 Nepal, it is reported, was forced 'under pressure' to sign a new Sino-Nepalese aid agreement, which allowed

82. See *The Hindustan Times*, 12 July 1967.

83. *Times of India*, 12 July 1967.

84. During the end of 1967 the King Mahendra significantly enough went to the U. S. A. on an official visit.

the Chinese to maintain their camps along the K. K. road for another ten years. These camps were, as it has already been pointed out, centres of Maoist propaganda in Nepal, and it was fairly well-known. Mao badges and the troublesome Red Books were distributed among the Nepalis from these camps.⁸⁵ According to a report from Hong Kong on May 15, Yao En-Yuan, a leading Maoist ideologist, and a close friend of Madam Mao, in a speech in Shanghai described King Mahendra as an "insignificant reactionary monarch." King Mahendra, he is reported to have said, "is very friendly towards India and the U. S. A, and tries to be friendly towards China as well, but we should see very clearly with whom his real sympathies are."⁸⁶ Yet, as mentioned earlier, the Nepalese Deputy Prime Minister and Foreign Minister Mr. Kirti Nidhi Bista was warmly welcomed when he visited China from May 23 to June 1. A trade agreement was signed between the two countries on May 28. On his return to Kathmandu Mr. Bista told newsmen on June 20 that relations between Nepal and China had always been satisfactory and events of last July were "just minor incidents."⁸⁷ During this visit of Mr. Bista the Peking rulers took great care in demonstrating warmth of relations with Nepal, and one Indian journalist writes that the red-carpet treatment for Mr. Bista "climaxed by a meeting and handshake with Mao Tse-tung reflects a tactical somersault by Peking in its dealings with Kathmandu."⁸⁸ Though the success of this visit indicates that officially relations between Peking and Kathmandu have been repaired, it is no more significant than providing an evidence of the friendly aspect of China's policy towards Nepal. In September Nepal signed another agreement with China providing for additional Chinese aid for the construction of roads extending the K.K. Highway from its terminal at Bhaktapur to the airport of Kathmandu town. This highway will thus end very near to terminal of the Tribhuvan

85. *The Hindustan Times*, 3 February 1958.

86. See *Himmat*, 28 June 1968.

87. *Nepal To-day*, 1 July 1968, p. 1346. The events of July have already been referred to.

88. Prithvis Chakravarti, The Hindustan Times Correspondent, *The Hindustan Times*, 1 June 1968.

Rajpath which links Kathmandu with India.⁸⁹ The Chinese policy of fostering a revolutionary Mao movement in Nepal was also proceeding with full vigour. In the pursuit of this policy the Chinese ally in Nepal was the Maoist group of the CPN. In the early months of 1969 there took place a number of protest strikes and demonstrations in Nepal. They were mostly inspired by pro-Peking elements to discredit India as well as the king and damage the Indo-Nepalese relations. At Patan a group of students organised a demonstration in which they not only indulged in India-baiting but also raised slogans against the king. There were reports that the Maoist elements were busy inciting the peasantry to take the law into their own hands.⁹⁰

Nepal-Pak Friendship Continues.

The close relation between Nepal and Pakistan, established during the period of Indo-Nepalese tension, however, continued to develop by its own logic. On 9 May 1963 President Ayub Khan came to Kathmandu on a four-day visit and had important talks with the leaders of the Government of Nepal. During this time the heads of the two states proposed the exchange of resident diplomatic missions.⁹¹ King Mahendra made President Ayub an honorary Field Marshal of the Royal Nepalese Army, and expressed his conviction that "Pakistan and Nepal can succeed in presenting a model of friendly and peaceful relationship between two countries in this continent"⁹² Ayub praised the Panchayat system of Nepal which, he said, was akin to the Basic Democracy of Pakistan, and the king also expressed his deep interest in the evolution of the political institutions of Pakistan. In the joint communique issued on Ayub's visit to Nepal, the King and the President re-affirmed that each country should build its own political system best suited to conditions prevailing in that country and to the genius and traditions of its people.⁹³

89. *The Statesman*, 28 September 1968.

90. See the report in *Link*, 13 April 1969, p. 26.

91. *Nepal To-day*, 15 May 1963, p. 115.

92. H. M. King Mahendra, n. 9, p. 183.

93. *Nepal To-day*, 15 May 1963. p. 116.

In August 1965 Pakistan agreed to allow Nepal to use Chittagong port in East Pakistan for the transit of goods to and from other countries.⁹⁴ The friendly relation between Nepal and Pakistan was further consolidated by occasional exchange of official visits. During the Indo-Pak war of 1965 Nepal adopted a neutral attitude and on September 9 the king sent identical messages to India and Pakistan urging restoration of peace and normal relations between the two countries. In this message he said : "My country has taken no side on the question of Kashmir"⁹⁵

Nepal was particularly interested in developing her trade relation with Pakistan. In January 1966 Nepal's Vice Premier and Foreign Minister Mr. Kirti Nidhi Bista went to Pakistan on a weeklong official visit and had talks with the Foreign Minister of Pakistan Mr. Zulfikar Ali Bhutto. Mr. Bista in his talks with the Pakistani officials expressed "keen desire" of Nepal to expand trade relations with Pakistan, and he told the Pakistan Chamber of Commerce that Nepal would welcome Pakistani businessmen to her country with a view to trade expansion that would benefit both countries.⁹⁶ Mr. Nagendra Prasad Rijal, the Commerce Minister of Nepal, came to Dacca in April 1966, and discussed with the East Pakistan Commerce Minister the measures necessary to expand trade relations between the two countries.⁹⁷ In April 1967 the king and queen of Nepal went to Rawalpindi, and were warmly received by the President Ayub and others.⁹⁸ The relation of friendship between these two countries has still been maintained.

Sino-Nepalese-Pakistani Friendship and Indian Anxiety.

The close relation of Pakistan and China with Nepal causes much worry and anxiety to India. It is not due to any anti-Indian policy of Nepal but to the attempt of Pakistan and China to carry on an anti-Indian propaganda in Nepal taking advantage of their cordial relation with her. In 1966 an Indian journalist reported :

94. *The Statesman*, 7 August 1965.

95. H. M. King Mahendra, n. 9, pp. 348-9.

96. *The Rising Nepal*, 26 and 27 January 1966.

97. *Ibid.*, 28 April 1966.

98. *Nepal News*, 23 April 1967.

"An anti-Indian lobby is still active in the Nepalese capital. Propaganda by the Chinese and the Pakistanis is as blatant as it can possibly be."⁹⁹ In 1968 India had to draw the attention of the Government of Nepal to the sustained effort of China to carry on a virulent anti-India propaganda through its Embassy in Kathmandu. Some of the bulletins and commentaries issued by the Chinese Embassy in Kathmandu were extremely critical of India. India, therefore, had to inform Nepal that according to well-recognised diplomatic convention China cannot use Nepalese soil for its anti-India propaganda.¹⁰⁰ Again, at a reception given by the Nepalese Ambassador in Peking to mark King Mahendra's birthday on 11 June 1968, China's Foreign Minister, Chen Yi, in his speech criticised "certain people now feverishly tailing after imperialism and modern revisionism in going all out to slander and vilify China." He said that "they have long wrecked the five principles of peaceful co-existence they themselves once supported, and have all along indulged in big-nation chauvinism and expansionism." The target of this criticism was obviously India, and a Delhi newspaper *The Patriot* wrote: "Chen Yi's performance amounts to a brazen violation of diplomatic norms, for he has no right to misuse the hospitality of any country to criticise the policies of other countries friendly to the host." The *All India Radio* quoted the relevant portion from this newspaper by way of reply. On 27 December 1968 the editor-in-chief of the *Indian Express* Mr. Frank Moraes along with an American photographer Marilyn Silverstone and the editor of the Nepalese publication *Motherland* were manhandled by Chinese technicians working on a Chinese-aided hydro-electric plant near Kathmandu. They were eventually freed after being insulted and jeered by the Chinese.

India was particularly afraid owing to the construction of the K. K. road which gave China a special advantageous position in Nepal. The fear and anxiety of India were sometimes reflected in the parliamentary discussion also. In November 1966 the opposition members of the Parliament referred to the threat to India posed by

99. J. D. Singh, "Nepal To-day—More congenial climate," *Times of India*, 30 November 1966.

100. *Nepal To-day*, 1 March, 1968, p. 1265.

the newly-built Kathmandu-Lhasa road. Some opposition members expressed doubt as to whether Nepal was as friendly to India as India to Nepal. On 21 November 1966 U. M. Trivedi asked the Prime Minister Mrs. Gandhi who had just returned from her Nepal visit : "Did it crop up during the talks with the Nepalese leaders by the Prime Minister that their relations with China were as cordial as the relations between India and Nepal?" In reply the Prime Minister said that it was very difficult to compare relations between countries. She then observed : "China is a neighbour of Nepal and naturally they would like to remain friendly with China also. But I do not think it in any way interferes with the very close friendship and close cultural ties which we have with them." Mr. Madhu Limaye then raised the question of the danger of the Lhasa-Kathmandu Road to India.¹⁰¹

The Nepalese always resented the expression of such fear on the part of India for the activities of China and Pakistan in their country. *The Rising Nepal* wrote an editorial criticising, in caustic language, the discussion in the Indian Parliament, referred to above, and pointed out : "Nepal's friendly relations either with China or with Pakistan and co-operation with them in nation-building activities are not forged at the cost of traditional friendship with India."¹⁰² Earlier in the same year this journal referring to this fear of India observed : "These relations (Nepal's friendly relations with China and Pakistan) which have been viewed with misgivings in some quarters are not developed at the cost of Nepal's friendship with other neighbours."¹⁰³

Nepal argued that her relations with all the neighbours, India, China and Pakistan, were determined by the principles of peaceful co-existence, and that she scrupulously followed a policy of non-alignment in the mutual disputes of her neighbours. Why, then, should India, Nepal wondered, look with suspicion at her friendly relations with China and Pakistan ? *The Nepalese Perspective* wrote :

101. *Lok Sabha Debates*, Vol. LXI, No. 14, 21 November 1966, Cols. 4372-4373.

102. "Nepal and Her Neighbours," Editorial, *The Rising Nepal*, 24 November 1966.

103. "A Friendly Gesture", Editorial, *Ibid.*, 27 January 1966.

"For the Nepalese it was difficult to understand how India who advocated the same principles in her relations with other foreign countries, could show such little understanding of the Nepalese position."¹⁰⁴ Besides, Nepal sought to justify her policy of friendship with China and Pakistan by her economic necessity. She explained her position thus : "In the context of the modern age a landlocked country like Nepal has of necessity to expand her international contacts in various fields. The construction of the Kathmandu-Kodari Highway and the recent conclusion of the trade and transit agreement with Pakistan are examples to show that Nepal cannot afford to remain apathetic towards this need in a world made smaller by science and technology."¹⁰⁵

The neutral and non-aligned policy of Nepal and her economic need are fully understood by India but still she cannot remain indifferent to the increasing anti-Indian activities of China in Nepal particularly after the opening of the Kathmandu-Lhasa Road for vehicular traffic. It is, therefore, not surprising that this problem was raised again in the Indian Parliament. It caused considerable concern in the Lok Sabha on 3 July 1967 and there was a general feeling that the Kathmandu-Lhasa Road posed a serious threat to India's security. The Minister for External Affairs Mr. M. C. Chagla who was questioned on the military implications of the Highway said : "As far as India is concerned, if the construction of the Road is a threat to us, we are fully prepared to meet it."¹⁰⁶ In this connection it may be pointed out that the Indian policy of co-existence and non-alignment has undergone a metamorphosis so far as her relation with China is concerned. India formulated the general policy of co-existence and non-alignment at a time when she had no conflict with the major countries of either bloc. But after the rise of the Sino-Indian dispute the national interest of India is no longer best served by a country by following the policy of non-

104. "The Basis For Understanding," Editorial, *The Nepalese Perspective*, 23 April 1966, p. 2.

105. Major General Padma Bahadur Khattri (Secy. to the Ministry of Foreign Affairs, Nepal), *Non-aligned Foreign Policy—Its Nature and Necessity*, p. 6.

106. *Asian Recorder*, Vol. XIII, No. 30, July 23-29, 1967, p. 7822.

alignment in relation to this conflict. This is particularly true of Nepal which occupies a position of great strategic significance for India in her dispute with China. The rise of the Sino-Soviet dispute and the changed character of the cold war have, however, made it possible for India to stick to her old general policy of co-existence and non-alignment. Friendship with both the U. S. A. and the Soviet Union is still justified by the old formula—Enemy of my enemy is my friend. But the policy of non-alignment in the Sino-Indian conflict does not go in the interest of India except in the sense that it refrains a country from assisting the enemy. Due to the military and economic weakness of Pakistan, non-alignment in the Indo-Pak dispute serves the Indian interest more than non-alignment in the Sino-Indian conflict. Therefore, at present there is a tendency in India—of course, outside the government circle—in favour of forming a military bloc with her neighbouring countries and those of the Far East and South East Asia in order to resist the Chinese expansionism.¹⁰⁷ Such ideas were sometimes expressed in the parliamentary debates also. With reference to Nepal, the idea of a defence alliance was, for example, raised in the Lok Sabha on 3 July 1967. Mr. Madhu Limaye of the Samyukta Socialist Party wanted India to enter into a defence alliance with Nepal and Burma to meet effectively the growing Chinese threat. Mr. N. G. Ranga of the Swatantra Party suggested that the Government should take steps to convene a conference of representatives of India, Burma, Nepal and Ceylon to strengthen their common defence against any possible Chinese aggression.¹⁰⁸ On July 13 the Deputy Prime Minister and Foreign Minister Mr. Kirti Nidhi Bista, obviously in view of these suggestions in the Indian Parliament, told the Rashtriya Panchayat that Nepal did not believe in military pacts.¹⁰⁹ It should

107. The present Government of India gives emphasis on co-operation in the economic field rather than in the military sphere. It believes that economic prosperity and political stability are the best means to resist the Chinese expansionism. The present military strength of India, it appears, does not make the idea of a military bloc feasible. A military bloc without the alignment of a super-power will have little significance so far as the Indian defence problem is concerned.

108. *Asian Recorder*, Vol. XIII, No. 30, July 23-29, 1967, p. 7822.

109. *Ibid.*, Vol. XIII, No. 32, August 6-12, 1967, p. 7854.

be clearly understood that the national interest of Nepal, as long as she is not directly threatened by any of her neighbours, is best served by the policy of non-alignment and neutrality. It would be unwise on the part of India to make any attempt to persuade Nepal to join with her in any defence system. The Government of India has rightly refused to adopt such a policy. If the activities of China and the pro-Peking section of the Communist Party of Nepal appear at any time as a direct threat to the security of Nepal, Nepal would naturally change her policy. The policy of non-alignment is not a moral imperative for Nepal.¹¹⁰ The king clearly stated: "Non-alignment, in our view, is essentially a product of a country's desire to preserve its freedom and independence from powerful external forces..."¹¹¹ Her national interest in the changed circumstances may lead her to form a defence alliance with India. India must remain prepared to play that role, if such a situation ever arises.

Nepali Congress Offers Co-operation to the King.

Though the end of the violent struggle of the Nepali Congress against the royal regime in 1963 brought about, as we have seen a steady improvement in the Indo-Nepalese relations, still the presence of the Nepali Congress leaders in India and their continued opposition to the policy and programme of the king created a problem. The Nepali Congress leaders in India, a well-knit group of active, intelligent and enterprising people, continued to criticise the Panchayat system and the policy of the king, both domestic and foreign, through their journal published from Calcutta. They were a living organised force in India committed to a programme of the restoration of parliamentary democracy in their country. Their activities, though absolutely peaceful, were occasionally decried by the Government and press of Nepal to the embarrassment of the Indian Government. On 30 April 1964 Dr. Tulsi Giri, Chairman

110. "There is no truth in the contention that neutralism as such is better than bloc politics from the moral point of view".

"Morality is neither an integral part of neutrality nor that of military alliance."

Yadu Nath Khanal, *Background of Nepal's Foreign Policy*, pp. 8, 9.

111. *Speech by His Majesty King Mahendra at the Cairo Conference*, published by the Ministry of Panchayat Affairs, Nepal, pp. 16-17.

of the Council of Ministers of Nepal, as for example, addressing a press conference in Kathmandu, said that the "anti-national elements continue to operate in an organised form from foreign soil" against the Panchayat system of Nepal. Though the violent form of their activity had stopped, still, he complained, they continued to function in an organised manner from the soil of the foreign country.¹¹² The Indian Minister for External Affairs, Mr. Swaran Singh, during his visit to Kathmandu in August 1964 had to assure the Government of Nepal that the Indian Government had no support for "any anti-national activity by Nepalese citizens in India", and that the Indian authorities would try to put a stop to such activity, if there was any.¹¹³

The Central Committee of the Nepali Congress in its meeting at Calcutta in May 1967 adopted, among others, a resolution expressing the opinion that "the present constitution (of Nepal) must be scrapped and a new constitution embodying truly democratic principles be framed by a Constituent Assembly duly elected by the people of Nepal on the basis of universal adult franchise."¹¹⁴ It called upon the people of Nepal to shake off all doubts about the Panchayat system, and to organise themselves for replacing it by a true democratic order. In November 1967 a seven day Nepali Congress camp was organised in Darbhanga (in Bihar State of India) which was inaugurated by the Samyukta Socialist Party (SSP) leader and Deputy Chief Minister of Bihar Mr. Karpuri Thakur. Mr. P. N. Chowdhuri, the General Secretary of the Nepali Congress, Mr. Bhadrakali Misra, a leading figure of the modern political movement of Nepal, and many SSP leaders addressed the camp¹¹⁵. In this camp a demand was made for the release of the Nepali Congress leaders like B. P. Koirala, Ganesh Man Singh and others. The Government and the press of Nepal took a serious view of this camp and particularly of the demand made in it for the release of political prisoners in Nepal. The Home and Panchayat Minister

112. *Times of India*, 2 May 1964.

113. *Ibid.*, 27 August 1964.

114. A printed copy of the Resolutions passed by the Central Committee was given to me by the leaders of the Nepali Congress.

115. *Nepal To-day*, 1 December 1967, p. 1204.

Mr. Gahendra Bahadur Rajbhandari lashed out at the planned effort made by some "irresponsible persons in India to strain relations between Nepal and India." Referring to the Darbhanga camp a government-controlled weekly journal of Nepal wrote that "the anti-national elements abetted and assisted by a handful of reactionaries in India" were "planning to launch subversive activities inside Nepalese territory." The demand for the release of the political prisoners, the journal wrote, "tantamounts to interference in the internal affairs of a friendly neighbour" which was "likely to stand in the way of further consolidation of friendly relation between Nepal and India." That such prejudicial activities should have gone unnoticed and unchecked by "responsible quarters in India" was "as much regrettable as unfortunate," the journal added. It wondered at the gulf between the 'Pledge and Performance' of the Indian Government.¹¹⁶ The activities of the Nepali Congress in India, though peaceful in intention and limited in scope, thus gave the ruling circles of Nepal an opportunity to revive their India-baiting habit.

The offer of co-operation by the Nepali Congress to the King, however, removed this irritant in the way of the Indo-Nepalese co-operation. On 15 May 1968 Mr. Subarna Shumsher, the Acting President of the Nepali Congress, issued a statement offering the "fullest and loyal co-operation" of the organisation to the king.¹¹⁷ The Nepali Congress decided "to extend its co-operation in the working of the present constitution of Nepal in the earnest hope of its further development." Mr. Bharat Shumsher was, however, opposed to this offer of co-operation, and therefore, he was expelled from the Nepali Congress Party.¹¹⁸

The offer of co-operation by the Nepali Congress was not an abrupt or a sudden development. It appears that the king, possibly in view of the increasingly menacing Chinese activities in Nepal, earnestly desired the co-operation of the leaders of the Nepali

116. *The Nepalese Perspective*, 6 January 1968, pp. 1, 3.

117. For the statement of Mr. Subarna Shumsher see *Nepal To-day*, 15 May 1968, p. 1311.

118. See the relevant statement of the Nepali Congress in *Nepal To-day*, 1 November 1968, p. 1400.

Congress in his work of national reconstruction through the Panchayat system. In January 1967 the king ordered a series of amendments to Nepal's four-year old constitution in order to secure, it is reported, a cautious and calculated process of liberalisation.¹¹⁹ These amendments were possibly introduced in order to make the constitution of Nepal more acceptable to the Nepali Congress. The Nepali Congress, it may be repeated here, extended its co-operation in the working of the present constitution of Nepal *in the earnest hope of its further development*. On 2 November 1967 the King Mahendra in reply to a question about the release of B. P. Koirala said at a National Press Club luncheon in Washington that his release "depends on the behaviour of some of the people who are working in India against the Government." He further said: "We do not wish to make it any longer than necessary."¹²⁰

In the early 1968 Mr. Girija Prasad Koirala, the brother of B. P. Koirala, was released. In the summer of 1968 the king had a serious heart attack and remained unconscious for hours. The Nepali Congress offered co-operation to the king when he was still ill. In his statement offering co-operation Mr. Subarna Shumsher expressed "great concern and anxiety" at "the growing influence and menacing activities of certain forces of subversion inside the country and in its immediate neighbourhood that threaten the very basic fabric and the values of Nepalese national life."¹²¹ It obviously refers to the activities of the Chinese in Nepal and their attempt to foster a Maoist movement in the country.

Apart from these factors, the Government of India and the present Indian Ambassador to Nepal, Mr. Raj Bahadur took keen interest "in promoting the process of understanding" (between the King and the Nepali Congress).¹²² Moreover, the rank and file of the Nepali Congress was impatient "with their prolonged stay abroad,

119. See *The Hindustan Standard*, 29 January 1967.

120. *Nepal To-day*, 15 November 1967, p. 1195.

121. The Statement, n. 117.

122. Sujoy Sen Gupta, "Kathmandu strangely slow to seize loyalty offer", *The Statesman*, 30 May 1968.

without a political programme, or adequate means of livelihood.”¹²³ Some of them were also trying to go back to their country after seeking pardon on individual basis from the king. Under such circumstances compromise with the king was also a political necessity for the Nepali Congress.

On 19 October 1968 the Prime Minister of Nepal Mr. Surya Bahadur Thapa declared in a broadcast over Radio Nepal that “liberalism has become a constitutional necessity”, though at the same time he warned that “nobody would be allowed to work against the Panchayat system or go beyond its scope.”¹²⁴ On 30 October B. P. Koirala and Ganesh Man Singh were released. Soon after their release both of them endorsed Mr. Subarna Shumsher’s statement of May 15.¹²⁵ Mr. Subarna Shumsher and several others were granted amnesty. Many of them went back to Nepal. The eight-year old conflict between the King and the Nepali Congress which had a profound repercussion on the Indo-Nepalese relation thus came to an end. New developments were expected in the political life of Nepal. Describing this situation it was written : “Observers do not rule out the possibility of big changes in Nepal’s political life. Important liberalization measures are expected...The Panchayat system and the constitution have become a matter of debate. This is a long step forward from the days immediately after the Royal take-over in 1960, when any such talk was taboo.”¹²⁶

The co-operation between the King and the Nepali Congress will best promote the interest of Nepal as well as the cause of the Indo-Nepal friendship. The king would naturally seek the assistance of the Nepali Congress in making system of Panchayat Democracy work efficiently. The Panchayat system could not create, as the king expected, a sense of participation among the people, and it came under the bureaucratic control. The Nepali Congress with its popularity among the people may try to make the system more

123. Tribhuvan Nath, “Compromise with Nepali Congress leaders likely”, *Times of India*, 18 June 1968 ; see also *The Statesman*, 11 June 1968.

124. *The Hindustan Times*, 21 October 1968.

125. *Nepal To-day*, 15 November 1968, p. 1420.

126. Gopal Das Sresta, “Shape of Things to Come”, *Amrita Bazar Patrika*, 12 November 1968.

successful. The king is reported to be willing to make the system more liberal, but he is not prepared to share power with any body. This is possibly the main hurdle in the way of the rapprochement between the King and the Nepali Congress.

There are two more difficulties in the way of their co-operation. First, the vested interests which have arisen in Nepal during the last eight years do not approve of the new development. The reaction of the Prime Minister Surya Bahadur Thapa to the offer of co-operation by the Nepali Congress was, for example, not at all encouraging. Replying to questions at a Press Conference in Kathmandu about the return of the Nepali Congress leaders, Mr. Thapa said : Let this matter be left to the pardon-seekers and the pardon-giver. This provoked Mr. Subarna Shumsher to issue a statement in which he observed : "We are no pardon-seekers but Nepalese patriots who have always served their country well and shall continue to live and die for their cause and country."¹²⁷ The new vested interests of Nepal fear their political eclipse in case the process of understanding between the King and the Nepali Congress succeeds. Therefore, the new vested interests or, as they are called, "a section of the 'haves' of today" are "taking the lead in a move to scuttle the process of detente and rapprochement between the King and the Nepali Congress elements."¹²⁸ The king was, however, highly dissatisfied with the way Mr. Thapa was running the administration. Though Mr. Thapa tried to shift the entire responsibility for the ills of the country to the Deputy Prime Minister and Foreign Minister Kirti Nidhi Bista and Dr. Tulsi Giri, that could not make the situation safe for him.¹²⁹ He had to offer his resignation in April 1969 and the king asked Mr. Bista to form the new government. Though the new forty-two years old premier of Nepal has a somewhat pro-Peking image at

127. *Nepal To-day*, 15 July 1968. p. 1353.

128. "Complicated politics Behind Nepal's Cabinet Reshuffle", *The Statesman*, 13 October 1968.

129. Mr. Thapa dismissed Bista from the Government in September 1968, and took the unusual step of arresting Dr. Giri, the former Chairman of the Council of Ministers. Dr. Giri was arrested on 17 April 1968 in his home town Janakpur for being allegedly engaged in activities prejudicial to national interests. *Times of India*, 20 April 1968

home and abroad, he, soon after his appointment as the Prime Minister, denied in an interview with the BBC that he was "pro-Chinese" or a "hard liner". He described this misinterpretation as "calculated villification in a section of the Indian Press."¹³⁰ It is, however, yet to be seen whether the disappearance of Mr. Thapa from office can promote in any way the rapprochement between the King and the Nepali Congress.

The second factor trying to prevent a closer understanding between the King and the Nepali Congress is the pro-Chinese elements in the politics of Nepal. This is apparent to all who are acquainted with the present trends of the politics of this Himalayan State.¹³¹ After the victory of the pro-communist students in the election of the Tribhuvan University Students' Union a victory procession was organised in Kathmandu which shouted slogans against American policies and President Johnson and also against Mr. Subarna Shumsher who offered co-operation of his party to the king only few days back.¹³² The reconciliation between the King and the Nepali Congress will deprive the communists of the tactical advantages which they enjoyed since the royal *coup* in December 1960.¹³³

130. *Himmat*, 25 April 1969, p. 9.

131. Sujoy Sen Gupta writes in *The Statesman* of 30 May 1968 : "China and its friends would also like to wreck the process of rapprochement between the King and the Nepali congress." Tribhuvan Nath writes in the *Times of India* of 18 May 1968 : "Naturally the pro-communist lobby in Kathmandu would like to create obstacles to a political settlement with the Nepali Congress alone."

132. *The Statesman*, 30 May 1968.

133. The relation between the King and the Nepali Congress is still very uncertain. There has not yet taken place any discussion between the King and B. P. Koirala which was expected by many. Some of the statements made by B. P. after his release were disquieting to the king. He was very much annoyed with his Biratnagar statement reiterating his faith in democracy as distinct from the Panchayat system. B. P.'s statement from Banaras was equally annoying to the king. But there is, it appears, a group within the Nepali Congress which is more in favour of a reconciliation with the king.

The release of the Nepali Congress leaders from the prison and the return of many from India have however produced an effect on the politics of Nepal. It is significant to note that a majority of the members recently elected to the Nagar Panchayat of Kathmandu belong to the Nepali Congress, and that the pro-Peking elements who controlled the Tribhuvan University Students' Union for the last three years were defeated in the election held in June 1969.

Other Problems

In spite of the friendly relation between the two countries in the political sphere, certain problems have recently cropped up, the importance of which should by no means be under-estimated. The boundary problem in the Susta area has now come into prominence. This problem which arose due to a change in the course of the Gandak river is, however, an old one. It existed even during the Rana regime. The arrest of some Nepalese policemen by India in this area brought the problem into prominence, because both the countries claimed the territory as their own. The students of Nepal had organised demonstrations against India on this issue.¹³⁴ A Nepalese Foreign Ministry spokesman called for a joint investigation and survey of the Susta area to solve the boundary dispute.¹³⁵ The Foreign Minister of Nepal Mr. Gahendra Bahadur Rajbhandari came to New Delhi on 1 May 1969 on a 12-day visit and discussed this problem, among others, with the Indian Government.¹³⁶ It was decided that Nepal and India would discuss in detail the problems of the redelineation of the border in the Susta area soon. They also decided to discuss the question of putting up pillars along the border areas of the two countries where there are none at present.¹³⁷

The visit of Mr. Dinesh Singh, the Foreign Minister of India, to Kathmandu in June 1969 and his talks with the Nepal Government could not, however, find out a definite solution of the Susta problem. It was not mentioned in the joint communique issued at the end of his visit (this communique has been referred to later in this chapter). Questioned on this problem Mr. Dinesh Singh, however, stated that both sides had accepted the idea of the formation of a survey team for Susta to demarcate the border in that region, though, he added, no tentative date had yet been fixed for the time when this team would actually be formed.¹³⁸ It should, however, be remembered that an undue delay in solving the Susta problem would simply

134. *Amrita Bazar Patrika*, 13 April 1969.

135. *Ibid.*, 27 March 1969.

136. *The Statesman*, 2 May 1969.

137. *Ibid.*, 8 May 1969.

138. *The Rising Nepal*, 10 June 1969.

make the matter complicated. In this connection the statement of the former Premier of Nepal Mr. Tanka Prasad Acharya to the Nepalese journalists may be mentioned. In course of this statement he said : "Border dispute exists not only in the Susta area. I have come to know that boundary markers have been tampered with at many places along the Nepal-India border stretching from the Mechi to the Mahakali zone." He suggested that the two countries should form a Joint Boundary Commission to redelineate the entire boundary within a specified time-limit on the basis of the 1817 map.¹³⁹

Besides the Susta problem the Government of Nepal insists upon the withdrawal of the Indian personnel from Nepal's northern borders and the Indian Military Liaison Group from Kathmandu. These points were discussed during the visit of the Indian Foreign Minister to Nepal (from 5th to 9th June 1959), but the talks of the foreign ministers of the two countries did not lead to any conclusion. The joint communique did not mention these problems at all. It stated : "The two Foreign Ministers met several times and discussed frankly and cordially and in considerable detail the various questions of bilateral interest between the two countries. It was decided that official groups would go into them in greater depth to evolve recommendations for specific solutions, and also to evolve specific plans for further co-operation in the matters of common interests." The communique also stated that the Indian Foreign Minister had invited the Nepalese Foreign Minister Shri Gahendra Bahadur Rajbhandari to visit India which the latter had accepted.¹⁴⁰ *The Rising Nepal* described the communique as "anticlimatic finale to the drama of.....the official talks."¹⁴¹ It deplored the absence of any specific mention of Susta, of the withdrawal of Indian personnel from Nepal's northern borders, of the possibility of winding up the office of the Indian Military Liaison Group etc. In its editorial the journal wrote that it was "difficult to be really enthusiastic about the outcome of the visit in concrete and visible terms."¹⁴²

139. *The New Herald*, 8 June 1969,

140. *The Rising Nepal*, 10 June 1969. Full text of the communique is given.

141. *Ibid.*

142. *Ibid.*

In course of his speeches in Nepal during this visit, Mr. Dinesh Singh had on several occasions referred to what he called "special relationship" between India and Nepal. This reference to "special relationship" caused great resentment and irritation in Nepal though Mr. Singh explained that by "special relationship" he did not mean a loss of sovereignty on any side. The extent of Nepalese resentment at the reference to "special relationship" between India and Nepal can well be understood by a study of the following extract taken from a leading English daily of the country. It wrote :

"While not denying the existence of close bonds of understanding, it must be said that any special relationship that Nepal might have had with India was given a burial in 1962 when Nepal took a neutral stance on the Sino-Indian conflict. His Majesty King Mahendra, the chief architect of Nepali foreign policy, has repeatedly stressed that Kathmandu seeks equal friendship with all the countries, irrespective of their political belief.....Even in the Indo-Pakistan War of 1965, Nepal took a neutral stance between New Delhi and Islamabad.....Nepal, therefore, has made special efforts to keep at an equal distance from Peking, Islamabad and New Delhi. Such description of Indo-Nepal relations by the Indian Foreign Minister reflects India's failure and refusal to adjust to the changed policies of Nepal.....The Indian interpretation of the "special relationship" smacks of overlordship which cannot be accepted by Nepal....."¹⁴³

Instead of solving any problem or bringing about any general improvement in the Indo-Nepal relation the visit of Mr. Dinesh Singh caused disappointment and resentment in the official circles of Nepal. The visit, therefore, was followed by a virulent outburst against India by the Prime Minister of Nepal Mr. Kirtinidhi Bista.¹⁴⁴ In what is called a major policy statement he called for the withdrawal of Indian military personnel from Nepal's northern border checkpost and also of the Indian military group from

143. *The Motherland*, June 12, 1960.

144. See *Amrita Bazar Patrika*, 26 June 1969.

Kathmandu. The work of both the Indian military personnel and the Indian military group had been completed in Nepal, and therefore, he said, they can and should be withdrawn. The presence of Indian personnel in Nepal checkposts and of the Indian military group in the kingdom, the Prime Minister asserted, was not connected "with any treaty or with any overall relation between the two countries." "Such an attempt", he said, "provides ground for misunderstanding of India's intentions towards Nepal by interested parties." In his policy statement Mr. Bista further pointed out that India had not followed the clause relating to exchange of information stipulated in the 1950 treaty of peace and friendship between Nepal and India,¹⁴⁵ and, therefore, he said, Nepal cannot be expected to follow it. The Nepalese Prime Minister said that since the treaty of 1950 was signed there had been several military developments of important character in India with reference to her relation with the Soviet Union and the United States on the one hand and with Pakistan and China on the other, but Nepal was not informed of these developments. India, therefore, he explained, had herself assumed and had led Nepal to assume that exchange of information in such cases was unnecessary. The Prime Minister in his statement further dubbed the arms assistance agreement between India and Nepal as invalid. This refers to the agreement of 1965 which gave India the right to control Nepal's import of arms from abroad with the exception of China. India agreed to supply Nepal arms which she tried to procure from abroad. The Prime Minister stated : "While negotiations for an amendment of the agreement were going on, it was suggested verbally by India that the Government of India would advise Nepal Government to cancel the agreement instead of amending it. Nepal Government have accordingly written to India and so far as Nepal is concerned, the agreement does not stand any more." It is reported that several members of the National Panchayat of Nepal, supporting the demand of the withdrawal of the Indian personnel from the northern checkposts, have stated : "The self-

145. Article 2 of the Treaty of 1950 states : "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."

respecting Nepalese can never tolerate that foreigners should rule them."

This statement of the Prime Minister of Nepal appears to be the result of the failure of the negotiations during Mr. Dinesh Singh's visit. The style of the statement will certainly cause resentment in India, though the Indian Government have wisely declined to comment publicly on the statement holding that "matters of this type are best discussed between governments."¹⁴⁶ The statement of Mr. Bista certainly goes against the general norms of diplomatic etiquette, because the Government of Nepal had agreed to send the Foreign Minister, as the joint communique issued at the end of Mr. Dinesh Singh's visit states, to India to discuss all matters of mutual interest in greater length. It may be, as one leading journal of Calcutta has put it, that Mr. Bista "wanted to serve a local political purpose, i.e., to satisfy a section of public opinion in Nepal."¹⁴⁷ The Chinese pressure, direct or indirect, behind the statement cannot also be entirely ruled out and it has rightly been observed that "the Chinese power may speak in Kathmandu to-day more loudly than Indian."¹⁴⁸ Though the *Rising Nepal* has described the statement of Mr. Bista as "plain speaking", Mr. Rishikesh Shaha, a member of the National Panchayat and former Nepalese Foreign Minister, has raised his voice against it. Addressing a Press Conference he said that the Prime Minister should explain to the people what changes had taken place between June 9, when the joint communique issued at the end of Mr. Dinesh Singh's visit spoke of close relations and bonds between the two countries, and June 25, when Mr. Bista's statement was published. He demanded the publication of a white paper by the Government on over-all Indo-Nepalese relation.¹⁴⁹ The statement of Mr. Bista thus has been hailed only by a section of the people of Nepal which, however, includes not simply the pro-Peking elements but also a group of nationalists. The demand for

146. *Amrita Bazar Patrika*, 26 June 1969. Instead of using the normal diplomatic channel Mr. Bista used the forum of the Kathmandu daily, the *Rising Nepal*, to express his views on such a delicate issue.

147. *Amrita Bazar Patrika*, 27 June 1969.

148. *The Statesman*, 27 June 1969.

149. *Hindustan Standard*, 27 June 1969.

withdrawal of the Indian personnel and the Military Liaison Group has possibly a broad national support.¹⁵⁰ In the fifties a military group consisting of about 500 personnel of all ranks headed by a Major General was stationed in Nepal at the request of the Government of Kathmandu. When the Nepalese Government later felt that an adequate number of their own people had been trained, the mission was withdrawn except for a small group of about 30 personnel which continued to remain in Kathmandu and began to work as a liaison group. In the Nepal-Tibet border checkpoints, only the wireless personnel are Indian. The presence of the Military Liaison Group in Kathmandu or the wireless personnel in the northern frontier does not prejudice in any way Nepal's sovereign status. But they are important for India's defence system as against China, particularly in view of the fact that the long Indo-Nepal border is completely open. Unless Nepal realises the danger from Communist China the demand for the withdrawal of the Indian Military Group and the wireless personnel from the northern border may continue. If the demand is not conceded, it may lead to bitterness, and if conceded, it would lead to changes to India's defence system which may ultimately go against the interest of Nepal. "Nepal", it has rightly been observed, "should not forget that it has another neighbour with much less love of peace and much more capacity for offence than India. If Kathmandu and New Delhi move along the well laid track of friendship the danger from the angry North will subside."¹⁵¹

But Nepal, instead of following a policy of friendship with India as against the danger from the north, tries to follow a policy of equi-distance so far as India and China are concerned. They, it appears, are conscious of the danger represented by Communist China, and are afraid of their northern neighbour. But they believe that the only way to defend their country from China is to avoid giving China any offence or provocation. No such fear is, however, associated with their attitude towards India, and, what is more

150. In course of an interview on 11 June 1969 in Kathmandu the editor of the *Motherland* referred to this problem and criticised the attitude of India towards it.

151. *Amrita Bazar Patrika*, 27 June 1969.

important, they do not believe that in case of a Chinese invasion, India is in a position to give them effective aid which might enable them to defend their country.¹⁵² Therefore, they may fulminate against India but will not raise their voice even against their legitimate grievance against China. The military weakness of India is bringing Nepal almost inevitably within the Chinese sphere of influence. The following extract from an article published in an Indian journal may be quoted by way of an illustration : "The Chinese, having imposed, directly or indirectly, a restriction on the movement of persons, especially Indians, to anywhere within twenty miles of the Nepal-Tibet border, are working quietly to consolidate their position in the country while the Nepalese appears to watch helplessly. The bulk of those Nepalese who are articulate make it clear that they do not like this, but plead helplessness and point out that this kind of thing can be corrected only if and when India is strong enough in the south to balance Chinese might in Tibet. This is the answer that even officials give when their attention is drawn to the fact....Mr. Bista, when the question was put to him by some Indian newspapermen recently skirted round the question by saying that the restricted area was mainly on the Chinese-built Kodari Road, connecting Kathmandu and Lhasa, and that even there the restriction would be lifted when the road was completed. This was a somewhat curious way out of embarrassment because the Kodari road was formally opened in the summer of 1967."¹⁵³ Nepal will not change her present policy towards China and India unless she is convinced that India is militarily strong enough to defend her against an invasion from the north.

Besides these political problems the commercial relation between India and Nepal—the problem of trade and transit—has given rise to various complications which are briefly discussed in the next chapter.

152. This observation is based upon an interview with Mr. Surya Prasad Upadhyaya, one of the foremost leaders of the Nepali Congress and a minister in the Koirala Government on 13 June 1967 in Kathmandu. He actually used Dr. Lohia's phrase of "Equi-distance" while explaining Nepal's attitude towards China and India. Many belonging to the intellectual class of Nepal also expressed the same view.

153. "Nepal Bid to Balance India and China", *The Indian Nation*, 6 June 1969.

CHAPTER SEVEN

INDO-NEPAL COMMERCIAL RELATION

It is not intended to discuss in this book the commercial aspect of the Indo-Nepalese relation in details. Only the basic points and trends will be indicated in order to assess its impact upon the political relations of the two countries.

Problems

The commercial relation of India and Nepal has a special significance of its own, and at the present stage, most of the controversies between these two countries are largely related with this problem. Nepal is a land-locked country, and she has to depend upon India for the development of her foreign trade. The major part of her trade is still carried on with India, but for reasons, both political and economic, Nepal decided to follow a policy of trade diversification. The resurgent nationalism of Nepal is not satisfied with her dependence of India for her trade and commerce. Moreover, for her industrial development she requires capital goods and equipment which she must purchase from different developed countries of the world. She, therefore, has established trade relations with a large number of countries, including her neighbours China and Pakistan. In spite of the best efforts of the King, Nepal has not been able to promote, as it has been shown earlier, commercial relations with Tibet to any appreciable extent. In order to develop trade relations with other countries including Pakistan Nepal has to depend upon India for transit facilities. This gives Indo-Nepal commercial relation a special significance of its own.

Nepal is trying to secure maximum possible transit facilities from India, and in her campaign on this issue, she, in alliance with other land-locked countries, has tried, in various international conferences, to press for the recognition of the "right of free transit" as an integral part of International Law. The transit facilities of land-locked countries are largely based on the Barcelona Convention of Freedom of Transit, signed in 1921. It is still in force and can be acceded to by any country willing to do so. During the British rule of India Nepal was given certain trade and transit facilities mostly by convention. There was no particular trade agreement between Nepal and British India before 1923. In December 1925 a treaty

was signed between Nepal and Great Britain which gave Nepal the right to import, free of duty, all government goods through India. After India became independent a new treaty of trade was signed in July 1950. Nepal had various grievances against this treaty, and most of these grievances were, as it has been explained in a previous chapter, removed by the Indo-Nepal Trade and Transit Treaty signed in September 1960. This treaty mainly provided for free trade, maintenance of separate foreign exchange accounts and better transit facilities for Nepal in India. The Treaty of 1960 provided for periodical conferences between the officials of the two Governments so that they might take appropriate measures to solve the difficulties which might arise in the way of its implementation. The Governments of the two countries made use of this provision several times. In May 1961 the representatives of the two countries met and discussed various problems arising out of the implementation of the treaty, and they agreed to adopt certain measures to facilitate the free movement of passengers and their baggage.¹ But still the trade relation between the two countries did not become smooth and easy. On various issues disputes arose between them which gave rise to protracted negotiations and occasionally caused resentment and irritation on both sides. The abolition of the bond system on goods in transit to and from Nepal through India in October 1963 (effective from 1 December 1963), and the simplification of the procedure for the refund of the Central Excise Duty on goods exported from India to Nepal in January 1964, however, brought about a perceptible improvement in the Indo-Nepalese commercial relation. But many other problems and difficulties still remained. In March 1963 at the ECAFE session Nepal co-sponsored the resolution on economic co-operation among Asian countries, and in December 1963 at the Ministers' Conference in Manila the principle of the right of free transit for land-locked countries was accepted due to the initiative taken by Nepal along with Laos and Afghanistan. Nepal requested the U. N. Conference on Trade and Development in Geneva in April 1964 to set up a separate committee for a detailed study of the problems of trade and transit of land-locked

1. See Y. P. Pant, "Nepal's Recent Trade Policy", *Asian Survey*, July 1964, pp. 947-957.

countries. The Conference established a permanent UNCTAD secretariat. One result of the UNCTAD I was the Plenipotentiary Conference of 1965 which produced the Convention on the Transit Trade of the Land-Locked Countries. Though India could not agree fully with the provisions of this Convention, its importance from the point of view of the interests of the land-locked countries can by no means be underestimated. The second UNCTAD, held in Delhi in February-March 1968, recognised that the land-locked situation must be taken into consideration while determining the less developed among the developing countries. It also established a group of experts to carry out a comprehensive examination of the special problems and handicaps of the land-locked developing countries. Since 1960 Nepal has been consistently insisting that she, as a land-locked country, should be given the right to enjoy unrestricted transit facilities. King Mahendra referred to this topic in his address to the 22nd session of the U. N. General Assembly. He observed : "A small land-locked country like Nepal.....is particularly handicapped in respect of trade and development. Unless we have proper facilities of trade and transit we cannot develop even internally and we cannot certainly develop our international trade. It is our feeling that the understanding in this direction has to be faster and deeper."²

Due to the concerted attempts by the Government many new industries grew up in Nepal, and she naturally tried to sell their products—such as, jute, matches, sugar, cigarettes, woollen threads, stainless steel utensils etc.—to India. But India in order to strengthen her economy tried to boost up her exports by reducing imports. Moreover, she had to take various measures for the protection of her industries. This tended to give rise to a conflict of interest between the two countries.

The Indo-Nepal trade relation has a number of other serious problems. The Indo-Nepal Trade Agreement of 1960 and the subsequent memorandum of understanding and the modification issued by the Indian Government decided that goods imported into

2. *Annual Report 1967-68* (Ministry of Foreign Affairs, Nepal), p. 91. Full text of the speech is given.

India from Nepal would be free from customs and other counter-vailing duties, provided such goods are manufactured in Nepal out of Nepali raw materials. But contrary to this stipulation many articles which were produced in Nepal out of raw materials imported duty-free from other countries began to be exported to India. Naturally these goods were sold at prices much lower than those of similar goods produced in India where production costs were much higher because of import duties and other taxes. The competition was felt most keenly in the case of such products as synthetic fabrics and stainless steel utensils.³ In Nepal the import duty on synthetic yarn and other raw materials is only nominal, and import licences are freely issued, but in India polyester yarn, for example, is totally banned, and on other synthetic yarns the duty is very high. The export of products of the Nepalese industries using imported raw materials thus created a serious problem.

Moreover, a number of articles, such as transistors, silk cloth, terylene garments, watches, fountain pens, cameras etc. began to appear in the Indian market from Nepal which were actually manufactured in China, and a small part in the Soviet Union. This smuggling is organized mainly by the Indian merchants with the connivance of the Nepalese authorities. "The Marwaris...control Nepal's black market. It is they who, with the active connivance of people in authority, organize the smuggling. It is they who with their far-flung connections, stretching across Hong Kong, Tokyo, Singapore and Bangkok, have perfected the gift-parcel racket and make it a regular mode of importing anything that sells...and as for the goods it is easy to guess where they go."⁴ In a recent agreement with China, concluded on 21 May 1969, Nepal had undertaken to import, among other things, a large quantity of tinned foodstuffs, cosmetics and "educational materials" (that is, fountain pens etc.)—"items which are hardly likely to be used by the Nepalis."⁵ It is feared that "the cosmetics and the fountain

3. *The Indian Express*, 12 October 1968.

4. M. L. Kotru, "Smuggled Goods and Partyless Politics Hide Realities," *The Statesman*, 27 May 1969.

5. "Nepal Bid to Balance India and China," *The Indian Nation*, 6 June 1969.

pens will soon be in the Indian markets".⁶ The ~~quality of this~~ massive smuggling and the resulting loss in revenue ~~was discussed~~ in the Rajya Sabha of the Indian Parliament in June 1967. The Deputy Prime Minister Mr. Morarji Desai assured the House that the Government would soon take measures to seize smuggled goods of Chinese and Russian origin sold in the Indian market. But this practice continues to the serious disadvantage of India.

Another form of smuggling which developed between India and Nepal was described clearly by the special correspondent of a leading daily of Calcutta.^{6A} Indian goods of various kinds ~~were~~ smuggled on a large scale into Nepal via such border towns as Biratnagar. The same goods were then resold to a third country and the valuable foreign exchange thus obtained was used to acquire imported raw materials with which new goods were manufactured, and finally sent to the Indian market. Since these goods were offered, for reasons explained above, at prices much lower than those of the similar goods produced in India, such practices went on flourishing at the expense of Indian manufacturers and at a great loss of the Indian revenue. Sometimes goods actually meant for India, where tariffs were higher than in Nepal, were at first brought to Nepal, and then diverted to the south across the border. "To help this deflection of trade", it was observed, "the actual imports often stray from the goods mentioned in Nepalese import licenses."⁷ Agricultural products of India are also sometimes smuggled into Nepal. The President of the Uttar Pradesh Foodgrain Dealers' Association, Mr. Bishambar Dayal Agarwal, it may be mentioned here, said in course of a press statement in June 1967 that during that year about 200,000 maunds of rice and 25,000 maunds of wheat were smuggled into China from that state through Nepal. It was pointed out by a leading daily newspaper of the Uttar Pradesh that this charge of smuggling "was indirectly

6. M. L. Kotru, "Smuggled Goods and Partyless Politics Hide Realities," *The Statesman*, 27 May 1969.

6A. "Unfair Competition and Smuggling retards trade with Nepal," *Amrita Bazar Patrika*, 19 November 1968.

7. "Problems of Foreign Trade," *An Economist, Nepal To-day*, 1 November 1968, p. 1408.

substantiated by custom officials on the U. P.—Nepal border.”⁸ In his report submitted to the Bihar Pradesh Congress Committee Chief Mr. Rajendra Misra, Mr. Jamuna Prasad Singh stated that there was no doubt that wheat, wheat products, pulses, iron, kerosene oil, petrol etc. were being smuggled out to Nepal in large quantities mainly for “Chinese consumption.”⁹ It is also reported that jute grown on the Indian side of the border is smuggled into Nepal and is exported as a produce of that country. It is said that Nepal exports “jute far in excess of its total production.”^{9A}

These problems were raised and discussed in a number of Indo-Nepalese trade conferences, but they continued to remain in practice to plague the friendly political relation of the two countries.

Crisis in Nepal Jute Industry.

In 1966 the Government of India, under the Indian Tariff Act, levied an additional duty, equal to excise duty, on imported manufacturers. This measure was applicable to goods imported from Nepal also. It gave rise to a panic in Nepal, particularly in its jute industry at Biratnagar. The Chairman of the Board of Directors of Biratnagar Jute Mill issued a statement on 5 May 1966 stating that the Jute Mill of Nepal would face an economic crisis due to the restrictions imposed by India on the inflow of the jute products.¹⁰ Nepal considered this measure of India as a violation of the treaty of 1960. *The Rising Nepal* expressed surprise that “the Indian Government should adopt such measures without first negotiating with HMG for the relevant alternation in the Indo-Nepal Trade Agreement of 1960 under which Nepal is entitled to market its manufactured goods in India without restrictions.”¹¹ The Indian Government, however, did not consider it to be a violation of the treaty of 1960, and the Indian Embassy in Kathmandu,

8. *Northern India Patrika*, 19 October 1968.

9. *Nepal To-day*, 1 July 1965.

9A. M. L. Motru, “Smuggled Goods and Partyless Politics Hide Realities,” *The Statesman*, 27 May 1969.

10. *The Rising Nepal*, 6 May, 1966.

11. “Crisis in Jute Industry,” *Ibid.*, 7 May 1966.

clarifying the point, stated in a Note, issued on June 5, that the burden of paying the levy recently imposed would not lie on the Nepalese exporters but on importers in India. No restriction as such, it was explained, was imposed by the Government on the export of Nepalese manufactures to India. The new measure, therefore, in the opinion of the Indian Government, did not in any way contravene the provisions of the treaty of 1960. It was explained that the Indian Government could not accord to Nepalese manufactures imported into India treatment more favourable than similar manufactures produced in India. Nepal was, however, not satisfied with this explanation. She argued that "export of manufactured products from Nepal to India forms a very meagre quantity as compared to the import in India from other countries, and that would in no case affect the economy or the industrial situation of India."¹² Moreover, she complained that by applying the new measure to Nepal, the Indian Government had ignored the special links subsisting between the two countries under the treaty of 1960. She felt that "it would have been logical to raise such steps either after the termination of the treaty... or on only with mutual consultations and approval."¹³ Thus, apart from other points, Nepal and India could not agree on the interpretation of the treaty of 1960 particularly Article 2 of the Treaty. This Article says : "Subject to such exceptions as may be mutually agreed upon, goods originating in either country and intended for consumption in the territory of the other shall be exempt from custom duties and equivalent charges as well as from quantitative restrictions." The Indian Government held that the imposition of the new excise duty, leviable in India on similar commodities, must not be considered to be of the nature of custom duties or 'equivalent charges'. The Nepai Government thought otherwise.

Trade Talks

To discuss this and other related problems the officials of the two governments met several times either in New Delhi or in Kathmandu. On 3 August 1966 the Indo-Nepal trade talk started in

12. G. P. Pokhrel, "Indo-Nepal Trade Talks," *Ibid.*, 1 August 1966,

13. *Ibid.*,

New Delhi. The Nepalese delegation to the talk was led by Mr. Kumar Mani Acharya Dikshit, acting Secretary in the Commerce Ministry of Nepal, and the Indian delegation was led by Mr. B. D. Jayal, Joint Secretary in the Commerce Ministry. A joint communique issued at the end of the discussion announced that the next round of talk would be held in Kathmandu within three months. In this Delhi meeting the Nepalese delegation stated that India should permit import of manufactured goods from Nepal freely, but the Indian delegation, while fully appreciating the desire of Nepal to find a market for her manufactured goods in India, pointed out that such goods cannot be accorded a preferential treatment over similar Indian manufactures. The Nepal delegation asked for increased supply of maida (wheat flour), iron and steel, lubricants, and fertilisers from India to meet the growing demand in Nepal. The Indian delegation assured that the Government of India would consider this request, and endeavour to meet Nepal's requirements as far as possible despite shortage in India and India's own pressing requirements. The problem of re-exporting of Indian goods from Nepal to third countries was raised in the meeting by India. The Nepal delegation stated that Nepal had been taking and would continue to take all necessary steps, as far as possible, to ensure that goods exported to Nepal by India were not re-exported to other countries. The Nepal delegation desired that India might also take steps to prevent diversion of goods exported from Nepal to India.¹⁴

In October the trade talk between the two countries, according to the previous arrangement, started in Kathmandu.¹⁵ In this talk the Nepalese side was led by the Commerce and Industry Minister Nagendra Prasad Rijal, and the Indian side was headed by Mr. Dinesh Singh, Minister of State for External Affairs. In this talk

14. *The Rising Nepal*, 8 and 9 August 1966.

15. The talk started during the Nepal visit (October 4 to October 7) of the Indian Prime Minister Mrs. Gandhi. The joint communique issued at the conclusion of the visit significantly stated that "Nepal was vitally interested in the full exercise of her transit rights under the Treaty of Trade and Transit, 1960," and that both India and Nepal "agreed that the Treaty of Trade and Transit, 1960, was of great benefit to both countries and should continue to be fully implemented by both sides in letter and spirit." See *Nepal News*, 9 October 1966, p. 13.

the Nepalese side emphasised the country's need to step up free trade transactions, though they made it clear that in this matter Nepal did not intend to harm India. The Indian side informed the Nepalese authorities that it had no intention to obstruct Nepal in the conduct of her foreign trade. The difficulties in the matter were, it was explained, largely due to administrative reasons. The Indian delegation explained that India was willing to extend to Nepal the required facilities for the transaction of trade with third countries, and the Indian authorities in Indo-Nepalese border areas, it was stated, were also being given necessary direction in this matter. India agreed to consider the question of allotting to Nepal a certain portion of land in Calcutta according to her need to set up a warehouse for facilitating transaction of goods and commodities from and to overseas countries. The question of allotting land to Nepal for a petroleum storage tank would also be considered by India. India further agreed to consider, on the basis of technological and administrative facilities, the question of making available to Nepal of some railway wagons and engines for the transportation of good to and from her territory. Nepal agreed to sympathetically consider India's request that the Nepalese manufactured goods of foreign components whose counterpart India did not produce and whose import was restricted by her should not have free access to Indian market, because that would directly hamper the interests of Indian economy. In this meeting Nepal offered to sale 4,000 tons of rice worth about Rs. 50 lakhs, and India also agreed to avail Nepal of 1,500 tonnes of wheat flour at the Indian market price.¹⁶ Besides these points, a few other problems also arose in the Kathmandu talk which, it was decided, would be discussed later.

The outcome of this talk, however, did not satisfy Nepal. Her disappointment was expressed in the comments made by the Nepali Press. One weekly journal commented: "A close analysis thus reveals that the recent trade talks are characterised as 'sound and fury signifying nothing', because the solution to the existing problem of trade and transit between Nepal and India have been pushed

16. *Nepal News*, 9 October 1966, p. 15. See also *The Rising Nepal*, 7 October 1966.

further.”¹⁷ The Indian assurance of solving the existing difficulties in the forthcoming trade talks appeared to this journal like calling the ‘doctor after death.’

Another round of trade talks was held in Kathmandu in December. It tried to remove, as far as possible, the difficulties of Nepal in the matter of trade and transit. India agreed in principle to provide a separate and self-contained space for handling Nepalese cargo at the port. India also agreed to make special arrangement to ensure the steady and smooth clearance of Nepalese cargo from the transit shed in Calcutta. India assured Nepal that the Indian Railway authorities would endeavour to move Nepali import cargoes expeditiously. It was decided to set up a working group of Indian and Nepalese railway officials to consider how these arrangements could be further improved.¹⁸ One important result of these talks was the establishment of a standing Inter-Governmental Joint Committee, which was to meet once in every three months alternately in Kathmandu and New Delhi, for examining trade questions between the two countries. Moreover, a permanent Joint Industrial Co-operation Council was also set up to promote co-operation between the industrial concerns of the two countries.

Nepal later requested India that a berth or jetti in Calcutta should be allotted exclusively for the Nepalese cargo. A spokesman of the Indian Embassy in Kathmandu explained on 2 April 1968 the difficulties of such an arrangement. A berth, he said, could not be kept vacant for a longer period than was absolutely necessary. Moreover, most freighters calling in Calcutta would have on board only a fraction of their load which might be intended for Nepal. Therefore, the proposal for the allotment of a berth exclusively for Nepalese cargo was, according to him, “entirely impracticable.” It was only when Nepalese cargo was unloaded from different ships at different places that it could be brought to a central point and this was, he said, already being done.¹⁹

17. *The Nepalese Perspective*, 15 October 1966, p. 8.

18. *Ibid.*, 7 January 1967, p.5.

19. *Nepal To-day*, 15 April 1968, p. 1295. Mr. G. B. Rajbhandari, Nepal's Foreign Minister, on his return to Kathmandu, after negotiations with the Indian Foreign Minister in New Delhi, however, said on 7 May 1969 that the Government of India has assured him of a special berth at Haldia port, now under construction, for Nepal's overseas trade. *Statesman*, 8 May 1969.

Nepal, however, continued to complain frequently about "inadequate transit facilities" for her external trade, and India's "lack of co-operation" in this matter. The Indian Government denied these allegations. A high Indian Embassy official in Kathmandu categorically refuted on 15 April 1968 the allegation in a section of Nepali press that India was not co-operating with Nepal in the latter's efforts to expand trade through the neighbouring sub-continent. He said that the allegations were "false and misleading". The Indian Government maintained that the port facilities given to Nepal in Calcutta were "fully adequate" in terms of the volume of her trade.²⁰ A spokesman of the Indian Embassy in Kathmandu said on 25 March 1969 that port facilities granted to Nepal in Calcutta were adequate.²¹

Controversy on Joint Communique.

The problems of the Indo-Nepal commercial relations were discussed by the two countries during the Nepal visit of the Indian President Dr. Zakir Hussain in October 1968. India and Nepal agreed to establish closer relations in the economic (also political) fields, and the foreign secretaries of the two countries who met at Kathmandu during this period decided to harmonise their economic policies. The Nepal Government assured India that it was interested in stopping smuggling of foreign goods from Nepal to India, and in this connection a proposal for the starting of consulates in Birganj and Patna was considered. The two countries agreed to set up mobile guards to check smuggling on both sides. Nepal was reported to have assured India and would stop production of items which were banned in India and would lay stress on industries based on indigenous raw materials. India on its part assured Nepal of her assistance and co-operation in her effort

20. See *Nepal To-day*, 1 April 1968, p. 1284, 1 May 1968, p. 1304.

21. *Amrita Bazar Patrika*, 27 March 1969. Mr. M. R. Shrestha, editor of *The Motherland*, an important English daily of Nepal, in course of an interview at Kathmandu in his office on 11 June 1969, told me that though the godowns allotted to Nepal in Calcutta sometimes remain vacant, they are inadequate when large quantity of goods arrive at a time. He told me emphatically that Nepal was in need of a self-contained area wholly under Nepalese management in Calcutta.

to set up indigenous industries. Both Indian and Nepalese officials expressed keen interest in finding markets for each other's products in their country.²²

The joint communique issued at the conclusion of Dr. Zakir Hussain's visit contained a reference to this subject which caused a consternation in the political circles of India. The joint communique stated : "His Majesty and the President agreed that the free flow of trade between India and Nepal was in the interest of both countries and should be promoted and developed in accordance with the letter and spirit of the Treaty of Trade and Transit of 1960"²³ In the Parliament Mr. Madhu Limaye of the Samyukta Socialist Party expressed astonishment at this joint communique and said that President had been badly advised in agreeing to unrestricted flow of trade between the two countries. He informed the members of the Parliament that he was in correspondence with the Prime Minister and the Commerce Minister on the subject of 'legalising smuggling' of goods from Nepal into India resulting in revenue loss of Rs. 8 lakhs a day, closure of mills, lay-off and unemployment.²⁴ The press of India was also very critical of this joint communique because of its reference to "the free flow of trade between India and Nepal". *The Northern India Patrika* wrote in the editorial : "Free and unrestricted flow of trade between India and Nepal, endorsed in the joint communique issued on the conclusion of the President's visit to Kathmandu, will put this country and, for that matter, this State (that is, Uttar Pradesh) to serious disadvantage,"²⁵ "The smuggling operation", it was written in the same editorial, "has now received the seal of approval from the President himself," and "the loss which has not yet been fully estimated involves not only the loss of revenue, but the throttling of Indian industries." It was feared that the cheap Chinese and Russian goods as well as goods manufactured in Nepal out of imported raw materials would arrive in the Indian market to the great disadvantage of the Indian industries.

22. See *Pioneer*, 15 October 1968.

23. See *Nepal To-day*, 15 November 1968, p. 1425.

24. *Northern India Patrika*, 19 October 1968.

25. *Ibid.*

Soon after the Nepal visit of the Indian President the delegates of the two countries met in Kathmandu for trade talks. India's Minister of State for External Affairs Mr. B. R. Bhagat arrived in Kathmandu on November 15 leading the Indian delegation.²⁶ The two countries, however, prepared "a memorandum of understanding" by which both of them agreed to work together for a smooth implementation of Indo-Nepal trade and transit treaty with a view to giving all help for development of Nepalese industry and ensuring that no difficulties arise in the execution of India's economic policies.²⁷ They admitted that as per the treaty of 1960 only such commodities could be exported from Nepal to India in which raw materials originating in Nepal only were consumed. But Nepal was allowed to export to India even such commodities as synthetic fabrics in which, it was well-known, imported raw materials were used. Such exports, it was however decided, would remain restricted at the level of the last year's production of these commodities in Nepal. This treaty was considered by many as injurious to the interest of India. Export of goods, the production of which was believed to be depended upon imported raw materials, was resented in India. It was feared that the sealing of export from Nepal to India at last year's production level might not be implemented in the proper way. In the Parliament Mr. Madhu Limaye demanded abrogation of this trade agreement which he described as marking the defeat of India's commercial diplomacy. He criticised Mr. Bhagat, the leader of the Indian delegation in Kathmandu, for going beyond his legitimate power and demanded his resignation.²⁸ Negotiations between the two governments, however, are still continuing for the solution of the basic problems like smuggling, transit facilities for Nepalese goods etc. In May 1969 Nepal's Foreign Minister Mr. G. B. Rajbhandari came to Delhi and discussed these problems with the Indian Foreign Minister Mr. Dinesh Singh.²⁹ The talks were inconclusive and it was decided that they would soon meet again in Kathmandu. Meanwhile, India imposed restrictions on the import of stainless

26. *Amrita Bazar Patrika*, 16 November 1968.

27. *Nepal To-day*, 1 December 1968, p. 1436.

28. *Amrita Bazar Patrika*, 4 December 1968.

29. *The Statesman*, 2 May 1969.

steel and art silk fabrics from Nepal because Nepal could not fulfil her assurance to maintain exports of these items at the 1967-68 level.^{29A} The meeting of Mr. Dinesh Singh and Mr. Rajbhandari in Kathmandu (5th to 9th June 1969) also ended, as it has already been pointed out in the last chapter, without reaching any conclusion. They have agreed to meet again in New Delhi.

Transit Facilities at Radhikapur.

Since Nepal signed the trade and transit agreement with Pakistan early in 1963, she began to press for transit facilities from India in order to develop her trade with Pakistan. In November 1963 India agreed to Nepal's request for transit facilities across her territory to enable her to carry on trade with Pakistan. The question of who should pay the cost of services like customs and warehousing facilities to be created at Radhikapur for the proposed Nepal-Pakistan trade became a matter of controversy. Nepal at first demanded free transit facilities at Radhikapur, but later on she agreed to pay at a rate which was not accepted by India.³⁰ There were many futile meetings between the officials of the two countries to reach a settlement on this problem. Mr. Swaran Singh, the Foreign Minister of India, during his Nepal visit in August 1964 agreed to re-examine the question of transit facilities at West Bengal railhead of Radhikapur for Nepal's trade with Pakistan in the light of the points raised by the Government of Nepal.³¹ India, however, later on pointed out that under various international conventions the land-locked countries were bound to pay for the services to those providing transit.³² India agreed to charge Nepal on concessional rate, but still there was no agreement, and the continued deadlock created resentment in Nepal against the Indian policy. On 27 November 1964 a senior official in the Commerce and Industry Ministry of Nepal said that India's denial of transit facilities to Nepal for surface trade with East Pakistan was a "breach

29A, *Ibid.*, 1 June 1969.

30. See *Times of India*, 19 September 1964.

31. *The Hindustan Standard*, 25 August 1964.

32. See *The Statesman*, 11 December 1964.

of the Nepal-Indian trade and transit treaty of 1960." He explained that non-availability of the Radhikapur route would not only discourage trade between Nepal and Pakistan but also hamper much of her trade with other countries through Pakistan. The official complained that India persisted in demanding "excessive custom duty on goods sent to Pakistan," but Nepal, he said, was not in a position to pay "excessive" charges.³³

The opening of the Radhikapur route for Nepal-Pakistan trade undoubtedly was a matter of far reaching economic and political significance. As a result of the opening of this route the Indian import to Nepal might be reduced, and if the existing volume of export of Nepal to India remained, Nepal would be able to achieve a favourable balance of trade with India. Moreover, Nepal's dependence on India for a large number of articles would naturally be reduced. The political implication of India granting Nepal transit facilities to East Pakistan through the strategic strip linking NEFA and Assam with West Bengal at a point where this corridor is the narrowest is obvious.³⁴ Ultimately, however, India agreed to make available to Nepal transit facilities upto the last rail point at Radhikapur for her trade with Pakistan. This arrangement was made, an Indian Embassy spokesman in Kathmandu said on 25 March 1969, in accordance with the Indo-Nepal Trade Treaty of 1960. He made it clear that it was Nepal's own responsibility to make arrangements for the movement of its goods beyond Radhikapur to Pakistani railhead. It was not possible, he explained, for India to establish rail links with Pakistan unless Pakistan agreed to restore railroad traffic between the two countries.³⁵

Harmony needed

It is unfortunate that in spite of the presence of good will and the spirit of mutual accommodation on both sides the Indo-Nepalese commercial relation could not as yet reach a stable and satisfactory basis. The causes of misunderstanding and tension have not yet

33. *Times of India*, 30 December 1964.

34. See *Ibid.*, 19 September 1964.

35. *Amrita Bazar Patrika*, 27 March 1969.

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been fully removed. The commercial relation is very often vitiated by the rise of a 'crisis'. In October 1968, as for example, a 'crisis' arose out of the decision of the Nepal Government to ban the sale of cigarettes imported from India. This step which was not in conformity with the Indo-Nepal trade treaty caused a stir in India. Later on a spokesman of the Nepalese Embassy in New Delhi pointed out that the import of Indian cigarettes which did not carry the label "export for Nepal"³⁶ was banned. However, for the purpose of maintaining harmony in the commercial relation between the two countries, both should take steps affecting the other after mutual consultation. Moreover, the measures which are theoretically agreed upon after mutual consultation should be implemented honestly and efficiently. When mutual understanding and goodwill are present, wise statesmanship and efficient implementation of decisions would, it may reasonably be hoped, establish harmony in the commercial field to reinforce and strengthen the friendship in the political sphere.

36. *Ibid.*, 28 October 1968.

Appendix

A NOTE ON INDIAN AID TO NEPAL (1951-June 1968)*

Since 1951 India has been co-operating with Nepal in her efforts to bring about the economic development of the country. The Indian aid programme, which began with the construction of the Gaucher airport, has increased in range and volume, and at present it includes various fields of development, such as, road construction, irrigation, power, water supply, forestry, horticulture, education, posts and telegraphs, vaterinary services, health services, etc. This Note is prepared to give a brief idea of the extent and the volume of the Indian aid to Nepal, which constitutes a vital aspect of Indo-Nepal relation.

* This Note is based on the following publications :—

1. *Progress of Nepal-India Co-operation Programme (1951-June 1968)*, Indian Co-operation Mission, Kathmandu.
2. *Indo-Nepal Economic Co-operation (1951-1966)*. Indian Aid Mission, Kathmandu.
3. *Co-operation For Progress in Nepal*, Ministry of Information and Broadcasting, Government of India for the Ministry of External Affairs.
4. *Mahendra Rajmarg (Mechi-Janakpur)*, Indian Co-operation Mission, Kathmandu.
5. *Mahendra Rajmarg—Nepal-India Co-operation*, Indian Co-operation Mission, Kathmandu.
6. *Nepal-India Co-operation—A Story of Timeless Friendship*, published by The Commoner, Kathmandu.
7. Raj Bahadur (Ambassador of India in Nepal), "India's Co-operation For the Economic Development of Nepal", *Vasudha* (a monthly journal of Nepal), Vol. XIII, No. 7, June-July 1969, pp. 49-51.

Transport Development.

The development of the transport system is an essential pre-condition of the success of any programme of economic progress. Nepal has an area of 1,41,577 square Km. and three-fifths of the country lie in the hilly region with an altitude ranging from 2,000ft. to 29,000ft. and two-fifths in the plains. The country is cut up by many streams, rivers, rivulets and mountain ranges. Due to the absence of transport facilities the different parts of the country remained isolated, and Nepal had little relation with the outside world. There were not more than about 220 miles of the motorable roads in the country before 1950. After the fall of the Rana rule, the new regime of Nepal felt the importance of the development of the transport system without which no plan of economic development could be implemented. A large part of the Indian aid to Nepal has therefore been devoted to the construction of roads in the country. India has constructed the following roads in Nepal.

1. Tribhuvan Rajpath—from Bhainse to Thankot (Rs. 795.0 lakhs N. C.). It was the first national highway, 73 miles long, connecting Nepal with India and, through India, with other countries. It was taken up by India in 1953 for linking up the Kathmandu valley with other parts of the country and opening up hitherto unconnected areas like Palung and Naubise valleys, the Rapti Doon and the fertile terai. It was completed in 1956. Until August 1965 India, at the request of the Nepal Government, was responsible for the maintenance of this road.

2. Tripureswar—Thankot Road (Rs. 1.6 lakh N. C.). It brought about improvement of the 6-mile link between Kathmandu and Tribhuvan Rajpath.

3. Kakrawah-Lumbini Road (Rs. 7.5 lakhs N. C.). A 5-mile link with the birth-place of Lord Buddha.

4. Dakshin Kali Road (Rs. 17.6 lakhs N. C.). Improvement of the existing 12-mile road between Kathmandu and the pilgrim and tourist centre of Dakshin Kali and other institutions, such as the ropeway terminal and the university, *en route*.

5. Kathmandu-Balaju Road (Rs. 3.0 lakhs N. C.). A two-mile macadam road from near the Royal Palace to the starting point of the Kathmandu-Trisuli road, near Mahendra Park at Balaju.

6. Bagmati Bridge (Rs. 30.4 lakhs N. C.). A new two-way-traffic 500-ft. long bridge over the Bagmati to link Kathmandu and Patan, near the existing narrow bridge.

7. Fatehpur-Hanumannagar-Kanauli

Bazar Road (Rs. 120.0 lakhs.

8. Hanumannagar-Rajbiraj Road 24½ miles N. C.)

of macadam road from Fatehpur to the Indian border at Kanauli Bazar.

The other is a 8½ mile road link.

9. Janakpur Airport approach road (Rs. 4.5 lakhs N. C.). A 2½ mile road from the new airport to the railway station through the centre of the town.

10. East West Highway (Rs. 5000.0 lakhs N. C.)

It was King Mahendra who conceived the idea of a road linking the Mechi in the east to the Mahakali in the west so that the Nepalese could go from one part of their country to another without passing through the territory of India. This road is called the East-West High, and is today better known as the Mahendra Rajmarg. The survey for such a road was, however, conducted during the Prime Ministership of B. P. Koirala by a Russian team but concrete steps towards construction of the road was taken by King Mahendra. On 18 November 1961 the king gave a call to his countrymen to build the East-West Highway all by themselves. It was, however, soon realised that it was not possible for Nepal to build this road without foreign assistance. Offers of foreign aid, however, came immediately, first from the Russians, and then from the Chinese. The British and the U. S. governments also agreed to build parts of this highway. At last India also offered her co-operation in the construction of a part of this road. China was then persuaded by Nepal to withdraw its offer and India came into the picture in 1966. According to the present arrangement the East-West Highway or the Mahendra Rajmarg would be constructed by four countries in the following way.

Mechi-Dhalkebar sector in the east by India (India will extend the road eastward from Dhalkebar, near Janakpur, to Satighata near the Mechi river which separates the Nepalese district of Jhapa from the Naxalbari area of West Bengal) ;

Dhalkebar-Adabar sector by the U. S. S. R. ;

Adabar-Narayanghat sector by the U. S. A. :

Narayanghat-Butwal sector by the U. K. ; and

Butwal to the Mahakali sector by India. India will thus construct both the eastern sector as well the western sector of the road—a total of about 410 miles out of the 640 miles of the highway. The eastern-most sector of the road joins with the existing road at Naxalbari in West Bengal after crossing the river Mechi on the Indo-Nepal frontier, and the western sector of the road from Butwal comes to the western Indo-Nepal border. Work on the Mechi-Dhalkebar sector which is in progress with the Indian assistance is expected to be completed by 1971. The Indians have begun the survey on the western sector as well though the actual work of construction on this sector would commence after 1971.

In 1958 India extended co-operation in a new scheme of opening up the country with a network of roads to be implemented through the Tripartite (Nepal, India and the U. S. A.). Regional Transport Organisation. This organisation took up the work of constructing the following eight roads :—

<i>Roads :</i>		<i>Length in Miles :</i>
(a)	Raxaul-Bhainse ...	44
(b)	Sonauli-Pokhara ...	128
(c)	Kathmandu-Trisuli ...	44
(d)	Nepalganj-Surkhet ...	71
(e)	Dharan-Dhankuta-Bhojpur ...	93
(f)	Kathmandu-Janakpur ...	130
(g)	Dhangarhi-Dandeldhura-Baitadi ...	150
(h)	Krishnanagar-Piuthan ...	80

In 1963 this organisation, owing to its cumbersome nature, was, however, dissolved. Under its auspices about 347 miles of roads in different sectors were constructed. India made a contribution of Rs. 137 lakhs N. C. to the funds of this organisation besides providing a large number of engineering personnel.

Two of the roads proposed to be constructed by this organisation were, however, taken up by the Government of India for development on a bilateral basis. They are—

11. Kathmandu-Trisuli Road (Rs. 107.0 lakhs N. C.), and
12. Sonauli-Pokhara Road (Rs. 1457.6 lakhs N. C.). Two major

bridges on the Kathmandu-Trisuli Road have since been constructed making the road open to through traffic practically throughout the year. This road, besides providing approach to Trisuli Bazar, has also opened up the possibilities of developing the Nuwakot district. The Sonauli-Pokhara Road, known as the Siddharth Rajmarg, is a major highway in western Nepal. It connects important places like Bhairawa, Butwal, Tansen, Ramdighat, Walling, Putlikhet, Syangja and the Pokhara valley.

Altogether, it is estimated, India is cooperating in the construction of roads over a length of 1,120 kms. in Nepal.

Airports.

Though road construction is more important for the economic development of Nepal from the long term point of view, India has contributed much to the development of air fields to provide speedy means of communication between important places. The following airports were constructed for Nepal by India :

1. The Gaucher Airport (Rs. 77.8 lakhs N. C.) in Kathmandu, now known as the Tribhuvan Air-port. It was later on developed by His Majesty's Government with the co-operation of the U. S. aid. A hanger has recently been constructed by India at this airport to provide parking and garaging facilities for large aircraft.

2. Bhairawa (Rs. 26.9 lakhs N. C.).
3. Biratnagar (Rs. 25.4 lakhs N. C.).
4. Janakpur (Rs. 27.7 lakhs N. C.).
5. Pokhara (Rs. 1.9 lakhs N. C.).
6. Simra (Rs. 4.0 lakhs N. C.).

It may be noted here that 48% of the Indian Aid Funds have been allocated to the development of roads and airports in Nepal.

Railways

An expert team appointed by the Government of India surveyed the Raxaul-Amlekhganj rail link at the cost of Rs. 2.7 lakhs N. C. for upgrading it from narrow to meter gauge and extending it to Hithaura.

Agriculture—Irrigation

Agriculture is the main means of livelihood for more than 90 percent of the people of Nepal. Irrigation facilities are essential for the development of agriculture, and, therefore, the Government of India have been collaborating with His Majesty's Government in the construction of a number of irrigation schemes in different parts of the country. The following sixteen irrigation schemes designed to irrigate over three lakh acres of land have been taken up by the Canal and Drinking Water Supply Board of His Majesty's Government with Indian assistance :

1. Chatra Canals (Rs. 1033.6 lakhs N. C.)—Irrigation for 182,000 acres.
 2. Tika Bhairab (Rs. 6.6 lakhs N. C.)—Irrigation for 7,500 acres.
 3. Mahadeo Khola (Rs. 1.8 lakhs N. C.)—Irrigation for 3,500 acres.
 4. Budha Neelkanth (Rs. 0.6 lakh N. C.)—Irrigation for 2,000 acres.
 5. Khotku Khola (Rs. 3.9 lakhs N. C.)—Irrigation for 1,800 acres.
 6. Godavari Khola (Rs. 4.1 lakhs N. C.)—Irrigation for 2,000 acres.
 7. Lower Vijaypur (Rs. 8.7 lakhs N. C.)—Irrigation for 7,200 acres.
 8. Phewatal (Rs. 19.3 lakhs N. C.)—Irrigation for 1,200 acres.
 9. Baglung (Rs. 0.8 lakh N. C.)—Irrigation for 400 acres.
 10. Dunduwa (Rs. 28.5 lakhs N. C.)—Irrigation for 7,200 acres.
 11. Tinao (Rs. 64.0 lakhs N.C.)—Irrigation for 50,000 acres.
 12. Jhaj (Rs. 17.4 lakhs N. C.)—Irrigation for 15,000 acres.
 13. Hardinath (Rs. 34.0 lakhs N. C.)—Irrigation for 9,000 acres.
 14. Manusmara (Rs. 27.2 lakhs N. C.)—Irrigation for 5,376 acres.
 15. Ashe Khola Kulo (Rs. 0.1 lakh N. C.)—Irrigation for 120 acres.
 16. Bosen Khola (Rs. 1.2 lakhs N.C.)—Irrigation for 1,500 acres.
- (The Khuthi Project in Saptari District was at first taken up but later on it was abandoned on technical grounds).

Horticulture

Horticultural crops give much higher return per acre than the agricultural crops particularly in the hilly areas. Horticulture, therefore, can play a significant role in raising the standard of living of the people in hill areas. Accordingly a programme of horticultural development costing Rs. 40 lakhs N. C. was taken up in Nepal with India's co-operation. The scheme provided for the establishment of the following Horticultural Research Stations or Centres in Nepal.

1. Central Horticultural Research Station, Kirtipur (Rs. 8.2 lakhs N. C.).
2. Horticultural Research Station, Dhankutta (Rs. 6.7 lakhs N. C.).
3. Horticultural Research Sub-Station, Pokhara (Rs. 5.0 lakhs N. C.).
4. Horticultural Centre, Dhunibesi (Rs. 1.3 lakhs N. C.).
5. Horticultural Centre, Daman (Rs. 4.0 lakhs N. C.).
6. Horticultural Centre, Sarmathang (Rs. 3.7 lakhs N. C.).
7. Horticultural Centre, Baitadi (Rs. 3.7 lakhs N. C.).
8. Horticultural Centre, Trisuli (Rs. 1.8 lakhs N. C.).
9. Horticultural Centre, Janakpur (Rs. 2.9 lakhs N. C.).
10. Horticultural Centre, Thak (Being established).

Veterinary Development

The need for the development of livestock in an under-developed and primarily agricultural country like Nepal cannot be over-estimated. For the development of veterinary services a programme involving assistance of Rs. 40 lakhs N. C. was taken up. The scheme has been co-ordinated with the programme initiated by the F. A. O. in the field. Briefly, the scheme aims at—

- | | Estimated
Cost (Rs.
lakhs N. C.) |
|---|--|
| 1. modernisation of the Central Veterinary Hospital in Kathmandu. | 29.0 |
| 2. establishment of veterinary hospitals-cum-cattle-breeding centres in the different districts (32 district hospitals are now functioning) ; | |

3. establishment of a central laboratory in Kathmandu for the manufacture of vaccines within the country. ...4.3
4. a mass vaccination campaign for eradicating rinder-pest disease among cattle ; ...4.6
5. setting up 4 veterinary check-posts to prevent the mingling of immunised cattle with infected ones etc. ...0.4
6. training of Stock Supervisors and stockmen ...1.7

All the needed stock supervisors (46) and stockmen (132) have been trained to man the veterinary services within Nepal. Some doctors for the laboratory and for the hospitals have completed their training in India and have returned to Nepal to take up their post.

Forest Working Plans.

Forest is the most precious natural wealth of Nepal and it is one of the principal sources of revenue of the Government. In view of its importance to Nepal a programme for the preparation of scientific plans for management and exploitation of three selected forest divisions (Birganj, Biratnagar, and Kanchanpur) on a 'sustained yield' basis for a period of about twenty years was carried out with Indian co-operation under the Agreement signed on 31 August 1960. The working plan reports prepared at the cost of Rs. 26.3 lakhs N. C. have been furnished to His Majesty's Government for implementation.

[It may be pointed out here that 16% of the Indian aid funds have been channelised for the development of agriculture, horticulture, animal husbandry and forestry.]

Community Development.

Like India a large majority of the people of Nepal live in villages, and, therefore, schemes of village and local development are of primary significance for the country. India had set apart aid amounting to about Rs. 4 crores N.C. for an integrated programme of the economic and social development of rural areas through Village Development Blocs. The main emphasis of the scheme was on the development of people's initiative. Under this programme

the following Village Development Blocs had been functioning :

<i>Project</i>	<i>Estimated Cost :</i> <i>(Rs. lakhs N.C.)</i>
1. Therathum ...	5.5.
2. Illam and Maipar ...	24.2.
3. Janakpur ...	12.1.
4. Bhalabhaleni ...	12.1.
5. Kalaiya ...	12.1.
6. Trisuli ...	12.
7. Nepalganj ...	12.
8. Biratnagar ...	12.
9. Udaipur ...	12.
10. Baglung ...	12.
11. Shyangja ...	12.
12. Bardia ...	12.

In addition, three intensive valley development schemes were taken up for the all-round development of the people of the valleys of (1) Pokhara (Rs. 49.6 Lakhs N.C.) ; (2) Lalitpur (Rs. 43.2 lakhs N.C.); and (3) Palung (Rs. 19.4 lakhs N.C.). Through these schemes improved seeds of different crops were distributed, chemical fertilisers were introduced, rural credit through co-operative societies were provided, many improved poultry birds were supplied, a number of hospitals and schools were established, and many village leaders were trained. A programme of local development on self-help basis in areas not covered by the Village Development Blocs and Intensive Valley Development Schemes were also taken up with Indian assistance. India contributed a sum of Rs. 32 lakhs N.C. towards this programme and with this assistance the following activities of local benefit were undertaken up to March 1961 :

Schools and Libraries ...	320
Drinking Water Schemes ...	710
Culverts, Bridges, Bunds etc. ...	280
Village Roads ...	110
Other works ...	96
	<hr/> 1,516

This programme of Community Development, however, came to a close after His Majesty's Government's decision to channelise rural development through the Panchayats in the interest of the

uniform pattern of development throughout the country. Here it may be mentioned that India helped Nepal with Rs. 33.7 lakhs N.C. in starting the Rural Institute at Patan for the training of various categories of personnel employed in the Village Development Scheme. This Institute, started under the Village Development Programme, was closed down, along with the programme itself, after it had trained 722 personnel of various categories.

Power.

Power, it is said, holds the key to development, and it is an essential pre-condition for the industrial progress of a country. Nepal's three river systems and their major tributaries provide virtually unlimited potential for the generation of electric power. The Government of India have joined hands with the Government of Nepal in the construction of the following two projects :

1. Trisuli Hydel Project (Rs. 1,839.9 Lakhs N. C.).
2. Pokhara Hydel Project (Rs. 33.0 Lakhs N. C.)

Besides these two schemes, substantial power benefits would be available to Nepal from the multi-purpose projects of Kosi and Gandak. India signed an agreement on 18 May 1966 for the construction of 33 kw transmission lines from Kosi Hydel Station to Rajbiraj and Biratnagar. This facility would enable the towns to derive power from Nepal's 10,000 kw quota from the Kosi Power House.

Development of Village and Cottage Industries

In the field of cottage industries India has extended assistance in the establishment of the Industrial Estate at Patan. Patan was selected as an ideal site for the purpose of establishing such an estate mainly because this ancient town is renowned for indigenous skill. The project was taken up under the Indo-Nepal agreement signed on 31 August 1960, and the construction programme has been implemented in three phases at a cost of Rs. 41.8 lakhs N. C. The first phase of the Industrial Estate was inaugurated by King Mahendra in November 1963. The facilities provided to the Estate in the three phases are shown below :—

Building Accommodation :

- First Phase : 12 Work-shop sheds
 2 Common facility workshops
 1 Administrative block
 1 Common store
 1 Canteen.
- Second Phase : 10 Work-shop sheds.
- Third Phase : 6 Work-shop sheds
 1 Common store
 1 Bank
 1 Post Office.

The following industrial units are functioning at the Estate :

1. Cotton hosiery.
2. Dry cell batteries.
3. Plastic products.
4. Nylon hosiery.
5. Building hardware products.
6. Natural camphor.
7. Wire nails.
8. Powerlooms.
9. Brass and copper products.
10. Métal furniture.
11. Nylon buttons.
12. Textile calendering.
13. Woolen carpets.
14. Wooden furniture.
15. Electrical goods.
16. Wood and Ivory craft products.
17. Curios.
18. Distilled water and writing ink manufacture.
19. Confectionary.

Development of Commuication—Postal and Tele-Communication Services. ,

The General Post Office building was constructed in Kathmandu under the India Aid Programme and qualified Indian instructors provided training, both in India and in Nepal, to the postal staff of

the Nepal Government. The aid rendered by India for this purpose amounted to Rs. 12 lakhs N. C. Indian co-operation has also been extended towards the construction of the Foreign Post Office, a modern and fully furnished building alongside the General Post Office, to facilitate efficient handling of foreign mail, at the cost of Rs. 8.84 lakhs N. C. Substantial advisory assistance was rendered when the Tele-Communication Department of His Majesty's Government decided to set up a direct tele-communication link with other countries through India. Indian Instructors provided training to different categories of staff belonging to the Tele-Communication Department of His Majesty's Government. The Agreement between India and Nepal to establish telephone communication facilities within Nepal and with India by constructing telegraphic and telephonic trunk lines between Kathmandu and Raxaul, along with an automatic telephone exchange at Birganj, with Indian assistance (Rs. 110.0 lakhs N. C.) was concluded on 17 July 1967. The scheme to instal a 5 kw transmitter and other ancillary equipments at Kathmandu for strengthening the radio telephone circuit between Kathmandu and Delhi with Indian assistance (Rs. 8.5 lakhs N. C.) was finalised by the two governments on 24 June 1968.

Public Health.

(1) In the field of Public Health, India has been co-operating with His Majesty's Government for the development of Paropkar Shri Panch Indra Rajyalaxmi Devi Maternity Home and Child Welfare Centre, which is the premier medical institution of its kind in the country. India is associated with this Maternity Home since its inception in 1959. The programme, which was undertaken at a cost of Rs. 17 lakhs N. C., covers the expansion of essential facilities to the hospital, including extension of buildings, supply of furniture, equipment etc. In the beginning, India provided a lady doctor and three nurses for the hospital. Subsequently, Indian assistance was provided for the construction of new buildings for the hospital. These include two lady doctors' quarters and a nurses' hostel. The nurses' hostel was inaugurated by Her Majesty the Queen on 28 August 1965. An Out-door Patient's Department building was also constructed and furnished by India. It was inaugurated by the king

on 7 September 1966. Assistance has also been given for the purchase of an X-ray machine for the hospital and for the construction of additional wards on the first floor of the main building. India has also offered financial assistance for the normal maintenance of the hospital.

(2) *Trisuli Hydel Project Hospital.* This hospital was opened mainly for the benefit of the staff working on the Trisuli Hydel Project but the Project authorities later extended the services of the hospital to the local population also.

(3) *Eye Camps.* At the request of King Mahendra eye camps were organised at Trisuli, Pokhara and Kathmandu during 1965-66, and another camp was opened in Kathmandu in 1968.

Drinking Water Supply Schemes.

The following schemes for the supply of safe drinking water have been undertaken with Indian assistance :

<i>Project :</i>	<i>Estimated Cost (Rs. lakhs N.C.)</i>
1. Panchamane ...	4.5.
2. Vishnumati ...	0.6.
3. Chahare Khola ...	6.7.
4. Kathmandu (Sundarijal) ...	127.7.
5. Bhaktapur ...	3.1.
6. Karki-Manthali ...	0.2.
7. Sankhu ...	1.1.
8. Balambu ...	0.3.
9. Gauchar Airport ...	0.05.
10. Pokhara ...	26.2.
11. Bhimad Bazar ...	0.03.
12. Jan Premi ...	0.02.
13. Satang-Darang ...	0.3.
14. Deorali ...	0.5.
15. Amlekhganj ...	0.7.
16. Birganj ...	14.5.
17. Dhulikhel ...	0.2.
18. Sanga ...	0.3.
19. Panauti ...	0.7.

<i>Projects :</i>		<i>Estimated Cost (Rs. lakhs N. C.)</i>
20. Biratnagar	...	17.0.
21. Rajbiraj	...	15.0.
22. Bhairawa	...	5.4.
23. Nepalganj	...	12.4.
24. Janakpur	...	12.6.
25. 405 Hand pumps in the Terai and other parts of country	...	3.9.

General Education.

The contribution of India to the development of education in Nepal is considerable.

(1) A programme for the assistance to the Tribhuvan University was taken up at the cost of Rs. 32 lakhs N. C. under the Agreement signed on 7 October 1960. In the initial period assistance was given by providing professors, readers, and lecturers for post-graduate teaching in the various departments of the university, and funds were provided from year to year according to needs. The university campus which is being developed at Kirtipur has been provided by India with many useful buildings. The contribution in this connection includes a building for the departments of Chemistry, Botany and Zoology which has been constructed, supplied with furniture and equipped with laboratory materials. The Government of India also constructed a building for the library and a handsome provision has been made for books and furniture in the library. Besides, a post-graduate hostel for 50 students and 4 teachers' quarters have been constructed at the campus. An Officer on Special Duty has also been made available to the University for acting as Deputy Registrar and for assisting in the streamlining of the administration of the University.

(2) The Government of India also contributed to the development of the Trichandra College, the premier college in the Kathmandu Valley, by the construction of a Science Extension Building. The Extension Building, constructed with Rs. 12 lakhs N.C., was inaugurated by His Royal Highness the Crown Prince on 16 September 1965.

(3) In the field of secondary education the Indian Government has assisted the development of the Tribhuvan Adarsh Vidyalaya, a modern public school at Pharping. The school has been provided with a building for hostel, 7 teacher's quarters including one for the Principal, dispensary, library equipment etc. Two teachers from India have also been provided for the school. The scheme for the development of the Tribhuvan Adarsh Vidyalaya was made at an estimated cost of Rs. 11.2 lakhs N. C.

(4) An engineering school was set up at Jawalakhel with Indian assistance amounting to Rs. 13.6 lakhs N. C. for the training of overseers and draftsmen to man various development schemes.

(5) India helped Nepal with Rs. 34.2 lakhs N. C. to start a Forestry Institute with hostel, guest house and staff quarters at Hithaura for training of 25 forest rangers and 50 foresters per year.

(6) India provides training facilities to the nominees of His Majesty's Government of Nepal in Universities, Government Departments etc, in subjects for which facilities are not available or are inadequate in Nepal. Funds are provided annually according to needs. Expenditures have so far exceeded Rs. 2 crores. According to a chart produced by the Ministry of Economic Planning of His Majesty's Government, India had trained 65% of all the Nepalese personnel trained abroad. The types of personnel trained are varied—doctors, agricultural scientists, engineers of all kinds, post-graduate scholars to man posts in teaching institutions, pilots to run the country's airlines, geologists to exploit natural resources and technicians of different grades. A whole range of departmental personnel have also been trained in subjects like customs, posts and telegraphs, excise, budgeting and for various secretarial needs.

(7) Valuable reading materials have also been provided to different educational institutions and other organisations such as libraries, adult education centres etc.

Developement of National Archives.

The importance of a national archives for Nepal, a centre of ancient civilization and culture, cannot be over-estimated. India has contributed Rs. 16 lakhs N. C. for the developmant of National Archives in Kathmandu. Besides the building activity assistance

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has been and is being provided for microfilming rare manuscripts, editing and printing of selected manuscripts etc. A microfilming camera and a Microfilm Reader have been provided and the services of a Sanskrit scholar have been given by India to work as a Curator in the Department of Archives of His Majesty's Government.

Development of Archaeology.

For the development of Archaeology India has given Nepal assistance amounting to Rs. 3.8 lakhs N. C. India has helped Nepal with experts for excavating the rich archaeological treasures of the country particularly in Lumbini and Kathmandu areas. Besides providing His Majesty's Government's Department of Archaeology with library and equipment, India is helping Nepal in the training of departmental personnel.

Geological Survey.

Sound industrial development programmes are sustained, among other things, on the availability of exploitable mineral resources in the country. Therefore, a programme costing Rs. 64 lakhs N. C. for systematic geological mapping of important minerals in different parts of the country was formulated under the Indo-Nepal Agreement signed on 17 November 1961.

Topographical Survey.

A project with Indian aid estimated to cost Rs. 320.0 lakhs N. C. was initiated for aerial and ground surveys to prepare detailed maps of the country. A large number of maps have accordingly been prepared.

Technical Assistance.

A number of high-level Advisers and experts have been spared by India at the request of His Majesty's Government of Nepal. Necessary allotments in this connection were made from year to year.

Flood Control.

A project costing Rupees Ten Thousand N. C. for the Sirsia diversion to prevent submergence of land on either side of the river during floods.

Mutual Benefit Projects.

Apart from the schemes mentioned above implemented for her exclusive benefit, Nepal will also derive considerable benefit from two major "mutual benefit" projects undertaken by India in agreement with the Government of Nepal, namely, the Kosi Project and the Gandak Project. The Kosi Project, besides providing protection from floods in an area of 1.27 lakh acres in Morang and Saptari districts, will enable Nepal to derive power supply from a power station to be set up on the East Kosi Main Cannal in Indian territory. The western canal of the Kosi Project, according to the revised agreement, would provide irrigation facilities for about 77,000 acres in Nepal. The Gandak Project would also provide irrigation facilities for 1.43 lakh acres in Nepal. Moreover, a power house with an installed capacity of 15,000 kw of electricity which is to be built, according to the Project, within Nepal territory, would also become Nepal's property.

[The Indian aid to Nepal is certainly formidable. Mr. Raj Bahadur, Amdassador of India to Nepal, writes that in monetary terms India has already transferred resources amounting to Rs. 82 crores for development projects, and by the end of March, 1971, the assistance is expected to rise to Rs. 127 crores ("India's Co-operation for the Economic Development of Nepal" in Vasudha, June-July 1969, p.50). But economic aid, it should be remembered, is after all a tool in foreign policy. Its aim is to earn the goodwill of the Government and the people of the country aided. Judged by this standard the Indian economic aid cannot be considered to be a great success. In course of my recent visit to Nepal I have noticed among a large section of the Nepalese intelligentsia a critical attitude about the Indian aid. Many have categorically stated that whatever may be the volume of economic aid, the essential aim of India is to keep Nepal an agricultural country so that she may remain depen-