# Sphere pressure: When Politics Contends with Geopolitics

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#### Abstract

Nepal's strategic vulnerability owing to its location between two giants of Asia has risen and fallen with the status of India and China relations, the quality of their bilateral relations, and the principal external variables influencing them. In recent years, Nepal's boisterous domestic politics has emerged as an additional source of instability. In the past, the internal fundamentals, regardless of the political system of the day, were sturdy enough to cope with often-competing pressures emanating from the north and south. The improvisation that has become the defining feature of the contemporary Nepali state, has made today's geopolitical spasms far more ominous. While it may be outlandish to suggest that Nepal's politics and geopolitics have become antithetical, there is sufficient basis for probing that question.

**Keywords:** China, India, United States, European Union, geopolitics, domestic politics, vulnerability, instability.

### Introduction

Throughout history, Nepal's strategic vulnerability owing to its location between two giants of Asia has increased or decreased with the fluctuation in the power dynamics of India and China, the quality of their bilateral relations, and the principal external variables influencing them. During moments of warmth in China-India relations, each neighbor has advised Nepal to bolster ties with the other to strengthen regional security and stability, sometimes even prompting a sense of abandonment. When relations between the Asian giants have soured, each neighbor has strenuously sought Nepal's support, even to the point of impinging upon the country's ability to make sovereign choices. In the past, Nepal's internal fundamentals, regardless of the political system of the day, appeared sturdy enough to cope with oftencompeting pressures emanating from the north and south. However, in recent years, the country's boisterous domestic politics has emerged as an additional source of instability.

While growing political awareness coupled with easier access to means of instantaneous communication has heightened Nepalis' understanding of their place in the world, it has also

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exacerbated their fears about the motives and intentions of the two neighbors. Historical experiences of how Nepal has been a contested sphere of influence between India and China continue to linger in the political arena, as the high-decibel psychological play has extended to other key external protagonists, such as the United States and the European Union. With such deep-seated perceptions fuelling the domestic discourse, distrust has crept into diplomacy in general.

The bulk of the available literature focuses either on Nepal's bumpy democratic trajectory or on the country's precarious geopolitical position. The interrelationship between these two factors has seldom been studied. This article attempts to fill a crucial gap by attempting to probe the interactions between Nepal's politics and geopolitics by raising the question of whether the two have become antithetical.

# Mutual exclusivity?

The controversy surrounding the US Millennium Challenge Corporation (MCC) compact is a case in point. A project ostensibly in Nepal's national interest when it was initially sought, the MCC has been sucked into a geopolitical vortex exacerbated by the boisterousness of Nepali politics. The development dimension has been overshadowed by an obsession with the US grant's perceived military-security implications and ramifications. From the same set of official documents and affirmations, each side of the debate believes it has found the validation it sought. The issue has polarised Nepali society to the point where members of rival camps have been reduced to calling each other "traitors". While the opposition to China's Belt and Road Initiative (BRI) on account of its "debt trap" has not acquired such frenetic public posturing – owing to the nascence of public scrutiny of Beijing's motives and intentions as well as the paucity of BRI projects online – a sense of mutual exclusivity is beginning to cast a shadow over what resource-starved Nepal badly needs: foreign investment in development.

This situation stands in sharp contrast to the atmospherics surrounding the construction of the Kodari Highway between Nepal and China and the East-West Highway amid the heightened geopolitical strains of the 1960s. Although the official Nepali version postulated that the Kathmandu-Kodari-road was an initiative of the royal palace, the circumstances of the signing of the agreement appeared to contradict that stand. For instance, the accord was signed on the last day of King Mahendra's visit to Beijing in 1961 by Tulsi Giri, a senior government minister who had accompanied the monarch (Rose, 1971).

Clearly, the move could not have come without the monarch's blessing. Still, King Mahendra may have sought to keep his name off what was sure to be a highly controversial document to which New Delhi would raise strenuous objections. Equally, he may also have wanted to quietly demonstrate his dissatisfaction with the pressure tactics which, according to some sources, the Chinese had employed to obtain his assent to the road agreement (p. 239). In previous meetings in Beijing, neither side had raised the subject of a road agreement. Suddenly, on the day before the king's departure, the Chinese presented a draft road agreement in such terms as to imply that implementation of the boundary treaty depended upon a favorable response

on the road question.

Although New Delhi maintained a relatively restrained official stance, the Indian media were strident in their opposition to the accord and the royal regime's audacity in signing it. It took an extended period of quiet diplomacy by the palace to assuage India's concerns even partially. A secret arms agreement signed in 1965 – under which New Delhi agreed to underwrite as far as possible the entire requirements of the Royal Nepal Army – was an instance of the palace's efforts to assuage Indian concerns.

Similarly, when Nepal precluded the Chinese from participating in constructing a section of the East-West Highway in the Terai in 1964 under Indian and American pressure, Beijing expressed its displeasure in private. To be sure, neither episode might have passed so quietly had Nepal still had an elected government in place, the parliamentary system having been abolished in December 1960. Still, a closed political order – for all its faults – managed to avert political skirmishes that might have worsened regional tensions in the critical periods immediately before and after the Sino-Indian border war.

Although the Americans concluded that the monarchy would be in total control for the immediate period, they saw Nepal's increasing vulnerability to Chinese pressures in this concentration of royal powers and prerogatives. Washington also considered Nepali suspicions of New Delhi's motives and intentions as hampering India's efforts to counter Chinese moves. King Mahendra, for his part, never visited China again and nor did any senior Chinese leader arrive in Nepal. The monarch paid high-profile visits to the United States, United Kingdom and Europe, while a US-backed anti-Chinese Tibetan insurgency was operating from northern Nepal, albeit under strict Nepali surveillance.

The Soviet Union, meanwhile, was engaged in high-profile projects such as a critical sector of the East-West highway and a cigarette factory close to the Indian border and training Nepali students in engineering, medicine, and other specialised disciplines. Nepal could thus simultaneously navigate the US-Soviet strategic rivalry and the Sino-Soviet split, aided in no small measure by Beijing's preoccupation with its Cultural Revolution. Apart from some fiery public quarrels between Kathmandu and Beijing, there were few enduring strains on bilateral relations.

By contrast, today's vibrant politics and free flow of information have heightened the battle of perceptions rooted in history, wherein Nepal's domestic and foreign affairs continually rattle each other. As key external protagonists have confronted new realities, their core adjustments have been easily construed as crude acrobatics, further fueling the internal frenzy.

For much of the post-1950 era, the dominant sentiment in Delhi has focused on some compact Indian Prime Minister Jawaharlal Nehru and Chinese Premier Zhou Enlai had supposedly reached in 1954. Under that arrangement, whose existence Nehru himself had publicly affirmed at the time (Upadhya, 2012), Beijing would honour India's claim of influence over Nepal while Delhi recognised total and irrevocable Chinese sovereignty over Tibet.

During times of bilateral strains, Indians remained suspicious of Chinese motives but was reasonably confident of the limits of Beijing's options in Nepal. After Nepal purchased anti-

aircraft guns from China in 1988, New Delhi went on to impose a crippling trade and transit blockade against the landlocked nation. As the palace-led partyless regime sought to mobilize international support against the blockade, New Delhi succeeded in shifting attention to a growing movement for the restoration of multiparty democracy, abolished three decades earlier. The collapse of communism in Eastern Europe had heralded a shift in international geostrategic alignments. Meanwhile, Beijing found itself on the defensive following global outrage over its bloody crackdown on the Tiananmen Square protests. In the swift collapse of the Panchayat regime and the restoration of multiparty democracy, some saw clear limits to Chinese influence in Nepal.

Lately, Indian fears of a Chinese strategic encirclement seem compounded by recognition of China's enhanced willingness and ability to shape developments in Nepal. This, in turn, has been exacerbated by Delhi's palpable unease over the fallout of possible Chinese responses to growing American assertiveness in Nepal.

The informal split of Nepali politics into rival Indian-Western and Chinese camps today is reminiscent of the bhardari (courtiers) clusters preceding the rise of the Rana oligarchy in 1846. However, the people at large are involved. Amid the prevailing political cacophony, reading the Indian, Western, and Chinese motives in Nepal has become difficult for all the governments involved and all protagonists. When action from one results in a reaction from the other, it immediately raises political rancour inside Nepal. Wild surmises bordering on outlandish conspiracy theories easily tend to encroach upon the space belonging to informed deliberations.

During the prolonged transition that followed the collapse of the royal regime in April 2006, it was understandable for India, China, and the West to remain keenly attuned to the twists and turns of a peace process inaugurated amid deep contradictions. The complicated internal and external dynamics involved in reinventing the state – an amorphous concept at best – left them with little else than awaiting the eventual verdict of the people. Although initially giving the palace the benefit of the doubt, the US grudgingly went along with India to back the opposition alliance between the mainstream parties and the Maoists. A longtime backer of the monarchy, Beijing did not come out in unambiguous support of the royal regime. Instead, it began reaching out to all political parties. New Delhi and Beijing went on to support a UN political mission to foster a peace process.

## **Northern discomfort**

As the principal external protagonists scrambled to adjust to the new realities, contradictions deepened in public. Beijing used the 2006-2008 period to build bridges with the newly empowered political parties. Ever the pragmatists, the Chinese reached out to Maoists, whom they had vigorously opposed politically, calling them anti-government guerrillas. The former Nepali rebels, who had long accused the post-Mao Zedong leadership of betraying the Great Helmsman, reciprocated with great alacrity. They virtually forgave Beijing for supplying arms to the royal regime in its effort to quell the rebellion.

The new northern dynamics surfaced in other interesting ways. At times, interim prime minister Girija Prasad Koirala – uncharacteristically enough, in view of his political record and reputation – warmed to Beijing, especially after the Indian Oil Corporation interrupted critical petroleum supplies on one pretext or the other. Although the Chinese ambassador had become the first foreign representative to present his credentials to Koirala, in his capacity as interim head of state, the symbolism had its limits. Beijing declined Kathmandu's request to revoke the royal regime's contract to purchase two aircraft by the erstwhile Royal Nepalese Army. Still, when Koirala implicitly linked India to the unrest in the Terai, it was hard to separate that with repeated Chinese concerns over the region's deepening instability.

By the time of the Maoists' unexpected electoral triumph in 2008, Beijing had become increasingly candid in asserting its interests in Nepal. The persistence of the Free Tibet protests in Kathmandu hardened China's perceptions of Nepal's open border with India as a threat to its own security. From describing the royal palace massacre as an external conspiracy aimed at scuttling closer Nepal-China ties to affirming Beijing's commitment to prevent Nepal from becoming another Sikkim or Bhutan, voices from the north became more abundant and unequivocal (Wang, 2007). Significantly, they seemed equally aimed at audiences in India. The arrival of a succession of Chinese civil and military delegations in Kathmandu underscored the fundamental transformation underway in Sino-Nepali relations. The Indians appeared on the defensive, a role they were unaccustomed to in recent memory.

Prime Minister Pushpa Kamal Dahal's visit to China in 2008, days after assuming the premiership, prompted many Indians to cry foul. In New Delhi's view, the Maoists had violated some unwritten code under which an incoming Nepali leader always visited India first. During his subsequent visit to New Delhi, Dahal emphasised Nepal's commitment to a policy of equidistance/ equiproximity with both neighbours as a geopolitical compulsion. Although it initially won over key constituencies in India, Dahal's charm offensive could not penetrate others. Defence Minister Ram Bahadur Thapa's visit to China, days after Dahal returned from Delhi, left sceptics in India with a deep sense of vindication, but certainly not one they could rejoice in.

The fact that Indian Foreign Minister Pranab Mukherjee chose to visit Nepal as his country was holding crucial state elections served to underscore Delhi's growing anxieties. On the eve of Mukherjee's arrival, Deputy Prime Minister Bam Dev Gautam raised the regional stakes by urging Beijing's involvement in resolving Nepal's Kalapani dispute with India. (IANS, 2008). Chinese Foreign Minister Yang Jiechi hit the headlines even before he landed in Kathmandu, simply because he was paying an official visit barely a week after Mukherjee's departure. Urging Kathmandu to help check anti-China activities that could grow in 2009, the 50th year of the Dalai Lama's flight into and self-exile in India, Yang pledged Beijing's help to protect Nepal's sovereignty and independence. He also asserted that China intended to develop relations with Nepal in a way that would serve as a role model for bilateral ties between big and small countries. Clearly, this double whammy could not have been lost on the Indians.

Two days after Yang's departure, Beijing sent a military mission headed by the deputy chief of its army, Lieutenant General Ma Xiotian. During a meeting with Defence Minister Thapa, the Chinese general pledged to provide the Nepal Army with some non-lethal equipment and training facilities. Gen. Ma's visit succeeded another mission led by the Chinese military commander responsible for the areas bordering Nepal. As all this was going on, U.S. Assistant Secretary of State for South Asia Richard Boucher, who was expected to arrive in Kathmandu to, according to some reports, announce the withdrawal of his government's terrorist tag on the Maoists, put off his travel plans indefinitely. It became hard to see the events as unrelated.

The Nepali Congress took the China question to the constituent assembly, specifically asking Prime Minister Dahal whether Yang's offer was made in response to any request he had placed before Beijing. Moreover, the party demanded to know where the threat to Nepal's sovereignty emanated from. India-friendly media outlets in Nepal reacted with far greater stridency to what they almost universally considered Beijing's gratuitous concern.

Despite having raised its overall profile so substantially, the China carefully calibrated its Nepal policy. They did not seem to have developed unqualified faith in the top leadership of the Maoists, especially considering their long-standing links in India during the decadelong bloody insurgency. In early 2008, the Maoist-affiliated Young Communist League (YCL) warned it would not allow Tibetans to hold anti-China protests. Once the demonstrations erupted, the YCL – and Maoist organisations in general – were almost invisible. If this was a gesture to the United States, which was in a watch-and-wait mood on the terrorism tag, it must have made some impression.

Indeed, China's ambivalence on the Maoists led to broader initiatives, the results of which were no less ambiguous. Beijing's interest in forging a wider communist front incorporating the Unified Marxist-Leninists had been stymied by the factionalism in that party. By raising the Yang issue in the legislature, the Nepali Congress pretty much distanced itself from a putative northern alliance.

Yet the logical question persisted: how far would the Chinese go in supporting the Maoists? History provided little reassurance here. From imperial times, Beijing (known then as Peking) had made explicit pledges to defend Nepal from foreign threats. Under the 1792 Betravati Treaty that concluded Nepal's war with Tibet and China, Beijing had pledged assistance against foreign aggressors in exchange for Nepal's agreement to send quinquennial tribute missions to the Qing emperor. Yet, the Chinese declined Nepali pleas for aid during the 1814-16 war with British India. China refused to bail out King Birendra and King Gyanendra in 1990 and 2006, respectively, especially when the palace's disputes with India had been directly related to Nepal's growing defence and strategic ties to Beijing.

Like those of the other external stakeholders, Beijing's focus fell on the military, which, after the abolition of the monarchy, considered itself the last line of defence vis-à-vis Nepal's sovereignty, independence, and territorial integrity. The reading here seemed that the nationalism plank would be attractive enough to forge an alliance between the junior and middle ranks in the Nepal Army and the former rebels. Against this scenario, China's

purported interest in Maoist commanders taking up positions in the higher echelons became even more understandable.

Since Beijing's ongoing engagement increasingly appeared to be predicated on reciprocal institutional and official obligations, the question of the future of the Maoists – or any other group – in power became immaterial. The geopolitical equations had been rewritten drastically, and perhaps irrevocably. Nepal's challenge was exacerbated by its growing inability to influence the intricate variables. So, when the Maoist government collapsed in 2009, ostensibly under Indian pressure, Beijing hardly shed a tear.

# Southern discomposure

In seeking to build an international alliance against the palace's takeover in 2005-2006, New Delhi was aware it would be ceding some of its traditional monopoly in Nepal. India's first prime minister, Jawaharlal Nehru, had noted, "though Nepal was an independent country, it was very closely allied to India in culture and tradition, and we did not look upon it as a foreign country" (Gokhale, 2021). While India's post-independence ties with Nepal were predicated on the intimate cultural and historical links between the two countries, they were manifested in practice in New Delhi's preponderance in Kathmandu's political evolution. India played a major role in the political changes of 1950-51, 1990 and 2006. New Delhi also regarded China as an 'interloper' in Nepal in 1950 who threatened India's security and interests in the region. Moreover, New Delhi believed Kathmandu shared its concerns about Beijing. There has been delayed recognition in India that New Delhi had ignored at least a century of Sino-Nepalese history centring around Tibet and how the misperception has contributed to a skewed understanding of Sino-Nepal relations.

Yet old habits have persisted. India's initiatives to cultivate former king Gyanendra even after New Delhi played a key role in the peace process that eventually led to the abolition of the 250-year monarchy capped India's contradictions. Initially, the move may have been less about drawing the ex-monarch into a democratic alliance than about preventing him from veering too close into a Maoist-led nationalist platform. On one plane, the fact that the restoration of the monarchy has remained part of the mainstream national conversation indicates the fickleness of the Nepali psyche. At an operational level, New Delhi recognised it as symptomatic of a backlash against the political flaws and flimsiness of the transformation process. Unspoken though, was the acknowledgment that the monarchy's cultural and social affinities to Hinduism continued to make it a sound pillar for New Delhi. In Nepal, this was seen as a continuation of India's eagerness to play all sides. By the time Nepal drew up a new federal, secular, and republican Constitution, New Delhi - the prime mover of the peace process a decade ago - could not extend an enthusiastic welcome. Instead, it imposed a virtual economic blockade, ostensibly in support of Nepalis of the country's south who felt marginalized under the new dispensation. While New Delhi continued denying it had imposed a blockade amid worsening shortages of food and fuel, Nepalis experienced the "suzerain" mentality of Indian officialdom and China won the tactical advantage.

Coordinating closely with India, the United States found itself engaging with the Maoists while the ex-rebels were still on Washington's official terrorist list. Disenchantment with the royal regime, New Delhi's prodding and apprehensions of Beijing, among other factors, pushed Washington toward this seeming illogicality. Once in the political arena, the Maoists, too, tuned out their 'anti-imperialism' rant that dominated much of their "people's war". The European Union, too, sought to project a unified front on its Nepal policy.

The EU — including the EU Delegation and the EU Member States — remained the biggest provider of development aid to Nepal, focusing mainly on three sectors: education, rural development, strengthening democracy and decentralisation. Following the devastating 2015 earthquakes, reconstruction also became an important focus. Still, member-states such as the United Kingdom, France and Germany that had longstanding bilateral engagements with Nepal sometimes struggled against the temptation to stand out individually.

## **Competing spheres**

Nepal's two neighbours remain the preponderant external factors and part of the framework of the geopolitical debate is apparent enough. India sees Nepal as part of its northern security system given its topographical similarities and contiguity, and the large and mostly unregulated border. It feels vulnerable in the presence of external powers on Nepali territory beyond normal diplomatic activity and practices. New Delhi, therefore, expects Kathmandu to remain sensitive to its security concerns. As late as 2021, a former Indian ambassador in Nepal was contemplating a Bhutan-like relationship with Kathmandu, under which India would administer the country's foreign and security policies (Rae, 2021). Nepal sees this expectation and aspiration as an infringement of its sovereignty and independence.

The Khadga Prasad Oli government's decision in 2020 to release a new political map incorporating not only the traditionally disputed territory of Kalapani but also Lipulekh and Limpiyadhura further west, was only the latest reaction to instances of what Nepal sees as Indian cartographic aggression over the decades. At some level, to be fair, Indians were not wrong to wonder whether Nepal was doing China's bidding in releasing the map at a time of heightening Sino-Indian border tensions. But that happened to be a mere coincidence, as the Kalapani area has been disputed for over 60 years. Also heightening Indian suspicions of Chinese influence was the fact that the new Nepal map had left out the Susta sector, the other traditionally disputed area. Unlike the first region, where Nepal and India conjoin China, Susta lies along the Nepal-India border.

If Prime Minister Oli's subsequent claim that Lord Ram was born in Nepal sounded like an attempt to break Nepal's civilisational relationship with India, perhaps it is because Indians have not forgotten how stung they were by Zhou Enlai's assertion in the 1950s that China had blood relations with Nepal (Rose, 1971).

Given the subsequent turn of events in the region from India's standpoint, perhaps Sardar Ballabh Bhai Patel turned out to be more prophetic than he was at the time he supposedly sought Nepal's inclusion in the Indian Union. Yet in Nehru's view, bilateral treaties of friendship and peace with the three northern Himalayan kingdoms – Bhutan, Nepal and Sikkim – and an offer of a no-war pact to Pakistan was enough to deal with South Asia (Pande, 2020) freeing him to seek prominence on the Asian and global stage. No handwringing can change the fact that Nepal has remained an independent nation ever since.

The 1950 Treaty of Peace and Friendship between Nehru's ambassador and the absolute ruler of a tottering oligarchy may have been one way India thought it could handle the three disparate Himalayan states. That Nepal did not go the way of Sikkim (annexation) or Bhutan (protectorate) is as much a fact as India-Nepal relations are regulated by the 1950 treaty. The two countries agreed to grant each other's citizens national treatment in all matters, including taking up jobs, doing business and owning property. This was ensured through an open border and the free circulation of Indian currency in Nepal. Evidently, the benefits were more for Nepal, whose citizens could take advantage of India's big market and higher level of development. In practice, the Indians could not get reciprocal benefits here in practice because of the same asymmetries. As it resembled the 1923 Nepal-Britain Treaty, the 1950 Treaty did not materially change the existing situation. Nor was there any viable alternative before either side, given the absence of any natural geographical boundaries or tradition of regulating the India–Nepal border (Sikri, 2006).

Equally important is the fact that Nepal came to the treaty table intending to assert and preserve its status as a sovereign nation. If Nehru's notion of security expressed through the 1950 Treaty had resonance for Nepal, it was to the extent of ensuring an independent Nepal did not threaten India's interests. It may be entirely fortuitous that the new treaty triggered a chain of events that would culminate in the grand Delhi Compromise. Still, the parties and palace that displaced the Ranas adhered to Nepal's original expectation from the treaty. Only nine years later, when Nepal was under an elected government, would the reciprocity the Indians sought become public knowledge, when New Delhi revealed the confidential exchange of side letters to the treaty.

Those letters obliged Nepal to depend on India for its security. In case of any threat to the security of the other by a foreign aggressor, the two governments would consult with each other and devise effective counter measures. Nepal agreed that it would not import arms, ammunition, and other military equipment except with India's consent. Yet when Nepal and India agreed to joint staffing of posts on the Nepal-Tibet border and set up an Indian Military Mission in Nepal, they did so when Nepal feared a Chinese threat, particularly after the Chinese occupation of Tibet. These steps were not Kathmandu's confirmation of India's invocation of any right to control Nepal's political and economic life.

The security aspects lost their relevance as Nepal established diplomatic ties with China and concluded the boundary agreement. Nepal's pursuit of a foreign policy intended to assert its independent identity no longer automatically provided India a second vote at the United Nations General Assembly. A landlocked country dependent on transit through India for trade with third countries went on to find new opportunities for economic diversification. Thus, adhering to international law, it considered transit to be a right but trade a matter of convenience.

Every time Nepal sought a review of the 1950 Treaty, India pointed to the provision for unilateral termination on a year's notice. It was only after democratically elected leaders in the 1990s began pressing the case that New Delhi agreed to discuss the matter. Yet even some of the same Indians, who acknowledge how the Indian government and public have never shown adequate sensitivity to Nepali pride in their sovereignty and independence, have difficulty seeing Kathmandu's assertion of its independence as more than skilful leveraging of its geographical contiguity with China. During the latest border dispute, many Indian experts and analysts have placed much faith in how the unique people-to-people relations would see the two countries through this crisis. While urging India to do everything it should to nurture the invaluable asset it has in the goodwill of Nepali people, some in this fraternity still counsel India to reject the Nepali state's ill-conceived territorial claims.

Indian Prime Minister Narendra Modi's pledge in 2014 to see a revision done during his tenure and invitation to Nepal to present proposals was the clearest articulation of India's change of heart. Yet Modi still has not had the time to receive the report prepared by the bilateral Eminent Persons Group in 2018. How much are pledges worth if a set of non-binding recommendations agreed together cannot merit sufficient official attention in New Delhi?

A leading Chinese expert on South Asia contends that India itself was prompting Beijing to reassess its policy in the region (Zhao, 2010). Arguing that New Delhi had failed to address the "strategic autonomy" of other South Asian nations, he described the resultant discordance as a threat to Chinese interests. If India is anxious to lead South Asia by virtue of its size and strength, he contended, then it must only do so with the consent of its smaller neighbours. As for Nepal, short of annexing the country and assuming the associated costs, India can do little but reconcile itself to the fact that it is an independent nation. Catchphrases like "special relations" or "roti-beti" ("bread-daughters") cannot help because they have become terms of estrangement. Just as India cannot apologise for being big, Nepal must not be expected to pay the price of being small and sandwiched between two giants that distrust each other. Nepal's grievances with China might not seem as serious as those with India, but they do exist. Beijing has maintained relative silence on the substance of the India-Nepal border dispute, preferring to club it together with China's general support for Nepali sovereignty. Yet China has not hesitated to send subtle reminders that the Kalapani question is quite identical to one concerning the Doklam.

Nepal recognises that most pledges from China to ease the country's dependence on India foresee the long term. Moreover, little of tangible consequence has even begun, a fact that has the potential to raise public impatience. Greater exposure to Chinese business tactics, the darker side of growing interactions such as crime, and the general Chinese perceptions of themselves and their place in the world risk bringing more Nepali discontent to the fore. Dismissing Nepali grievances with India as Chinese-instigated ploys could present New Delhi with stricter challenges from Nepal. This assertion stems not from Nepali arrogance but from anguish over the additional pain that might be inflicted upon the country.

So, instead of obsessing over why Nepalis see China the way they do, India might want to delve deeper into how China sees Nepal. Although it might not advertise it, Beijing sees Tibet and Nepal as part of its integrated "peripheral policy". Nepal's northern border is an easy gateway to the Tibet Autonomous Region. China worries that political instability in Nepal could lead to enhanced anti-Chinese activities in Nepal. Every time India is tempted to wave the Tibet card to China, it is enough to wobble Nepal.

Although Beijing considers the situation in the Tibetan region more stable, it expects the region to continue to be a core factor in relations with Kathmandu. With the three external powers most active on the Tibet issue – India, the United States, and the European Union – increasingly involved in Nepal's peace process, Beijing's concerns about renewed potential for destabilisation from that volatile frontier has grown. The inevitable passing of the Fourteenth Dalai Lama and ensuing succession politics are certain to re-energise the increasingly restless exile community in Nepal and those living across the porous border in India and beyond in Europe and America.

The Chinese passed regulations in 2007 that, in effect, ensured their final say in the choice of the new Dalai Lama. Tenzin Gyatso, who in March 2011 announced his retirement from active day-to-day leadership, has said in the past that he might break tradition and name a successor and that his successor might not even be reincarnated inside Tibet. To forestall potential unrest inside Tibet, Beijing had begun adopting multi-pronged measures. Substantial levels of aid have been pledged for the estimated 6.5 million Tibetans living in what Beijing has designated as the Tibet Autonomous Region as well as the neighbouring provinces of Sichuan, Gansu, and Qinghai.

For long, many Indians have believed that a resolution of the Tibet issue held the key to a durable settlement of their disputes with China. Now hardliners in India are becoming more forthright in their assertion that New Delhi should exploit what they consider China's Achilles heel. To secure progress on the border question or on Kashmir, they feel India should remind the Chinese that they could raise the cost in Tibet.

Considering China's growing sensitivities ahead of an impending vicious struggle over the Dalai Lama succession issue, Beijing is likely to see India's use of the "Tibet card" as a dangerous escalation. The unprecedented media publicity given to the participation of the Special Frontier Forces — an elite paratrooper unit drawn mainly from India's Tibetan exile community — alongside regular Indian army units in a key battle has raised the stakes considerably (Ramachandran, 2020). A new security crisis in Tibet would create a substantial flow of refugees into Nepal, increasing its geostrategic vulnerabilities.

The Chinese have moved beyond Tibet in their engagement with Nepal, at least in the traditional sense. There is new recognition in China that, given its border disputes with India and absence of diplomatic relations with Bhutan, only Nepal could provide it physical connectivity to South Asia (Hu, 2015). Beijing has divided South Asia into western (Afghanistan and Pakistan) and eastern (India at the centre) components and sees Nepal the most viable bridge to the latter. Expressions of such benign motives will not impress India, which has long seen trans-Himalayan ambitions as growing from a desire to keep a check on India's rising capabilities.

More broadly, however, it would be critical to merge the future with the past to explore where Nepal may lie amid the contours of an emerging Sino-centric world. Most analysts concede that the visible elements of China's recent assertiveness can be interpreted in various ways. Still, they note striking similarities between the ancient tribute system and the way Beijing currently engages with parts of the outside world (Rolland, 2020). These moves do not indicate a coherent model enlivening every aspect of China's diplomatic practice. But this may also be because the tribute system, while a manifestation of Confucian norms of hierarchy, was, in the words of John K. Fairbank, a "repertoire of means available to the rulers of the Chinese empire in their relations with non-Chinese...along a spectrum that runs from one extreme of military conquest and administrative assimilation to another extreme of complete non intercourse and avoidance of contact" (Fairbank, 1968).

Today, under the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the strands of tianxia (everything under heaven) appear interwoven with a modern Marxist-Leninist power structure, organization and ideological system (Rolland, 2020). In that case, it becomes important to remember that Nepal was the last tributary to the Qing Dynasty. For a country with a prodigiously long memory and a pragmatic sense of historical continuity, the implications are immense for China. Knowing that, Mao Zedong's "five-fingers and a palm" analogy would cease to oscillate between evoking distress and derision in New Delhi and begin encouraging an understanding of the ceaseless churning that goes on in Beijing.

At the practical level, a deeper understanding could even foster some creative thinking by India and China. Terms like "trilateral cooperation", "corridor" and "bridge" are anathema to New Delhi in the context of China, Nepal and India. Frustrated, some Chinese analysts have called for Beijing and Kathmandu to move ahead with trans-Himalayan development, with or without New Delhi (Hu, 2017). China and India have always shared competing national interests in and over Nepal. Experience has taught Kathmandu it may be largely irrelevant if China and India are "good" to Nepal without also being good to each other (Koirala, 2011). Given their simultaneous rise and great power aspirations that rivalry is likely to intensify.

King Birendra's 1975 Zone of Peace proposal – which over the next decade and a half won the support of 116 countries – envisioned "institutionalising peace in the region" to safeguard Nepal's independence and territorial integrity through the unpredictable vicissitudes of history and time. India's strong and consistent opposition was enough for the drafters of the 1990 Constitution to discard it. What has endured is the reality of Nepal's enormously geostrategic location between India and China, which has a proven history of military conflicts (Josse, 2020).

Theoretically, the 2+1 dialogue mechanism would help India and China narrow their mutual suspicions sufficiently to spur Nepal's development. Practically, though, it would be a non-starter. Whether relations with Beijing are in thaw or tense, India is no mood to further diminish Nepal's status as its exclusive zone of influence. A more financially and diplomatically energised China would take a more sweeping world view to developing mutually beneficial bilateral relations with Nepal. In such a situation, Nepal's own perplexity becomes understandable.

The concept first emerged during the April 2018 Xi-Modi informal summit in Wuhan, convened against the backdrop of the Doklam standoff. China proposed the model as

a way of minimising conflict with India over smaller South Asian states. During Prime Minister Oli's visit to China in June, Xi briefly shared his discussions with Modi on the concept. The Chinese and Indian leaders discussed the 2+1 mechanism during their second informal summit in Mamallapuram. Xi's decision to fly to Nepal from India – as opposed to travelling from China – may have reflected Beijing's desire to inaugurate this concept (Bhattarai, 2019).

During talks in Kathmandu, Xi shared the proposal with Nepali leaders. Rejecting it, Oli was said to have explained to Xi Nepal's preference for trilateral cooperation. Oli later explained that partnerships needed to be based on equality. Many Nepali experts began stressing that the 2+1 approach undermined Nepal's ability to deal independently with its neighbours on important projects. The 2+1 mechanism required Nepali concurrence with what China and India could agree on. That way the economic dimensions of cooperation would be made subservient to the security considerations of Nepal's two neighbours. China's continued insistence is believed to have partly contributed to Oli's renewed eagerness to secure parliamentary endorsement of the MCC compact with the United States. Just as the onus fell on Nepal to amplify its preference, the corona virus disease (Covid-19) blended the underlying contradictions of the Sino-Indian relationship into the border conflict. New Delhi was likely to torpedo either model even before relations with Beijing nosedived.

While it is tempting to see the break-up of the Maoist-UML unity, the split in the UML and collapse of the Oli government as a blow to China, Beijing has made sufficient economic, social, and diplomatic investments to allow it to become politically active in Nepal's domestic affairs.

Some in India see that under President Xi Jinping, China's policy toward Nepal has shifted from protecting its periphery to a broader goal of bringing Nepal under its strategic control and detect political and economic levers that Beijing is using to build a preeminent position in Nepal (Gokhale, 2021). While conceding to Nepal's closer cultural and social affinities to India, some scholars in Beijing contend that economics and geopolitics have bound Kathmandu closer to its northern neighbour.

China's policy towards Nepal has become an amalgam of national security, military, political, and economic objectives that aims at deepening integration and strengthening political influence. The comprehensive transit and transportation agreement operative as of February 2020 offered Nepal the theoretical ability to end its sole dependence on India for goods and trade by granting the country vital access to Chinese ports. While the economic viability of Chinese facilities as an alternative to Indian ports is questionable, the agreement served to provide a clear and immediate political signal to New Delhi.

The two countries have signed several agree¬ments on legal issues including boundary management and mutual legal assistance in criminal matters. Nepal has requested Chinese aid for major projects such as the Pokhara International Regional Airport, a cross-border optical fibre link, and the upper Marsyangdi hydropower station. The Kerung-Kathmandu railway project is expected to facilitate Nepal's connectivity through China's road network with the rest of the world (Pal, 2021).

While military ties and security exchanges with Nepal have been among China's weakest in South Asia, new initiatives have been announced since 2017, including an annual joint military exercise. The Covid-19 pandemic has allowed China to advance its vision of a Health Silk Road in Nepal. By March 2020, Kathmandu had signed up to the "Chinese model against Covid-19" and started working with China on best practices to handle the pandemic, using Chinese testing kits and other equipment. Thirty Chinese NGOs have been operating in Nepal as Beijing has made offering Mandarin courses more attractive for schools by bearing the cost of employing teachers. Through financial aid and scholarships, China has increasingly made itself the destination of choice for Nepali students seeking technical skills and graduate degrees. Media cooperation has been expanding with regular exchanges of teams of journalists from both countries (Pal, 2021).

Although scepticism of China's motives and intentions has not paralleled that concerning India, it is growing in Nepali media circles and social media. Allegations of land encroachment by China in the northern district of Humla have dominated the public discourse for over a year (Kafle, 2021). The alleged involvement of Chinese intelligence agents in spreading disinformation against the MCC is being reported by sections of the Nepali media (KhabarHub, 2021). This intensifying battle of perceptions in geopolitics comes amid increasing rancour in Nepal's politics, which cannot bode well for either domain.

#### **Conclusion**

All three countries must devise a way to ensure that Nepal is not drawn into the Sino-Indian vortex only to be continually castigated as a source of their conflict. Going forward, much would depend on the ability of India and China to evolve a minimum understanding on Nepal, mindful of how sudden and precipitous action can trigger reactions detrimental to both Asian giants. With little prospect of improvement in bilateral ties in the near term, China and India have nevertheless developed sufficiently durable economic and other complementarities to limit areas of contention. Positioning Nepal as one of those areas would complete half the task. The other part would have to come from Nepali confidence in the neighbours' collective goodwill. The perils therein have been accentuated by Kathmandu's apprehensions of the 2+1 initiative. A revival of King Birendra's Zone of Peace proposal complete with the explicit endorsement by India could help allay Nepali concerns (China having extended support right after it was made in 1975).

In the absence of confidence-building measures, polarised politics and partisan media sensationalism would continue to play upon traditional Nepali fears and suspicions of its immediate neighbours and foreign countries in general. If the domestic environment proceeds unabated towards fuelling India's or China's insecurities and fears, the consequences for Nepal could be costly. As to the key question raised at the beginning, the evidence is anecdotal at best to suggest that Nepal's politics and geopolitics have become adversative. Still, the imperative of ensuring that Nepal's uninhibited internal politics do not work against the neighborhood's unstable geopolitics is gaining urgency by the day.

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