# NEPAL AND BHUTAN IN 2004

Two Kings, Two Futures

Michael Hutt

### Abstract

As small states located on the south side of the eastern Himalaya, Nepal and Bhutan are superficially very similar. In both countries, a monarchy is in the process of renegotiating its position and role, and in both, the current political dispensation faces strong challenges. However, there are also distinct differences in how political developments are proceeding in Nepal and Bhutan.

# Two Monarchies

King Jigme Singye Wangchuck of Bhutan claims to be committed to divesting himself and his successors of their power and assuming the status of a constitutional monarch. Responsibility for the government of the country and for representing Bhutan in international forums was devolved to a Council of Ministers, first elected by the National Assembly in 1998. In December 2002, the first draft of a Bhutanese constitution was submitted to the king for his consideration. Bhutan's highly conservative National Assembly protested that the people of Bhutan would prefer to continue to be ruled by their benevolent, visionary monarch, while external critics alleged that the drafting committee is unlikely to have taken account of minority perspectives. However, it is conceivable that Bhutan's first written Constitution will represent an advance for the country's modernizers and a reversal for its traditionalists. Until its text is sent out to districts for the promised consultative process to begin, the extent of the changes proffered will remain unknown. However, fears of ethnic factionalism will probably prevent the establishment of a full-blown multiparty system.

In Nepal, by contrast, King Gyanendra Bir Bikram Shah Dev has asserted himself with vigor, as the Maoists' challenge to the established order continues.

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In an unprecedented interview granted to *Time* magazine in January 2004, Gyanendra declared: "The days of royalty being seen and not heard are over. We are in the 21st century. It's not that I am taking an active role. I see it as a constructive role." During the spring, a series of civic receptions was organized for the king and queen, the biggest being held at Pokhara on March 28. These receptions were intended partly to demonstrate that there was nowhere in Nepal that the king could not go to meet his subjects, despite the continued virulence of the Maoist insurgency all across the land. At the Pokhara reception, Gyanendra promised that general elections to a reestablished House of Representatives would be held before mid-April 2005. But most Nepali politicians were of the opinion that general elections remained a practical impossibility, given the security situation in the country.

# **Opposition in Bhutan**

There was little sign of any oppositional activity inside Bhutan, where external threats provoked an upsurge in expressions of patriotic loyalty. On December 15, 2003, the Royal Bhutan Army launched a military offensive against the United Liberation Front of Assam, the National Democratic Front of Bodoland, and the Kamtapur Liberation Organization—Indian separatist organizations that had been operating from bases in southern districts of Bhutan since the early 1990s. By early January, after three weeks of conflict, the military operation was deemed to have been a complete success: the camps had been dismantled, the insurgents had fled, and the Royal Bhutan Army had suffered only a small number of fatalities. Some journalists suspected that the small Royal Bhutan Army, which had never engaged in such an operation before, must have benefited from Indian military assistance, but this was categorically denied by officials from both countries.

The space for internal public debate and Bhutan's exposure to the outside world increased gradually, and mildly dissenting views were sometimes expressed in the readers' forum on the website of the kingdom's only newspaper.<sup>1</sup> As in previous years, however, the only really trenchant opposition to the Bhutan government came from Bhutanese refugees in Nepal.

The governments of Nepal and Bhutan had agreed during 2003 that the process of repatriating the small number of those residents of Khudunabari refugee camp who had been verified as "bona fide Bhutanese" would begin in mid-February 2004. However, this did not take place, ostensibly because of an incident that occurred on December 22, 2003, when the Bhutanese Joint Verification Team (JVT) visited the camp. The JVT's leader explained the terms under which people were to be allowed to return, but his announcement met

<sup>1.</sup> Kuensel [Illumination], <http://www.kuenselonline.com>.

with an angry response, during which it is alleged that stones were thrown and the Bhutanese officials were manhandled. The entire Bhutanese team returned to Bhutan the day after the incident, demanding that the Nepal government mount an inquiry. Although Nepal did so, the process has remained stalled ever since. In 2004, it was reported that refugees had begun to join the Communist Party of Nepal (Maoist), and this was noted with alarm by Bhutan's National Assembly during its July session.

# The King, the Parties, and the Maoists in Nepal

In Nepal, Prime Minister Surya Bahadur Thapa resigned on May 7. Thus, the second government established since the king took back power in October 2002 collapsed. King Gyanendra granted audiences to a succession of political leaders and seemed to be considering appointing yet another pro-palace stalwart. Faced by growing political protests, however, he eventually asked the parties to agree on a nomination for the next prime minister. Unfortunately, they failed to reach a consensus and on June 2, the king reinstated Sher Bahadur Deuba, the prime minister he had dismissed in October 2002 on the grounds that he was incapable of holding general elections. One month later, Deuba appointed a cabinet that included representatives of four of the five main parliamentary political parties: the Communist Party of Nepal (Unified Marxist-Leninist), the Rastriya Prajatantra Party (National Democratic Party, RPP), the Nepali Congress (Democratic), and the Nepal Sadbhavana Party. The pro-monarchy RPP was more heavily represented than it was strictly entitled to be, while the Nepali Congress, led by Girija Prasad Koirala, from which Deuba led a breakaway faction, refused to join the cabinet, vowing to continue its agitation against "regression" with the aid of three smaller parties. However, the king's appointment of Deuba effectively reduced the base of this agitation and also produced schisms within several of the parties that joined Deuba's government.

Maoist influence spread during the year, especially in the western Tarai Districts. In roughly three-quarters of Nepal, neither the government nor the Maoists was in complete control. On March 3, Maoists attacked the town of Bhojpur in the eastern hills of Nepal, killing approximately 32 security personnel and destroying much of its administrative infrastructure. On March 20, they attacked Beni, in the western hills of Myagdi, killing about 30 security personnel in the initial attack and the firefight that followed when the Royal Nepalese Army retook the town. From Beni, they also abducted the head of the local administration and the deputy superintendent of police, along with about 30 police personnel. The Maoists suffered many casualties in both incidents. Contrary to claims by the government, it was clear that the Maoists had not lost the capacity to stage massive assaults that had characterized their strategy in earlier years.

However, the Maoists know that much of their support is hollow and based on fear. Maoist cadres have taken to mounting temporary abductions of large numbers of school teachers and students, who are taken to remote locations and subjected to political indoctrination sessions. Twelve- and 13-year-olds are given uniforms, treated with respect, and taught to handle guns.

The Maoists adopted two further strategies during 2004. The first was to enforce blockades on the district headquarters of the western districts, and also on the Kathmandu valley. These have met with considerable success, although the blockade of the valley was lifted after only one week. The second strategy has been to try to create an atmosphere of fear in the capital, with small bomb blasts—usually aimed at government offices—and threats against companies in which members of the royal family own interests or in which the Maoists consider that workers are not properly treated. Despite these efforts, the capital's economy continues to boom, and Kathmandu is largely unaware of the increasing desperation in the districts.

The execution of 12 Nepali hostages in Iraq on August 31 provoked several days of rioting and arson in Kathmandu and other towns; security forces responded by imposing curfews in many places. The targets singled out for attack by rioters included not only the manpower agencies blamed for duping and exploiting Nepali laborers but also mosques, Middle Eastern airline offices, and newspaper offices. It is widely believed that right-wing Hindu elements took this opportunity to attempt to create the kind of communal hatred that has been largely absent from Nepal to date.

## External Forces

The international community is becoming increasingly worried about the political impasse in Nepal. India and the U.S. have supplied the Royal Nepalese Army with hardware, training, and technical support, and the U.K. has provided non-lethal assistance such as surveillance aircraft. However, several foreign donor governments appear to be less than comfortable with the American policy of providing the Royal Nepalese Army with weaponry and are beginning to lay more stress upon the need for reestablishing the country's democratic institutions and processes. The Indian government sees the increasing involvement of Western governments as a threat to its own interests in Nepal, and the new Indian administration is likely to become more proactive in its Nepal policy.

In Nepal, King Gyanendra retains the unequivocal loyalty of the Royal Nepalese Army, which was deployed against the Maoists in November 2001. However, his popularity remains low among the population at large, and during 2004, an internal debate on whether Nepal should become a republic became increasingly audible. While this will be resisted strongly, not least by the army, most observers agree that Nepal's problems will not be solved by military means and that a political solution is the only answer. The problem with this is that a solution that does not grant the Maoists some share in power will not be durable; any solution that does include them will be seen by the Maoists as merely a first step on the road to a republican state, which is their ultimate aim.

Military actions in Bhutan's south briefly drew some attention in international news media, but otherwise, Bhutan received its usual measure of exoticizing coverage: the allegedly negative cultural impact of television was a particular focus and the government's attempts to ban sales of tobacco products also aroused some curiosity. Bhutan does not have bilateral relations with the main Western powers and is guided by India in its foreign relations.

Bhutan's transition to a limited form of democracy proceeds slowly, and King Jigme's position appears secure. However, the success of this political experiment will depend very heavily on the continued acquiescence of the international community, particularly India, to Bhutan's exclusion of a large section of its ethnic Nepali population, and on the country's ability to shield itself from increasing instability in India's northeast.