

NEPAL: FROM PEOPLE POWER TO PEACE?

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TABLE OF CONTENTS

EXECUTIVE SUMMARY AND RECOMMENDATIONS.....	i
I. INTRODUCTION	1
II. PEOPLE POWER	2
A. THE FOUNDATIONS	2
1. The parties' plans.....	2
2. The Maoist role.....	2
B. THE PRESSURE MOUNTS	3
1. Parties in control?	4
2. Maoist mobilisers.....	4
3. Wide participation.....	5
4. The capital encircled.....	6
C. WHY THE PALACE GOT IT WRONG	7
1. The counter-strategy	7
2. Tactical failures.....	7
3. Missing ministers.....	8
III. FROM KING'S GAMBIT TO CHECKMATE.....	9
A. THE FIRST CRACKS	9
B. PARTIES REJECT THE OFFER.....	10
C. DIPLOMATIC MISCALCULATIONS	11
D. THE FIRST ACT ENDS.....	13
IV. PARTIES AND PLANS	14
A. THE ALLIANCE VICTORIOUS	14
1. Consensus or divisions?.....	14
2. A Constitutional parliament?	15
3. Dealing with the Maoists, the king and the army.....	15
B. MAOIST CALCULATIONS	16
1. The initial response.....	16
2. They will probably play ball... ..	17
3. ...But push hard and keep other options open.....	17
C. THE PALACE: DOWN BUT NOT OUT	18
D. DIPLOMATIC REALIGNMENT	19
V. URGENT CHALLENGES	21
A. WEAK GOVERNMENT, WILLING DONORS.....	21
B. PEACE PROCESS	22
C. CONTAINING THE KING.....	23
D. CONTROLLING THE ARMY	24
E. TRANSITIONAL JUSTICE	25
F. PREPARING FOR CONSTITUTIONAL CHANGE	26
VI. CONCLUSION	27
APPENDICES	
A. MAP OF NEPAL	28
B. KING GYANENDRA'S PROCLAMATIONS.....	29
C. ABOUT THE INTERNATIONAL CRISIS GROUP	31
D. CRISIS GROUP REPORTS AND BRIEFINGS ON ASIA.....	32
E. CRISIS GROUP BOARD OF TRUSTEES	34

NEPAL: FROM PEOPLE POWER TO PEACE?

EXECUTIVE SUMMARY AND RECOMMENDATIONS

King Gyanendra's capitulation on 24 April 2006 in the face of a mass movement marked a victory for democracy in Nepal and, with a ceasefire between the new government and the Maoists now in place, the start of a serious peace process. Forced to acknowledge the "spirit of the people's movement", Gyanendra accepted popular sovereignty, reinstated parliament and invited the mainstream seven-party alliance to implement its roadmap – including election of a constituent assembly to rewrite the constitution in line with the parties' five-month-old agreement with the Maoists. The international community lost credibility by attempting to pressure the parties into an unworkable compromise with the king and must now work hard to support a difficult transition and peace process while avoiding similar mistakes.

The pro-democracy movement was a victory for the Nepali people on four fronts:

- Over the king. Nepal witnessed changes in mood during the several weeks of protests and strikes in April but there had long been widespread discontent with the king and his direct rule. The mass defiance of curfews to march against the monarchy following the king's misjudged first offer on 21 April was a decisive popular verdict which – even in the face of the massed ranks of loyal security forces – left the king with no option but surrender.
- Over the parties. People remained suspicious of the parties, both on the basis of their mixed record in government and their perceived willingness to do a deal with the king against the country's best interests. Nevertheless, most hoped sustained pressure would force the parties to provide representative political leadership in tune with public sentiment – an approach that has so far yielded concrete results.
- Over the Maoists. Maoist support, much as mainstream democrats are loath to admit it, was crucial to the movement's success. But people did not rally under the Maoist flag, even in rural areas where the insurgents had directly urged their

participation. While most endorsed elements of the Maoist agenda they did not heed calls for a revolutionary insurrection and sent a strong signal that people power is a constraint on the actions of the rebels as well as the palace and parties.

- Over the international community. Nepal is particularly exposed to external influence. Sandwiched between regional superpowers and long dependent on foreign aid, its leaders and people have often looked to outsiders at times of crisis. This time India, the U.S. and some European powers did help to create the environment for a democracy movement but were brushed off when they appeared to press for an unpopular solution to end the crisis.

The fact that the people at large, rather than purely party- or Maoist-organised action, forced the king's final climb down puts them in their rightful place at the centre of Nepal's politics and acts as a powerful constraint on misbehaviour by the major players. That they did so in the face of a coordinated international campaign to halt the protests means they need not be beholden to outside forces – this was a victory they won for themselves. That they successfully encouraged the parties to stand firm against the ill-advised external pressure bodes well for fostering genuine national ownership and direction of a peace process and constitutional reform.

The people's movement vindicated the parties' November 2005 twelve-point agreement with the Maoists, without which the movement would never have been possible. It also conclusively rejected the proposition that reconciliation between the palace and the parties to fight the Maoists was the only way forward. Encouragingly, the parties and the Maoists have reaffirmed their commitment to their joint peace plan. Solid self-interest underlies the twelve-point agreement; though there is no guarantee, implementing it successfully is still the most attractive option for both sides.

Nepal's much maligned political parties have recovered much of the popular credit they had squandered while in

office and while leading the earlier half-hearted “anti-regression” campaign against royal rule. However, the initial moves to form the new government were less inspiring, with squabbling over the allocation of ministerial portfolios delaying the process. The government of 84-year old Prime Minister Girija Prasad Koirala, who was sworn in on 30 April, is only an interim administration, with limited legitimacy to act in areas other than pursuing the existing roadmap for ending the conflict. It faces four immediate challenges:

- keeping the peace process on track;
- containing the king and controlling the army;
- planning for constitutional change; and
- responding to calls for transitional justice.

The international community will win back respect in Nepal if it helps the government as it tackles these challenges in an environment which remains precarious. The country is not yet back to business as usual. Donors must understand that their role should be to safeguard the difficult transition from people power to peace.

RECOMMENDATIONS

To India, the U.S., the European Union and Other Members of the International Community:

1. Coordinate an approach based on explicit shared principles including:
 - (a) establishing a Contact Group and complementary Peace Support Group, with the role of the latter all the more important now that a peace process is underway;
 - (b) accepting that Nepal’s people are the drivers of international engagement and that in the changed domestic political environment its parties, civil society groups and other representatives are in a better position than before to make their own suggestions;
 - (c) recognising that peace is the priority and “do no harm” the golden rule, while development agencies should continue to abide by their own Basic Operating Guidelines in order to keep pressure on the government and Maoists to do likewise;
 - (d) holding a possible follow-up to the 2002 London conference on Nepal, perhaps modelled specifically as a Peace and Development Forum and requiring inclusive preparation and participation; the plan of Nepali civil society activists to start the process by organising their own conference in Kathmandu at the end of June deserves support and serious participation; and
2. Make stability and peace, not reforms and increased development, the top order of business, recognising the need to:
 - (e) ensuring inclusive and participatory development, both to address the root causes of the conflict and to ensure that development agencies’ activities no longer reinforce socially, ethnically or regionally exclusive models as they sometimes have in the past.
2. Make stability and peace, not reforms and increased development, the top order of business, recognising the need to:
 - (a) avoid rushing into ill-considered “peace dividend” packages since poorly planned injections of cash and other support could well be counterproductive;
 - (b) remember that the new government is fragile and interim, its legitimacy based on popular support for a peace process, not a full-fledged government with legislative and governance capacities;
 - (c) acknowledge that development assistance cannot be separated from the political situation and processes and ensure that political analysis informs any aid planning; and
 - (d) evaluate government reach and administrative capacity in the districts, which is at least as important as change in top-level political environment.
3. Support the peace process by:
 - (a) helping monitor the ceasefire, if requested, and starting practical planning now for a small mission;
 - (b) preparing to assist both armed parties with a gradual demobilisation and demilitarisation process;
 - (c) using development and humanitarian assistance to consolidate peace by delivering services and opening up space for economic development;
 - (d) encouraging international financial institutions to give the highest priority to macroeconomic stability and transparency rather than forcing ambitious reform proposals on the interim government; and
 - (e) considering funding a thorough professional auditing of government, palace and military expenditure by reputable international accountants.

4. Conduct relations with the monarchy in accordance with the following principles:
 - (a) political leaders should meet with the king only if requested to do so by the government;
 - (b) countries with monarchies should resist any temptation to reward Gyanendra for his climb down with continued engagement, which would only further erode international community credibility; and
 - (c) Kathmandu-based diplomats should resist the temptation to rehabilitate royal cronies responsible for the worst excesses of royal rule.
5. Engage carefully with the security sector in accordance with the following principles:
 - (a) no resumption of lethal aid, especially now that the bilateral ceasefire renders it unnecessary;
 - (b) channel all contacts through the civilian government, with engagement with the military predicated on concrete steps being taken to operationalise democratic control;
 - (c) pressure to be maintained for full and transparent investigation of human rights abuses, including unresolved cases of forced disappearance, and for adequate sentencing of those convicted;
 - (d) assistance to build politicians' and civil servants' professional management capacities;
 - (e) support for the voluntary suspension of new contributions to UN peacekeeping missions until Royal Nepal Army human rights abuses are satisfactorily investigated and concrete steps taken to demonstrate democratic control; and
 - (f) support for the civil police, who need to be strengthened to play a crucial role in maintaining law and order during the ceasefire.
6. Respect that transitional justice is a sensitive area where national ownership and decision-making is crucial but be prepared to offer the government the benefit of experiences in other countries and technical input, as the UN Office of the High Commissioner for Human Rights has begun to do by volunteering to share with legitimate authorities the findings of its own investigations into abuses.
7. Avoid competing for involvement in the constitutional reform process and heavy-handed assistance that could compromise the essential

principle of a popularly endorsed constitution, but as requested by the government:

- (a) support a people-driven process, assisting where requested in funding or technically facilitating public consultations and a wide national debate; and
- (b) prepare to provide more detailed technical assistance where appropriate.

Kathmandu/Brussels, 10 May 2006

NEPAL: FROM PEOPLE POWER TO PEACE?

I. INTRODUCTION

The pro-democracy movement of April 2006 transformed Nepal's political landscape but is only the start of a lengthy and challenging road to peace.¹ The movement was remarkable for the breadth of popular participation and the speed with which it gathered momentum – both beyond the expectations of the mainstream parties and the Maoists. This report offers a preliminary analysis of the course of the movement and outlines the changed positions of the main political players – including the Nepali people – in the new situation created by the king's climb down.

The movement was neither fully planned nor fully spontaneous. It was founded on the loose political alliance forged by the parties and the Maoists in November 2005 and the hope that their joint peace plan had aroused in a population increasingly disillusioned with the multiple failures of royal rule. The protests belonged to the mainstream Seven-Party Alliance (SPA)² in name but owed more to the Maoists in practice. While playing a quiet – and largely non-violent – role, it was their activists who were best equipped with plans and an overall political strategy.

Nevertheless, despite fears that the protests would invite chaos, a collapse of state authority and an immediate rebel takeover, the Maoists were not able to push the movement to a sudden republican conclusion. This was partly because Gyanendra ultimately saw sense and surrendered power at the eleventh hour – something the Maoists were not alone in doubting he would manage – and partly due to the inherent conservatism of the mainstream parties, who were happy to accept a deal that at least deferred judgement on the monarchy's future.

But credit for the relatively stable transition to date must go largely to the demonstrators themselves. Despite incitement from Maoist activists and provocation from sometimes trigger-happy security forces, the massive crowds rarely became violent themselves. There were no full-scale riots, little destruction of property and, bar repeated stone-throwing, very few serious assaults on security personnel or government officials. However, the popular mood demanded more than the new SPA government seems willing to give. Keeping the public on board will be a major challenge, as will ensuring wide and transparent public participation in discussions about constitutional reform and plans for a post-conflict Nepal.

For the international community the overriding lesson of the 2006 people's movement is that crude efforts at political intervention against the current of popular feeling will fail. Kathmandu-based diplomats – including, when prey to Delhi politics, the otherwise well-informed Indians – have demonstrated the limitations of their political judgement. Still, the role they have to play now requires not sophisticated political analysis but rather measured and principled support for Nepal's legitimate leaders as they seek to implement their popularly endorsed roadmap.

¹ For reporting on the early stages of the pro-democracy movement, see Crisis Group Asia Briefing N°49, *Nepal's Crisis: Mobilising International Influence*, 19 April 2006. All Crisis Group reporting on Nepal is available at www.crisisgroup.org.

² The parliamentary parties which make up the seven-party alliance are the Nepali Congress (NC), Communist Part of Nepal (Unified Marxist-Leninist, UML), Nepal Sadbhavana Party (Anandi Devi), Nepali Congress (Democratic, NC(D)), Janamorcha Nepal, Nepal Workers and Peasants Party (NWPP) and United Left Front.

II. PEOPLE POWER

A. THE FOUNDATIONS

There were two main bases for the movement: popular discontent prompted by the repeated failures of the king's direct rule and hope that the twelve-point agreement between the mainstream parties and the Maoists would bring peace.³ In March 2006 the SPA and the Maoists reaffirmed commitment to their November 2005 deal.⁴ This was the immediate impetus for the April movement.

1. The parties' plans

The parties were all too aware that their earlier efforts at sparking a mass movement had failed. The proposed mass rally of 20 January 2006 had been easily blocked by a tough security clampdown. Their failures could largely be attributed to a breakdown in communication and planning with the Maoists. The parties were not strong enough to organise a genuine mass protest alone and, in the absence of a coordinated plan, Maoist attacks in the Kathmandu valley and across the country helped the royal government justify its crackdown.⁵

The first question the parties faced was whether to attempt a traditional strike/shutdown or a mass movement. The two were partly contradictory: a shutdown would prevent the parties themselves from mobilising people and thereby obstruct the chances of building a mass movement. The parties initially had low expectations for the strike they ultimately decided upon. Even as it got underway they were not confident that it would hold solidly for the originally scheduled four days (6–9 April).⁶

A further issue was whether to aim for centralised or decentralised protests. At the start, the Nepali Congress strongly insisted on a major show of the strength in the capital, originally slated for 8 April. But the UML pushed instead for decentralised demonstrations around the country, which was the plan finally chosen.

Party leaders did not want to repeat the mistake of simply allowing the government to arrest them in advance of the strike and thereby defuse the movement with little effort.

This time key leaders went into hiding in advance and, for once, successfully communicated their plans to colleagues so that some arrests and the anticipated shutdown of phone services were not as disabling as before.

The parties did not move many workers around the country but were surprisingly successful at mobilising their supporters in Kathmandu and other areas. Some were brought into the capital from outside, partly with the support of affiliated trade unions and youth movements but these in themselves did not amount to a critical mass. The major parties had sent officials from the centre to tour the country in the weeks leading up to the strikes and boost their local organisations.

2. The Maoist role

The Maoists' role was critical and consistent with their evolving political strategy. Following two years of difficult internal discussions, the October 2005 plenum approved the policy of eventually joining multi-party politics.⁷ At the same time as showing a commitment towards democracy, the plenum also decided to target urban centres, using both military measures and political mobilisation. This new urban focus left them better prepared to boost the movement in Kathmandu and other cities.

For the Maoists, the October 2005 plenum also marked the end of the first phase within their concept of "strategic offensive". This first phase, which began in August 2004 and had been devoted to boosting their political and military weight in the capital, had been largely unsuccessful. The Maoists were unable to mobilise in urban areas and their large-scale military assaults, apart from the attack on a poorly defended army road construction camp in Kalikot in August 2005,⁸ had little impact.

The second phase sought to address these weaknesses by using the loose alliance with the mainstream parties to increase political leverage and reshape military strategy.⁹ The Maoists had hoped to make a joint appeal with the parties for the general strike – negotiators agreed in Delhi but Girija Prasad, Nepali Congress president and de facto leader of the SPA, refused.¹⁰ Still, they knew that throwing

³ See Crisis Group Asia Report N°106, *Nepal's New Alliance: The Mainstream Parties and the Maoists*, 28 November 2005.

⁴ The SPA leaders and Prachanda released the same statement separately on 19 March 2006.

⁵ The Maoists attacked police posts at Thankot and Dadhikot, on the outskirts of Kathmandu, on 14 January 2006, killing fourteen policemen. See Crisis Group Asia Report N°111, *Nepal: Electing Chaos*, 31 January 2006.

⁶ Crisis Group interviews, Kathmandu, April 2006.

⁷ Prachanda, press statement, 28 November 2006.

⁸ The attack was on 7 August 2006. See Prabhakar, press statement, 8 August 2006.

⁹ The plenum adopted a new military strategy of "standing on the spine to strike the head" – the spine referring to highways and supply routes, the head to urban areas, mainly Kathmandu. See Crisis Group Report, *Electing Chaos*, op. cit.

¹⁰ In the end they released the same statement separately. Interview with Girija Prasad Koirala, *The Kathmandu Post*, 3 April 2006.

their weight behind the movement would bring them benefits, even if the parties claimed sole ownership.

The Maoists' plans to support the movement were more concrete than those of the parties. They included:

- **Blockades to support the shutdown.** On 14 March 2006 the Maoists had already announced a nationwide program to blockade district headquarters and major highways.¹¹ However, once the parties prepared their shutdown the Maoists announced they would support it and withdraw their unilateral action.¹²
- **Military pressure.** Since their October 2005 plenum, the Maoists had not only restructured their military but also had started assembling large numbers of armed and political cadres in the Gandak and Lumbini region.¹³ As part of the restructuring, they created a Special Central Command for the Kathmandu region, a party committee that controlled a military division. Planning revolved around the possibility of a mass insurrection. Although they doubted one was immediately likely, they were prepared to launch large attacks in and around the Kathmandu valley if the situation demanded.¹⁴ Maoist chairman Prachanda heeded the parties' call not to disrupt their peaceful movement with violence in the capital¹⁵ but they wanted to be ready to strike if state retaliation prompted serious disorders which they could exploit.¹⁶

¹¹ Prachanda and Baburam Bhattarai, press statement, 18 February 2006.

¹² Prachanda and Baburam Bhattarai, press statement, 19 March 2006.

¹³ The Palpa attack of 31 January 2006 was part of this process. See Prabhakar, press statement, 1 February 2006. They also attacked the central Tarai district of Sarlahi on 5 April 2006. "Sainik helikopter dhwasta", *Samaya*, 13 April 2006.

¹⁴ The Maoists had planned a major military assault somewhere inside the Kathmandu valley during 6-9 April 2006. Some of their divisions were moved towards Kathmandu from the western command, under the leadership of Deputy Commander Prabhakar, who was based in the Gandak region, mainly in Palpa, for several weeks. Crisis Group interviews, Maoist and state security sources, April 2006. In the end, there was only one major Maoist attack during the period of the movement, on a communications tower in Chautara, Sindhupalchok district, just north of the Kathmandu valley on 23 April. Its political intention was not clear. "Maoist rebels attack Chautara", *ekantipur.com*, 24 April 2006.

¹⁵ Prachanda, press statement, 3 April 2006.

¹⁶ Deputy Commander Prabhakar was reportedly unhappy with the Kathmandu ceasefire. When he withdrew his forces towards the west, the RNA suspected they might regroup for a major attack somewhere between Palpa and Rolpa-Rukum. Crisis Group interview, military intelligence source, April 2006.

- **Political mobilisation.** The Maoists deployed political workers in Kathmandu and all other urban centres to incite the public, boost demonstrations and provide political direction to otherwise unguided masses.¹⁷ They sensed that anti-monarchy sentiment across the country had made the time ripe for a more overtly republican campaign. Rather than the abstract slogans of "anti-regression" and "full democracy" that the mainstream parties had used, they encouraged the adoption of populist republican slogans, especially those directed personally against the king and his unpopular son, Crown Prince Paras.
- **Creating a rural uprising.** Although the general strike was led, at least nominally, by the mainstream parties, the Maoists are dominant across the countryside and their support and active direction was required to mobilise the rural population. They encouraged villagers to participate in protests not only in their own locality but also in district and regional headquarters. They planned as well to bring large numbers into the capital but that did not happen.¹⁸
- **Maintain their public relations offensive.** The Maoists were determined to build on the gains they had made in recent months by presenting a more compromising face to the world. Although they were tempted to break with the parties when refused a share in the call for a shutdown, this was a major factor in persuading them to be flexible and accommodating. They issued press statements drawing attention to their support for a peaceful movement and then declared a ceasefire in the Kathmandu valley – a step that may or may not have been in their original plans. They also issued their strongest ever public commitment to respect human rights,¹⁹ while skilfully using both the Nepali and international media to improve their image.
- **Holding their own mass meetings.** The Maoists used the party-led general strike to continue their own political mass mobilisation in parallel to the efforts to support the parties.

B. THE PRESSURE MOUNTS

The scale of people-participation as the strike took hold surprised both the parties and the Maoists. Much as they had worked to instigate the movement, they were neither

¹⁷ Crisis Group interviews, Kathmandu, April 2006.

¹⁸ Crisis Group interviews, Maoist sources, April 2006.

¹⁹ "Maobadidvara manavadhikar evam manaviya siddhantaprati pratibaddhatako ghoshana", *Janadesh*, 18 April 2006.

solely responsible for its sudden growth nor fully in control of it.

1. Parties in control?

Initially, party cadres and leaders were hardly seen in the protests and very rarely in the lead. Party flags, a staple of any organised demonstration, were few and far between. Most corner meetings, rallies and marches were spontaneous, managed by local activists or instigated by Maoist cadres rather than guided by central party planning.²⁰ The participants were overwhelmingly ordinary people, neither hardcore mainstream party or Maoist supporters. They were largely from those classes that had supported democratic politics and would probably still vote for mainstream parties if given the choice.

Activists from the parties' various fronts – student and youth wings, affiliated trade unions, women's wings and the like – were involved but did not appear to be working according to a coordinated strategy.²¹ When senior leaders did eventually start joining the protests, they did so as ordinary participants. There were very few speeches and traditional corner meetings. It was only after the king's second announcement that the key leaders even appeared in public. Nevertheless, party leaders were keen to insist that the movement remained under their guidance, not that of the Maoists – leading to a very public disagreement between G.P. Koirala and Maoist spokesman Krishna Bahadur Mahara on the BBC Nepali service on the evening of 10 April.²²

2. Maoist mobilisers

The Maoist role in intensifying the movement was vital. By the time Prachanda announced the Kathmandu valley ceasefire, hundreds of unarmed rebels had already entered the valley.²³ While they publicly supported the SPA program and even carried mainstream parties' flags and banners, they were in fact driving the movement from within. They concentrated on encouraging the use of republican slogans and inciting the crowds to a more confrontational mood.²⁴ They hoped to change the nature

of the movement, for example by planning to snatch security forces' weapons during clashes, believing that one or two such incidents would create a snowball effect.²⁵

On 9 April Prachanda announced a six-point program to support the ongoing movement: (i) continuing demonstrations in defiance of any government restriction; (ii) destroying royal statues around the country;²⁶ (iii) removal or defacement of official signboards bearing the title "His Majesty's Government"; (iv) supporting local declarations of a republic;²⁷ (v) urging people not to pay taxes; and (vi) controlling the highways by force.²⁸

Maoist activists brought their experience to bear in organising blockades on valley roads by felling trees and building other obstacles. Their aim was to provoke a violent reaction from the security forces and be ready to exploit any chaos. They also organised corner meetings, using different names at various locations in central Kathmandu during the curfew. One was organised at Maitidevi just in front of army (RNA) troops under the banner of the "Peaceful Struggle Committee"; at Ghattekulo a Maoist cadre who spoke disguised himself as a local leader of NC (Democratic).²⁹

The Maoists were the main provocateurs in Gongabu, another centre of protests on the Kathmandu ring road. In Lalitpur, a Maoist cadre, Dinesh Chapagain, was injured by police gunfire and hospitalised for four days.³⁰ Meanwhile, the Maoists enforced a near-total blockade,

Kirtipur, scene of an impressive peaceful mass meeting on 10 April, brandished sticks at a rally in Balkhu.

²⁵ Crisis Group telephone interview, Maoist source, April 2006.

²⁶ Not many statues were damaged, partly because guarding them has long been a priority for the security forces. However, there was a symbolic destruction of a statue of Gyanendra that was under construction in Nepalgunj on 18 April. See "One demonstrator dies, 100 injured during demonstrations on Tuesday", nepalnews.com, 19 April 2006. A statue of Kanti Rajya Laxmi, King Gyanendra's mother, was destroyed at Tribhuvan University, Kirtipur on 7 April. See "Nation tense, 300 arrested in valley", ekantipur.com, 7 April 2006. In Butwal, a statue of King Mahendra, father of Gyanendra, was destroyed on 6 April. See "250 held, 2 dozen injured in districts", ekantipur.com, 6 April 2006. Following the success of the movement, demonstrators placed political flags on the statue of Prithvinarayan Shah at the main entrance to the Singha Durbar government complex. Following such incidents, RNA soldiers were deployed to guard statues in place of poorly armed police.

²⁷ This happened first and most prominently in Chitwan but did not catch on. See "Fleeting 'republic' in Nepal", *The Telegraph*, 9 April 2006.

²⁸ Press statement, Prachanda, 9 April 2006.

²⁹ Crisis Group observations, Ghattekulo and Maitidevi, Kathmandu, April 2006.

³⁰ Interview with Lekhnath Neupane, Maoists student front ANNISU (R) chairman, *Jana Aastha*, 3 May 2006.

²⁰ Crisis Group interviews and observations, Kathmandu, April 2006.

²¹ Crisis Group interviews, Kathmandu, April 2006.

²² "'This is our joint programme': Mahara; 'No, it is our own movement': Koirala", nepalnews.com, 11 April 2006.

²³ Crisis Group interviews, Kathmandu, April 2006.

²⁴ There were few reported instances of deliberate violence against the security forces. In Gongabu there were unconfirmed reports of a khukuri and steel rod attack on police officers, something the police did not believe could be attributed to mainstream party supporters. Crisis Group interview, police officer, Kathmandu, 15 April 2006. On 16 April, protestors from

assisted by the government's own curfews. As supplies became scarce, the sense grew that the government had lost control.

By this stage, the Maoists' student wing, the ANNISU (Revolutionary), had formally announced it was actively participating in the movement.³¹ Its president, Lekhnath Neupane, had started working within the Kathmandu valley some days after the beginning of the strike, as had the chief of the Maoist teachers' wing, Gunaraj Lohani.³² The Maoists may well be behind various "independent" republican fronts, such as the Ganatantrik Sanyukta Morcha (United Republican Front), an eleven-member organisation coordinated by Ishwar Paudel and involving Maoist supporters, which was announced at an 18 April press conference in a Kathmandu hotel.³³

As well as participating in SPA-led rallies, the Maoists became bolder in organising their own open mass meetings. They held one on 24 April on the main highway in Pathari Bazar, Morang, close to the RNA's eastern divisional headquarters at Itahari.³⁴ Maoist First Division Commissar Dinesh Sharma (aka Sagar), Chhintang-Sukhani Memorial Brigade Commissar Sandhya and other leaders addressed the crowd. The Maoists also sent hundreds, if not thousands, of people from Rolpa, Rukum and Salyan districts to participate in the anti-monarchy demonstrations in Ghorahi, Dang.³⁵

3. Wide participation

Broad popular participation was the defining feature of the movement. However, various categories of protestors joined the protests at different stages and with different motivations.

Professionals. Many professional associations supported the movement and mobilised their members. These included some (such as lawyers and journalists) who had been protesting for months and others (such as doctors and teachers) who had been critical in the 1990 democracy movement but had, until now, been relatively silent. When cinema stars and popular singers also came out in protest, it was clear that the movement had gained critical mass. By the last days, usually apolitical development professionals and even embassy employees joined demonstrations.³⁶

Civil society. Many key civil society leaders had been imprisoned since well before the start of the protests. Leaders of the Citizens' Movement for Democracy and Peace such as Devendra Raj Panday and Krishna Pahadi, for example, had been in detention since the 19 January 2006 roundup.³⁷ Nevertheless, their earlier efforts – organising meetings and rallies across the country in the many months of relative inactivity by the political parties – were one of the essential bases for the movement. As the protests grew, civil society groups continued to play a political role, partly by issuing statements urging the party leaders to appreciate the popular mood³⁸ and partly by organising some demonstrations.³⁹

Media. Domestic press, radio and television coverage was significant in boosting the movement – something not there in 1990. Hourly FM radio bulletins kept people well-informed and did much to undermine the government's cut-off of mobile phones. Television news not only showed impressive crowds around the country but also fuelled popular anger at the government's violent response. For example, Kantipur TV's juxtaposition of the image of a critically injured protestor at Kalanki with King Gyanendra welcoming Indian envoy Karan Singh to the splendid comfort of his palace became a common talking point.⁴⁰

Human rights workers. Members of national human rights organisations – such as COCAP and INSEC – showed bravery in monitoring clashes between protestors and security forces and acting as on-the-ground observers to prevent abuses. This also had a political significance: probably not one of the hundreds of human rights observers in Kathmandu was on the royal government's side. Given their commitment to democratic principles, their presence could never be entirely impartial, but it could give protestors a further sense of support. Human rights workers also disseminated information about protests, both by word of mouth and by reports and photos that were widely distributed over the internet and electronic media.

The civil service. The movement gained further momentum when government bureaucrats started to participate, a previously unthinkable development. The first were employees of critical government corporations, such as the Nepal Telecommunications Corporation and Nepal Electricity Authority, and staff who shut down the national bank almost completely. Local administration officers in the districts stopped work; some palace-appointed regional and zonal administrators, as well as nominated

³¹ Press statement, ANNISU (Revolutionary), 15 April 2006.

³² Crisis Group interviews, Maoist sources, 20 April 2006.

³³ "Ganatantrik vidyarthi ekjut", *Jana Ekta*, 24 April 2006.

³⁴ "Morangma ganatantrik sabha", www.krishnasenonline.org, 16 April 2006.

³⁵ BBC Nepali Service news, 22 and 23 April 2006.

³⁶ Crisis Group interviews, Kathmandu, 18-22 April 2006.

³⁷ See Crisis Group Report, *Electing Chaos*, op. cit.

³⁸ "Open letter to ambassadors from Duwakot detainees", www.insn.org, 23 April 2006.

³⁹ "Civil society leaders detained inhumanly", ekantipur.com, 9 April 2006.

⁴⁰ Crisis Group interviews, Kathmandu, 21-22 April 2006.

District Development Committee chairmen, fled or went into hiding. The families of security forces joined very public demonstrations, as did retired soldiers and police officers. All this boosted the morale of other demonstrators and paralysed state machinery. Even senior civil servants in the home ministry went on strike to protest the state violence for which they were theoretically responsible.

The business community. The palace had looked to the business community as one of its few solid pillars of support but discontent had slowly been growing since the royal coup.⁴¹ Those running small businesses were the first to join the protests, partly because they had time on their hands due to the enforced strike. Even taxi drivers, normally the first to complain about a shutdown which affects their earnings, were universally supportive. One by one, district chambers of commerce and industry declared their support for the movement.⁴² Tourism entrepreneurs protested, first individually and then under the banner of their trade associations, and even five-star hotel workers wore black armbands and held brief strikes. Private banks and other key industries voluntarily closed. Private school associations declared they would only reopen after the return of democracy.

The general public. From the start, it was noteworthy that people for once did not complain about the shutdown. Those who simply counted the crowds as an indication of the movement's strength underestimated its reach. There were at least four categories of participation: (i) organisers and instigators (mainstream party, Maoist or independent); (ii) active participants – those on the streets, chanting slogans, marching; (iii) indirect participants – onlookers and hangers-on, those giving water or other help to demonstrators; and (iv) silent supporters, who may have stayed at home but supported in other ways; for example, the large sums raised very quickly, but in multiple small donations, for injured protestors' medical relief were a sign of the depth of public support.⁴³ Youth and students were prominent, many not from political backgrounds. Some critics have suggested that the predominance of younger people implies an easily excitable mob but it reflects Nepal's demography – half of the population is under the age of 25.

4. The capital encircled

Kathmandu's ring road, not the city centre, became the fulcrum of the movement for a number of reasons, the first practical. The earlier small demonstrations within the central residential neighbourhoods were blocked when they reached main roads and unable to link up into larger gatherings. The traditional focal points such as Ratna Park or Durbar Marg were well guarded by security forces. The ring road became more clearly defined as a boundary within which curfews were imposed, making it natural for protestors to gather around its edges.

As the strike took hold, citizens of the small town of Kirtipur just outside the ring road grabbed the headlines. On 10 April they sat on the road to block the RNA's armoured personnel carriers.⁴⁴ On the same day Kirtipur was host to a remarkable mass meeting, as thousands gathered to listen to speeches by university teachers, politicians and civil society activists, as well as an extemporaneous poetry recital by a young student that captivated the nation when it was replayed on television.

Once well-developed pockets of protest developed in locations such as Gongabu and Kalanki, it was easier for organisers to bring them together to create larger crowds. The first such gathering was on 15 April, when separate small rallies joined up in the Balkhu area, generating a crowd in the tens of thousands. The police responded with tear gas and rubber bullets, injuring dozens including former NC minister Savitri Bogati. The next day processions from Kalanki and Kirtipur again met at Balkhu and tried to enter the city. Police rubber bullets injured twelve demonstrators.

The increased numbers of protestors and the violent responses fuelled each other. The first major clash in the Kathmandu valley was at Gongabu on 11 April, when police fired live bullets on unarmed demonstrators from the house of Assistant Inspector-General of Police Rup Sagar Moktan – the incident that perhaps most fuelled the movement.⁴⁵ The killing of three demonstrators at Kalanki on 20 April, while avoidable, was a logical extension of the trend.

But the ring road's significance was more than just practical. Kalanki is the main entry point to the city for

⁴¹ See Crisis Group Asia Briefing N°41, *Nepal: Beyond Royal Rule*, 15 September 2005.

⁴² This support was emotionally strengthened when security forces killed Govinda Nath Sharma, a former central member of the Federation of Nepalese Chambers of Commerce and Industry, in a protest in Parbat district on 21 April 2006. See Surya Thapa, "Jasle mrityu swikare", *Himal Khabarpatrika*, 29 April 2006.

⁴³ Crisis Group observations, Kathmandu, April 2006.

⁴⁴ Crisis Group interviews, Kirtipur, April 2006.

⁴⁵ *The Kathmandu Post* photojournalist Prakash Mathema was awarded the Shreedhar Acharya National Award for Journalism for his picture of a pistol being fired from Moktan's house. The photograph was published immediately on the internet and appeared in the 12 April 2006 issues of *The Kathmandu Post* and *Kantipur*, illustrating the power of the media in fuelling public anger. "World Press Freedom Day observed", *The Kathmandu Post*, 4 May 2006.

most travellers from the rest of the country, where the road from the Kathmandu valley's western pass at Thankot reaches the capital. Gongabu houses the long-distance bus park and has long had a mixed population, including many transient residents staying in cheap hotels and rented accommodations. These locations symbolised the dominant role in the movement of outsiders and migrants rather than settled Kathmanduites.

The surrounding villages contributed many protestors. The non-urban parts of the valley (known locally as *kanth*) retain a class and social character very distinct from the cities and which was evident in many protests.⁴⁶ Mobilisation outside the city centre gave the parties an added benefit: they could show their continued strength in areas close to the capital but largely beyond the reach of the urban-focused civil society movements.⁴⁷

Kathmandu's Newar community did not appear to participate with anything approaching the intensity of 1990, when the government's loss of control over their areas in the city centres was a tipping point. This may have been partly due to the detention of well-known Newar leaders (such as Padma Ratna Tuladhar, Mathura Shrestha, Malla K Sunder and Shyam Shrestha) but more likely reflected continuing disillusionment with the record of the mainstream parties. There were efforts to mobilise the Newar community. For example, a Democratic Newar Struggle Committee formed on 15 April organised a small rally in Asan the following day, and one representative body, the Jyapu Mahaguthi, appealed to Newars to stand up for human rights.⁴⁸

Despite a significant presence at the large Kirtipur demonstrations, however, the core Newar areas of Kathmandu, Patan and Bhaktapur were not pivotal. This was reinforced by the symbolism of the masses from outside entering the city, when large crowds finally broke the curfew cordon on 22 April. It was the threat of mass encirclement of Kathmandu by multiple demonstrations around the ring road planned for 25 April that gave the king his final deadline.

C. WHY THE PALACE GOT IT WRONG

1. The counter-strategy

Despite its efforts to look unruffled, the royal government had long been worried that a people's movement might succeed – this is why it was willing to sacrifice further

international sympathy with mass arrests on 19 January. According to one report, the home and defence ministries spent Rs 810 million (\$11.3 million) in the six months before April to prevent parties from mobilising.⁴⁹ This was meant to pay for extra informers and security planning but, with little requirement for accountability, much was embezzled once it had been distributed.

Home Minister Kamal Thapa led the government's political counter-offensive. From well before the strike began, he repeatedly claimed that the Maoists were using the political parties to foment urban insurrection.⁵⁰ This argument, while not entirely false, was poorly calculated in terms of its public reception – few people believed it and many more were incensed by the way Thapa used it to pretend that ordinary people were not against the royal government. Beyond this there was no political strategy to speak of. When the protests reached a critical mass, the king was reduced to rehearsing his old tactics of appointing puppet prime ministers.

Thapa and other palace advisers believed the government could still control the demonstrations and ride out the storm by a combination of the methods used repeatedly since the royal coup: arresting leaders, shutting down communications, imposing a curfew and using well-armed troops to cow the people. They remained confident that most Kathmandu residents were still disillusioned with the mainstream parties and would not respond to the call to rise in protest.⁵¹ This was a reasonable assumption on the basis of the parties' earlier efforts but ignored the underlying mood and overestimated the tolerance for Gyanendra's misrule.

The government did realise that a heavy-handed security response would be counter-productive. It issued strict instructions to security personnel to avoid lethal force at all costs, especially in the Kathmandu valley. In many cases the handling of demonstrations was coolly professional despite the tensions.

2. Tactical failures

In total there were eighteen confirmed deaths during the nineteen-day agitation.⁵² The first was in the eastern plains

⁴⁶ Crisis Group interviews, various Kathmandu ring road locations, April 2006.

⁴⁷ Crisis Group interviews, Kathmandu, April 2006.

⁴⁸ "Newar community take to streets", *The Kathmandu Post*, 17 April 2006.

⁴⁹ Kedar Subedi, "Andolan dabauna ru. 81 karod", *Himal*, 29 April-14 May 2006.

⁵⁰ "Atankavadiko sapana ra abhishta sarkarle saphal huna dine chhaina: grihamantri", *Gorkhapatra*, 25 March 2006.

⁵¹ Crisis Group interviews, Kathmandu, April 2006.

⁵² The demonstrators who were killed are Dashan Lal Yadav, 50 (killed in Rajbiraj); Bhimsen Dahal, 34 (Pokhara); Tulasi Chhetri (Chitwan); Shiva Hari Kunwar, 22 (Pokhara); Bishnu Pande, 32 (Nawalparasi); Hiralal Gautam, 25 (Bara); Setu B.K., 25 (Nepalgunj); Rajan Giri (Jhapa); Suraj Bishwas, 26 (Jhapa); Dipak Kami, 21 (Kalanki, Kathmandu); Basudev Ghimire

town of Rajbiraj. UML cadre Dashan Lal Yadav was seriously injured by police shots on 5 April and died in hospital. The killing of a Tarai native fuelled the movement in the surrounding areas. The tourist town of Pokhara became another hotspot after the army killed 34-year old Bhimsen Dahal on 8 April. When security forces opened fire on angry mourners at the funeral in his home town of Banepa, 30 km from Kathmandu, a 22-year-old youth was killed. Sentiment was further inflamed when the army killed demonstrators in the eastern district of Jhapa on 19 April. This incident provoked angrier protests in Kathmandu, and on the following day three protestors were killed at Kalanki, the first deaths in the capital. By then the public mood had decisively shifted, and many protestors started carrying portraits of the “martyrs” rather than party symbols.⁵³

The king’s own behaviour alienated many from the start. He had spent around two months in his lakeside palace at Pokhara, where he moved on 17 February, reportedly on his astrologer’s advice. When he released his traditional Nepali new year’s message on 14 April – his first public statement since the general strike started – he made no mention of the protests and gave no hint of concern. This did him no favours with the public. Such errors of judgement were only compounded by the security forces’ unapologetic response to the killing of protestors. They forcefully seized the body of one protestor killed at Kalanki on 20 April, Deepak Bishwakarma, from a local hospital to do a post-mortem without consulting doctors and relatives. The body of Bhimsen Dahal, killed in Pokhara, was sent to his home district, Kavre, without informing his wife. There are allegations that the army has concealed the bodies of two unnamed protestors.⁵⁴

(Kalanki, Kathmandu); Pradyumna Khadka, 32 (Kalanki, Kathmandu); Sagun Tamrakar, 18 (Banepa, Kavre); Yadav Lal Lamichhane, 55 (Bardiya); Govinda Nath Sharma, 53 (Parbat); Mohammed Jahangir, 23 (Tripureshwar, Kathmandu); Anil Lama (Chabahil, Kathmandu) and Chandra Bayalkoti (Tripureshwar, Kathmandu). Five of these died of injuries after the completion of the movement. Locals also allege that the RNA has yet to hand over the bodies of two protestors who were killed by the army in Jhapa on 19 April. The Nepali media and political parties have declared 21 “martyrs” to date: those confirmed killed, the two suspected additional Jhapa deaths and UML activist Umesh Thapa, who was killed during a protest in Dang on 8 February. During the movement, 6,000 protestors were injured, fifteen lost their eyesight, sixteen received serious head injuries and 150 in Kathmandu suffered broken arms and legs. “House passes motion on probe commission”, *The Kathmandu Post*, 5 May 2006.

⁵³ Crisis Group observation, Kathmandu, April 2006.

⁵⁴ See Govinda Pariyar, “Swatantrataka lagi utsarga”, *Samaya*, 4 May 2006.

The government had not imagined that so many ordinary people would be willing to defy curfews. But the lengthy curfews angered people in a way that the party strike had not and meant that the government could be blamed for the shortages of essential commodities and disruption to daily life. Curfews were initially timed to enable workers, in particular civil servants, to do a full day’s work. However, their cumulative effect was to hasten the collapse of basic administration as bureaucrats took their cue from the general shutdown and increasingly opted to stay at home.

Neither security actions in the cities or the districts limited Maoist activities. There was no concerted effort to lift the blockade of major highways (although one or two small convoys went into Kathmandu). A few Maoist activists were arrested in the capital but these were only a fraction of the insurgents active in the valley. Their Lalitpur district secretary Ramesh Regmi (aka Amar), of Jamunapur, Chitwan, was arrested on 17 April;⁵⁵ Rajkaji Maharjan (aka Deepak), of Sunakothi, Lalitpur, and Bhairab Bahadur Bhandari, of Thansingh, Nuwakot, were picked up at Gongabu on 18 April.⁵⁶ However, these arrests did not fundamentally disrupt Maoist efforts. Even when Maoists led demonstrations under their noses, the security forces did not react.

3. Missing ministers

As the movement gained intensity, the lack of a planned political strategy became all the more evident and crippling. Unlike in 1990, there were almost no efforts to fight back. In 1990 “retaliation committees” were set up in each district to organise pro-Panchayat events and target opponents; *panchas* were required to hold rallies in support of the system, and *mandales* (pro-palace thugs), were sent to beat up and intimidate demonstrators.

In comparison, the government’s rearguard action in April 2006 was almost nonexistent. Kamal Thapa, Nicchhya Shamsheer Rana and their supporters tried unsuccessfully once to organise a pro-government rally.⁵⁷ Gangs of Crown Prince Paras’s violent supporters – who had been active in the preceding months – were nowhere to be seen.⁵⁸ Some loyalists later complained that no palace-appointed local official, or those elected under palace patronage in the February 2006 municipal polls, dared

⁵⁵ Crisis Group interviews, Kathmandu, April 2006.

⁵⁶ Crisis Group interviews, Kathmandu, April 2006. Nepal Television also showed a Maoist cadre who had been arrested on 16 April during a seven-party protest program in Pokhara.

⁵⁷ Crisis Group interview, Kathmandu, 20 April 2006.

⁵⁸ There were reports of funding and other assistance given by the government to *mandale* groups (see, for example, “Free NTC CDMA sets for vigilantes”, *The Himalayan Times*, 7 May 2006) but this appears to have been ineffective.

show their faces in opposition to the movement.⁵⁹ They also blamed the cabinet political committee, composed of a handful of key ministers, for failing to come up with any plans.

By the king's first proclamation, on 21 April, key ministers had gone into hiding and were no longer able to perform basic departmental duties. As the king was speaking on state television, Home Minister Thapa gave his police escort the slip and disappeared. Only after an intensive search was the army able to track him down and force him to come to RNA headquarters to fulfil basic administrative responsibilities, such as signing curfew orders.⁶⁰ No ministers appeared in public to back the king's first proclamation.

After a long silence, the ministry of foreign affairs briefed ambassadors on the afternoon of 24 April. Officiating Foreign Secretary Hira Bahadur Thapa apologised for the lack of communication and made a half-hearted effort to support the king's earlier proclamation, although all those present realised it had failed.⁶¹ Foreign Minister Ramesh Nath Pandey, who had earlier delighted in making such presentations, was absent. His last official action before going into hiding, like that of Education Minister Radha Krishna Mainali, was reportedly to remove incriminating files from his office.⁶²

III. FROM KING'S GAMBIT TO CHECKMATE

A. THE FIRST CRACKS

After almost two weeks of growing protests, the palace realised that simply riding out the storm would not work. Something had to be offered to the parties but the king still planned to use his established divide-and-rule tactics. The aim was to craft a compromise that would tempt the more cautious, conservative elements in the mainstream parties and defuse public agitation. Palace emissaries were dispatched to frantic negotiations with sympathetic royalist politicians. The big names – Surya Bahadur Thapa, Pashupati Rana, Lokendra Bahadur Chand and their like – had refused to back the royal coup but might rally round if the king offered concessions in a last-ditch effort to salvage a continuing political role for the monarchy.

Former Nepali Congress Prime Minister Krishna Prasad Bhattarai had long been the palace's ideal choice for the next puppet prime minister. He was summoned to meet the king and made encouraging comments to the press: that he was a royalist at heart and sure democracy would soon be returned. But stern advice from his party colleagues and others persuaded him to resist the royal gambit.⁶³

In the meantime, a concerned international community was stepping up pressure on the king to offer a sensible deal to the parties. When New Delhi decided to send Karan Singh, a senior Congress politician and son of the last Maharaja of Kashmir, as a special envoy to reason with Gyanendra, other major powers held back in the hope that this would succeed. Singh arrived in Kathmandu on 19 April, met senior party leaders (UML General Secretary Madhav Nepal was released from detention shortly after he landed), and then had a lengthy private conversation with the king the following day. After expressing hope for a quick resolution, Singh cancelled the remainder of his scheduled visit and returned immediately to New Delhi.⁶⁴ Indian Ambassador Shiv Shankar Mukherjee continued discussion with the king on 21 April, and SPA leaders privately agreed that they would accept the offer of a restored parliament. However, the king made no such explicit offer, although palace advisers may have believed that restoration of parliament was implicitly accepted in Gyanendra's promise to abide by the advice of the new prime minister.⁶⁵

⁵⁹ Crisis Group interviews, Kathmandu, April 2006.

⁶⁰ Crisis Group interview, home ministry official, Kathmandu, 29 April 2006.

⁶¹ Crisis Group interviews, Kathmandu, 24 April 2006. See "MoFA briefs foreign diplomats on royal proclamation", nepalnews.com, 24 April 2006.

⁶² "Ministers take away 'official documents'", *The Kathmandu Post*, 26 April 2006. Pandey denied that Report, Letter, *The Kathmandu Post*, 27 April 2006. If Mainali did remove documents, they could have related to the use of *mandale* vigilantes, who have traditionally been recruited and managed through state sports institutions under the control of his ministry.

⁶³ John Cherian, "King-size crisis", *Frontline*, 22 April 2006.

⁶⁴ "King sends Karan packing", *The Telegraph*, 21 April 2006.

⁶⁵ The king had consulted Attorney-General Laxmi Bahadur Nirala before his announcement. Nirala may have advised that a new SPA government with executive power could simply demand that the king restore parliament. "Govt under Article

The circumstances of the king's first proclamation had already suggested to the parties that the offer was not in good faith. Most political prisoners, including the many non-violent civil society leaders and human rights defenders who had been imprisoned without trial, remained in detention. Two senior UML leaders, Jhalanath Khanal and Bamdev Gautam, were arrested at the airport on their return from New Delhi, just hours before the proclamation. Until the last minute, the efforts to persuade Bhattarai to accept the post of prime minister continued; only his refusal forced grudging acceptance that an invitation to the seven-party alliance was the only remaining option. Once this became clear, there was discussion inside the palace about the announcement of a constitutional assembly, but with pre-conditions.⁶⁶

Despite the extremely tense situation – tens of thousands of angry protestors were defying the curfew on the streets of Kathmandu and had breached security cordons – the king did not consult the parties before his announcement or even give them advance warning. This cast doubt on whether he genuinely wished a smooth handover. Had he been sincere, a stable transition would have required negotiating the deal, ensuring the parties were ready to respond and making an immediate announcement of the handover to the agreed new government.

When the king finally appeared on national television in the evening of 21 April, he offered to return executive power, “which was in our safekeeping”, to the people. He proposed to do this by inviting the SPA to nominate a candidate of its choice for prime minister. This met with an immediate angry response on the streets and deep scepticism from political leaders.

The international community, which had been pressuring the king both privately and publicly to compromise and restore democracy,⁶⁷ rushed to endorse the royal proposal without waiting to hear the response of Nepal's people and their representatives. India's foreign ministry promptly welcomed Gyanendra's “intentions to transfer all executive powers of the state to a government constituted by the alliance of the seven political parties”.⁶⁸ The U.S. urged the parties to respond quickly by choosing a prime minister

and a cabinet.⁶⁹ China welcomed the king's move in similar terms.⁷⁰ British Foreign Office Minister Kim Howells welcomed the announcement, calling on the parties “to work constructively together to establish this government”.⁷¹ UN Secretary-General Kofi Annan issued a more circumspect statement, hoping that the king's move “will result in the speedy restoration of democratic order, an end to the conflict and the establishment of lasting peace through an inclusive process of dialogue” but not specifically welcoming it.⁷² Such subtleties were, not surprisingly, lost on the crowds and given little attention by the Nepali media.⁷³

B. PARTIES REJECT THE OFFER

However, the offer was flatly rejected by the people at large and the seven-party alliance. Despite their patchy record in government and opposition, the parties judged the country's mood well and made a principled and practical stand. Their refusal of the king's offer earned them renewed popular trust and put them in a position to guide the next round of protests responsibly.

The king's proclamation had been carefully crafted to showcase cosmetic compromises. While the international media duly reported that he had offered to back down and return power to the people, the proclamation made few concessions and was framed provocatively. The parties turned it down on the following grounds:

- The king explicitly rejected the parties' roadmap for peace, which is based on a freely-elected constituent assembly that would write a new constitution. This is at the core of the parties' November 2005 agreement with the Maoists and is a fundamental condition for the insurgents to disarm and enter mainstream politics. It is the only realistic plan to deal with the Maoists: there is no military solution – the military's counter-insurgency efforts have only strengthened the rebels.
- The king offered only a return to the status quo ante of January 2005, in other words, guaranteeing

35 can make political decision: AG Nirala”, nepalnews.com, 24 April 2006.

⁶⁶ This option was, however, discarded. Crisis Group interview, palace source, Kathmandu, April 2006.

⁶⁷ Earlier in the day, U.S. Ambassador James Moriarty had called in reporters to say that the king's “time is running out... Ultimately the king will have to leave if he doesn't compromise. And by ‘ultimately’ I mean sooner rather than later”, <http://edition.cnn.com/2006/WORLD/asiapcf/04/21/nepal.ap/index.html>

⁶⁸ “Statement on Nepal”, Ministry of External Affairs, New Delhi, 21 April 2006.

⁶⁹ “King Gyanendra's April 21 Speech”, statement by Sean McCormack, spokesman, Department of State, 22 April 2006.

⁷⁰ Gopal Sharma, “Part victory, part protest on Nepal streets”, <http://www.alertnet.org/thenews/newsdesk/B164965.htm>.

⁷¹ “Howells welcomes king of Nepal's commitment to hand power to political parties”, statement of British Foreign Office Minister Kim Howells, 21 April 2006.

⁷² “Secretary-General receives proclamation by Nepal's king returning executive power to people”, United Nations Secretariat, 21 April 2006.

⁷³ For example, see “UN, US, EU and Canada welcome royal proclamation”, nepalnews.com, 22 April 2006.

a new prime minister only as much job security as the three previous incumbents since he first took power in October 2002, each of whom he appointed and dismissed at will. This is a point made by former Prime Minister Sher Bahadur Deuba, who notes that he was appointed in June 2004 on this basis only to be dismissed and imprisoned by the king in February 2005.

- Despite the misleading “unofficial” English translation circulated by the palace, the king made no reference to the people being the “source of sovereign authority”. In fact he referred only to “state power remaining with the people”, though the 1990 constitution expressly affirmed the people’s sovereignty.⁷⁴
- The king made no mention of restoring the House of Representatives. Without this it was not clear if the cabinet would have legislative authority, and there was no guarantee that ordinances and other measures introduced by the king since February 2005 could be reversed. Restoration of parliament has been a long-standing party demand: the king’s silence was significant as routes to restoration, even if agreed by a new cabinet, all pass directly or indirectly through the palace via its influence over the judiciary.
- The king did not speak of control of the RNA. Even under the 1990 democratic constitution, the army remained under de facto royal control, and it has been his primary source of power, essential not only for carrying out the February 2005 coup but increasingly involved in administering the country. A government not in control of the army would inherently lack authority and be susceptible to being undermined by the palace.
- The king made no offer, explicit or implicit, to refrain from using Article 127 of the constitution, which has been central to his exercise of authority and unilateral arrogation of sweeping powers. He has interpreted this article as granting unlimited licence to legislate by decree in the absence of a parliament.
- The king’s reaffirmation of his “unflinching commitment to constitutional monarchy and multiparty democracy” rang hollow in view of his actions to dismantle democracy by unconstitutional means.

⁷⁴ This simple tactic was enough to confuse the U.S., leading the State Department to report, “We are pleased that King Gyanendra’s message today made clear that sovereignty resides with the people”. “King Gyanendra’s April 21 Speech”, statement by Sean McCormack, spokesman, U.S. Department of State, 22 April 2006.

Retention of the current council of ministers – many of whom are widely reviled and were indicted for their part in suppressing the 1990 democracy movement – did nothing to return stability. Blaming the political parties for not accepting his call to “enter into a dialogue in the interests of the nation” did not help build trust. The proclamation as a whole was couched in self-justifying terms and reaffirmed the primacy of the king’s plans, as outlined in his February 2005 takeover speech and subsequently.

The proclamation was also poorly calculated to gain popular acceptance. The opening insistence that the people supported his coup and subsequent actions was contentious. People did not expect an explicit apology but were hoping for at least a hint of regret. The reference to the dutifulness, valour and discipline of the security forces in “upholding their glorious traditions” left a bitter taste in the mouths of those who had been deeply distressed by the killing of a dozen peaceful protestors and injury of hundreds more in the preceding days.

C. DIPLOMATIC MISCALCULATIONS

The diplomatic community’s concerted efforts to pressure the parties to accept the king’s offer were, in the kindest possible interpretation, founded on a serious misreading of the national mood and the choices open to the mainstream political leadership. India, China, the U.S. and UK made a deliberate push to support a compromise between the parties and the monarchy. Some other countries supported this line but several key donors, such as Japan, Switzerland and Norway, opted for a judicious silence until they had judged the domestic reaction.

The European Union issued a statement that had been agreed by its Kathmandu heads of mission on the morning of 21 April.⁷⁵ The statement itself made no mention of the king’s offer but Austria’s foreign ministry, responding to enquiries from journalists, welcomed the king’s move on behalf of the EU Presidency without consulting other member states – an ill-judged move that several diplomats believe underlines the need for better EU coordination through the appointment of a special representative.⁷⁶ Nevertheless, EU envoys in Kathmandu fell in line with the British position and went jointly to press the parties to accept the king’s offer on 22 April. UN endorsement of the king’s offer, as noted above, had been more nuanced

⁷⁵ “EU Presidency Statement on the current situation in Nepal”, www.austria.org/index.php?option=com_content&task=view&id=152&Itemid=30, 21 April 2006.

⁷⁶ Crisis Group interviews with EU diplomats, Kathmandu, April–May 2006. On the longstanding proposal for an EU special representative, see Crisis Group Briefing, *Beyond Royal Rule*, op. cit.

but there were still anti-UN placards at demonstrations, and staff of the Office of the High Commissioner for Human Rights (OHCHR) reported criticism from ordinary protestors.⁷⁷

These efforts were doomed to failure. The parties' reading of the king's proclamation left them no room for compromise – unless at the cost of sacrificing public credibility and the chance to control the mass movement. Once the demonstrations of the following day had shown this decisively – Kathmandu saw the largest crowds and the broadest public participation since the start of the movement – it was the diplomatic community that had sacrificed credibility. Party and civil society activists, many of whom had looked to the outside world for support following the royal coup, felt betrayed.

“There is no reason for us any more, if there ever was, to feel that our international friends and partners are wiser and smarter than us just because they have money to distribute”, wrote civil society leader Devendra Raj Panday. “The concerned donors and diplomats...exposed their lack of knowledge and sensitivity about this country, its history and its people and their aspirations so thoroughly that they have little right to expect us to listen to their misplaced messages that will no doubt come our way again and again”.⁷⁸ Political commentator C.K. Lal warned that the “disconnect between domestic politics and international pressure is starker than it has ever been”.⁷⁹

“I and many others were staggered that our representatives in Kathmandu actually believed that compromise with the king was still possible”, wrote Michael Hutt, one of the most respected academic experts on Nepal. “Does our government, not to mention the U.S. and the EU, properly understand the internal political dynamics of the countries to which it donates aid?”⁸⁰ One Western ambassador offered a belligerent response to such criticism, stating that “it is Michael Hutt who does not understand Nepal” and accusing him of “believing implicitly in the newspapers and unfounded interpretations of what we said from leftist xenophobes”.⁸¹

Why did the diplomatic community get it so wrong?

Limited research and reporting. Few diplomats made on-the-ground assessments of the scale, mood and intention of the demonstrations in Kathmandu. On the

evening of the king's 21 April proclamation, the instant reaction of the crowds – enraged cries of “betrayal” and “deception” – should have been enough to indicate the likely popular rejection of the king's offer. Embassies did not go out of their way to keep a close eye on the situation, and in some cases key personnel were absent. Security concerns led the U.S. to concentrate on evacuating its non-essential staff and stay away from the demonstrations.

Inadequate analysis. Diplomats had a clear idea of their own preferences but had difficulty putting themselves in the place of the party leaders and appreciating the pressures and calculations they faced. Once the direction of the country started to depend on the sentiment of the people at large rather than the manoeuvres of a small political elite, the diplomatic community's isolation from ordinary Nepalis became a critical weakness.

Excessive Kathmandu focus. Concentration on events in the capital distracted from the significance of the mass popular uprisings across the country. There is some logic in this – Kathmandu has long been the crucial fulcrum for any major political change. But the mood of the country as a whole drove the people's movement, and diplomats either had little access to independent accounts or, in the case of major donors, failed to utilise their countrywide connections through development activities to full effect.⁸² Until 2005, the International Committee of the Red Cross was the only agency to base foreign staff full-time outside Kathmandu (apart from some missionary organisations and volunteer development workers). Subsequently, OHCHR has added to the international presence on the ground: were it not for its work, there would have been almost no independent reporting of developments outside Kathmandu.

Law-and-order perspective. Too many diplomats had long assessed the possibilities of a successful popular movement in terms of a tactical skirmish: if the army stop them from entering the centre of Kathmandu, how can demonstrations threaten the king? How could protestors storm the palace? Such an approach led to the miscalculation that sensible management of the protests would defuse a situation that essentially was a law and order, rather than a political issue. “Look at how few people there are out on the streets today”, commented a Western diplomat monitoring the protests on Sunday, 23 April. “The security forces have learned from their mistakes and won back control of the streets. The heart has gone out of the movement – the king will probably feel emboldened to withdraw his offer”.⁸³

⁷⁷ Crisis Group interviews, Kathmandu, 22 April 2006.

⁷⁸ Devendra Raj Panday, “Democracy, donors & diplomats”, *The Kathmandu Post*, 1 May 2006.

⁷⁹ C.K. Lal, “A royal delusion”, *Nepali Times*, 23 April 2006.

⁸⁰ Michael Hutt, “A People's Peace”, *Guardian Unlimited*, 4 May 2006, available at http://commentisfree.guardian.co.uk/michael_hutt/2006/05/nepal.html.

⁸¹ Email communication, 5 May 2006.

⁸² Apart from its extensive development program, the United Kingdom can also draw on its longstanding network of retired Gurkha soldiers – a resource that was perhaps undervalued in policy discussions. Crisis Group interviews, Kathmandu, May 2006.

⁸³ Crisis Group interview, Chabahil, 23 April 2006.

Stability over principles. Despite having had more than a year to rehearse the argument that returning to the status quo ante of January 2005 would never work, diplomats were happy to seize the chance of a compromise that offered precisely that. “I know this is only a return to January 2005 at best”, said a Western diplomat, “but what more could the king have offered? The parties simply have to accept this”.⁸⁴ Such a calculation was based partly on the longstanding desire to protect the monarchy at all costs and partly on exaggerated fears that continued protests would invite mob violence, uncontrolled rioting and an immediate Maoist takeover. This calculation was crucially inverted: the dangerous scenarios would all have been far more likely had the parties accepted the king’s offer and lost all credibility with the crowds. In choosing apparent stability at the expense of the basic democratic principles that their public statements had long supported, diplomats fell into the same trap that led to the king’s power-grabs of October 2002 and February 2005 – and had invited greater instability.

Overconfidence. Key diplomats wrongly assumed they understood Nepal and its politics better than Nepal’s own politicians or people. As late as the morning of Monday, 24 April, when palace insiders and the RNA knew that a major new concession was the only remaining option, a senior Western envoy was still warning that the demonstrations could “fizzle out” and leave a “triumphant king”. The parties’ demand that the king cede sovereignty showed they were still in the “old mind-set”; had they accepted his offer the king could not have blocked their agenda, “at least in the first few weeks”. Civil society leaders who had also urged rejection of the king’s gambit had failed “to grasp the significance of the people’s movement and the way revolutions work ... [they] risk being swept away by the revolutionaries”.⁸⁵

D. THE FIRST ACT ENDS

Saturday, 22 April was the day on which the people’s movement secured victory, at least in the short term. Far from pouring oil on troubled water, the king’s proclamation had, in the Nepali phrase, added ghee to the fire. People poured onto the streets in greater numbers than ever, determined both to send a message to the palace by defying the curfew and to let the party leaders know compromise was not an option.

Kirtipur, the small and independent-spirited town outside the capital that had earlier hosted one of the most impressive peaceful mass meetings, was deserted. “No one’s here. We’re all heading to Kathmandu”, said young

men walking toward the ring road. “We want a republic – everyone’s supporting that now”.⁸⁶ Crowds breached the security cordon around Kathmandu’s twin city, Patan, and picked up numbers as they moved downhill towards the bridge into the capital. “We’re marching on the palace”, shouted exuberant protestors above the din of anti-king slogans.⁸⁷

The security forces had other plans. Accepting that they could not secure the entire city despite the curfew orders, they channelled demonstrators onto a circular route that allowed them to skirt the central areas before ending up back on the ring road. In some places army and police officers were relaxed. “Nowhere is quiet today; there are lots of people out everywhere. So we’re letting them cross the bridge – you can carry on, too, it’s peaceful”, said an RNA officer.⁸⁸ But the inner security ring was to be held at any cost. Next to the national stadium, sandals littered the ground where a crowd had been fired on and fled.⁸⁹ Truckloads of well-equipped soldiers stood ready, proudly confirming that they belonged to the Rangers Battalion, the RNA’s most effective counter-insurgency troops, armed and trained by the U.S.⁹⁰

At one point on the route taken by the largest procession, a Western military expert estimated the crowd that had passed him numbered some 200,000 to 300,000.⁹¹ In the meantime the SPA had also decided formally to reject the king’s offer, politely refusing to follow the advice of EU envoys who had attended their meeting at Girija Prasad Koirala’s residence to argue for compromise. By the time a torrential rainfall dispersed many protesters in the middle of the afternoon, the battle had been won.

The palace had pursued a disastrous course since the royal coup, progressively alienating large sectors of society until even its core supporters joined the pro-democracy movement. But its political nerve-endings were not entirely deadened. Palace insiders realised the decisive rejection by the parties and people of the king’s proclamation left them with little option but to give in to the movement’s substantive demands, at least on paper. Sunday was devoted to frantic negotiations within the palace and, via both public and secret intermediaries, with party leaders. Ambassadors were again summoned to the palace, and this time their advice to back down gracefully before it was too late was heeded. Given the hostile domestic

⁸⁴ Crisis Group interviews, Kathmandu, 22 April 2006.

⁸⁵ Email communication, 24 April 2006.

⁸⁶ Crisis Group interview, Kirtipur, 22 April 2006.

⁸⁷ Crisis Group interview, Kupondol, 22 April 2006.

⁸⁸ Crisis Group interview, Kupondol, 23 April 2006.

⁸⁹ Although there were no deaths on 22 April itself, two of the protestors injured in this clash later died while undergoing treatment.

⁹⁰ Crisis Group interview, Tripureshwar, 23 April 2006.

⁹¹ Crisis Group interview, New Baneshwor, 23 April 2006.

reaction to their intervention following the king's first proclamation, ambassadors may have felt a renewed sense of urgency in impressing on the king the seriousness of his situation.

The king was forced to make a second proclamation, the text agreed in advance with the SPA leadership. In a humiliating retreat, he used the language of his opponents, recognising the "spirit of the ongoing people's movement". This proclamation was substantively different to the half-hearted first offer:

- it recognised that sovereignty is inherent in the people;
- it called for resolving the conflict and other problems facing the country "according to the road map of the agitating seven-party alliance", implicitly accepting the parties' twelve-point agreement with the Maoists and policy of electing a constituent assembly;
- it announced restoration of parliament, a longstanding party (though not Maoist) demand; and
- the king offered "heartfelt condolences to all those who have lost their lives in the people's movement" and wished the injured speedy recovery.

Initial reaction on the streets and from the parties was positive. This time the diplomatic statements welcoming the announcement were in tune with most public opinion and that of the mainstream parties. But the new situation carries its own risks and challenges.

IV. PARTIES AND PLANS

A. THE ALLIANCE VICTORIOUS

1. Consensus or divisions?

SPA leaders promptly welcomed the endorsement of their roadmap in the king's second proclamation.⁹² However, their policy response had not been fully prepared. The king's new offer raised issues that could lead to splits – not least over the restored parliament's agenda, composition of the cabinet and handling of both longer-term constitutional change and the more immediate demands for transitional justice. The SPA met on the morning after the king's proclamation at the residence of Girija Prasad Koirala. The party leaders unanimously resolved:

- to make elections to a constituent assembly the main agenda of the reinstated parliament;
- to remain committed to the twelve-point agreement and urge the Maoists also to abide by it;
- to include the Maoists in an interim government once elections for the constituent assembly were confirmed and a disarmament process had started;
- to constitute a high-level commission to investigate state abuses against pro-democracy protestors; and
- to declare null and void all "unconstitutional decisions" taken by the royal government.⁹³

Nevertheless policy differences soon began to appear. A coalition partner, the UML, argued for a quick transition to a republic. Its central committee on 29 April called for the names of the government and the RNA to be changed, respectively, to "Nepal Government" and "Nepalese Army", removing references to "his Majesty" and "Royal". It also called for the army to be made responsible to parliament, not the king, and for dismissal of the royal council.⁹⁴ The SPA, however, has not yet taken a collective decision for election to a constituent assembly without conditions and for republicanism. The leader of the Nepali Congress, an important member of the alliance, favours a ceremonial monarchy.⁹⁵

⁹² "Leaders voice welcome", *The Kathmandu Post*, 25 April 2006.

⁹³ "General strike called off; rallies across the country; constituent assembly to be the main agenda", nepalnews.com, 25 April 2006.

⁹⁴ "Oli to lead CPN UML in the new government", nepalnews.com, 28 April 2006.

⁹⁵ Interview with Girija Prasad Koirala, ekantipur.com, 3 April 2006.

Formation of a cabinet should have been a relatively simple process but it was delayed both by Koirala's illness and by bickering over the allocation of ministerial portfolios. When seven appointments were announced on 2 May, the Nepali Congress had reserved major posts for itself. More radical party leaders and activists were concerned that key positions were given to perceived royalists, K.P. Oli of the UML (deputy prime minister) and Ram Sharan Mahat of the Nepali Congress (finance minister).⁹⁶ Of Oli, senior Maoist ideologue Baburam Bhattarai warned that "to imagine that he will implement the line of constituent assembly and democratic republic honestly and effectively is the same as believing that you can milk an ox".⁹⁷ No defence minister was appointed, although the UML had been pushing for the portfolio. A UML standing committee member, Pradip Nepal, resigned in protest at the lack of consultation with the party. The NWPP refused to participate; Janamorcha made critical remarks but on 7 May announced that it would join the government.

2. A Constitutional parliament?

It is not clear if the new government is functioning under the 1990 constitution. The people's movement had forced an essentially political, rather than constitutional, retreat by the king. His announcement of the restoration of parliament did not invoke any constitutional clause but was implicitly legitimated by political necessity. However, the House of Representatives is a constitutionally defined body, and the actions of the government so far have added to confusion over the constitutional state of play.

Prime Minister Koirala took his oath of office from the king at the Narayanhiti royal palace in the presence of the key backers of the former royal government: the chief of army staff, chief justice, crown prince and chairman of the Rajparishad (royal council).⁹⁸ In this, he went against UML general secretary Madhav Nepal's public warning not to take the oath from the king.⁹⁹ The palace, apparently acting on party advice, had initially announced Koirala's

appointment under Article 36(1) of the 1990 constitution.¹⁰⁰ However, the UML argued that this clause was only relevant for a majority government, not a consensus government. In the formal letter sent to parliament to confirm the appointment, it was described simply as "in accordance with the constitution".¹⁰¹

However, Koirala did not join the Rajparishad (prime ministers after 1990 were ex officio members but took a separate oath), and he himself administered the oath of office to new ministers. Previously this would also have been done by the king at the palace.

The government now faces a difficult dilemma: to endorse even a single clause of the existing constitution might be seen as binding it to the document in its entirety but to proceed in constitutional limbo could undermine its own legitimacy and make basic administrative and legislative tasks difficult. "At the heart of the current confusion is whether or not the new government should follow the constitution of 1990 and the mundane rituals prescribed by it. The short answer is, it should not", warned a strong editorial in the *Kathmandu Post*. "There is no point following faithfully any article of a constitution that has itself been pronounced dead by the [people's movement]. Accepting one article would mean accepting the whole constitution".¹⁰²

3. Dealing with the Maoists, the king and the army

Prime Minister Koirala and other SPA leaders have repeated their call to the Maoists to continue dialogue and work together within the framework of the twelve-point agreement. But concrete goodwill gestures did not materialise as quickly as many expected. There was no immediate reciprocation of the Maoists' unilateral three-month ceasefire nor any response to the Maoists' immediate demands, such as releasing prisoners.¹⁰³ In the meantime, as outlined below, the Maoists moved quickly to take advantage of the government's lack of agreed policy.

⁹⁶ The full cabinet line-up is: Prime Minister: GP Koirala (NC); Deputy Prime Minister and Foreign Minister: Khadga Prasad Oli (UML); Home: Krishna Prasad Sitaula (NC); Physical Planning and Works: Gopal Man Shrestha (NC-D); Finance: Dr Ram Sharan Mahat (NC); Agriculture and Cooperatives: Mahantha Thakur (NC); Land Reforms and Management: Prabhu Narayan Choudhari (United Left Front, ULF).

⁹⁷ Baburam Bhattarai, "Samvidhansabhako sahararanko khatara", *Janadesh*, 2 May 2006.

⁹⁸ "Koirala sworn in by King Gyanendra", *The Kathmandu Post*, 30 April 2006.

⁹⁹ "Leaders vow not to repeat past mistakes; say constituent assembly will be the first agenda of HoR", *nepalnews.com*, 27 April 2006.

¹⁰⁰ Article 36(1) reads: "His Majesty shall appoint the leader of the party which commands a majority in the House of Representatives as the Prime Minister, and shall constitute the Council of Ministers under his chairmanship". Constitution of Kingdom of Nepal, 1990, unofficial translation available at <http://www.nepalhomepage.com/dir/politics>.

¹⁰¹ "PM appointment", *Rastriya Samachar Samiti* (national news agency), <http://www.rss.com.np>.

¹⁰² "Warning bell", *The Kathmandu Post*, 29 April 2006.

¹⁰³ The government was reportedly willing to release prominent activists one by one but the Maoists demanded that all their prisoners should be released simultaneously. Crisis Group interviews, Kathmandu, May 2006.

The mixed messages sent by Koirala's oath-swearing at the palace did little to clarify the new government's stance towards the king. Finance Minister Mahat promised to review the palace budget but if the parties appear to compromise with the monarch, they would risk rapidly undermining their new popular approval.

Without a defence minister giving a clear sense of political direction, it is uncertain whether the government is exercising any real control over the army. The RNA has continued some offensive actions against the Maoists (for example, helicopter assaults on two mass meetings in Tanahu and Nawalparasi on 27 and 29 April respectively), apparently in contradiction to the government's agenda for peaceful negotiations. Bringing the army under civilian control will require both firm political will and a determination to build bridges to the RNA leadership. There is little sign that the government is prepared for this.

The new government has an unprecedented opportunity to use the wave of public support and international approval to establish its authority and implement the policies that the democracy movement demanded but early signs are that it is not fully prepared to exploit its advantages. It could quickly squander public confidence and find itself embattled on many fronts.

B. MAOIST CALCULATIONS

1. The initial response

The Maoists denounced the king's 21 April offer (Prachanda declared that his party scornfully rejected this "conspiratorial proclamation of feudal elements"¹⁰⁴) and also termed his 24 April speech "a conspiracy against the people". The second proclamation did not go far enough to address their demands for a constituent assembly and possible republic. The Maoists accused the parties of committing a "historic mistake" by unilaterally accepting reinstatement of parliament,¹⁰⁵ which they viewed as violating the spirit of the twelve-point agreement; they were also annoyed that the parties sought to claim full credit for the mass movement and discount the Maoists' crucial contribution.¹⁰⁶

The Maoists themselves had made two miscalculations:

- They deferred resolution of their outstanding argument with the SPA over the roadmap to a constituent assembly. The twelve-point agreement

had accepted a difference of opinion over whether to move forward via a re-established parliament (the SPA preference) or via an all-party roundtable conference and interim government (the Maoist preference). The Maoists hoped they could force the issue in their favour as events unfolded and proceed straight to an interim government. Instead, the restoration of parliament still leaves them as insurgents outside the legitimate government.

- They misjudged the king's behaviour. They had assumed he would never back down and accept restoration of parliament. They calculated that, backed by the RNA, he would make an ill-judged attempt to finish the movement by brute force. This could have created a true meltdown of state authority and splits, or at least a collapse of morale, within the security forces¹⁰⁷ – conditions which could then be exploited for a successful urban insurrection. The king's climb down caught them off guard.

Restoration of the parliament not only blocked their hopes for an immediate republican uprising but also enabled the SPA to claim a greater share of the victory. The parties became the primary beneficiaries of the new situation and felt emboldened to downplay the Maoist contribution.

The Maoists also misjudged their policy response. They vowed to continue the peaceful movement and maintain a blockade of district headquarters and the capital until the declaration of an unconditional constituent assembly.¹⁰⁸ This was partly a bargaining stance – lifting the blockades would be an easy goodwill gesture to offer in early negotiations – but partly a genuine effort to keep people on the streets to pressure the new government. This did not work well. Many people were far from delighted with the initial SPA response but were not willing to keep up the street protests. They had suffered enough from nineteen days of blockades, strikes and curfews and were unimpressed by the Maoists' insistence on prolonging similar hardships.

When the SPA leaders, including Koirala, requested them to withdraw these measures, they were quick to do so. They lifted the blockades (while threatening to re-impose them if parliament did not announce an unconditional constituent assembly) and went a significant step further, seeking to regain the moral high ground by announcing a three-month unilateral ceasefire.¹⁰⁹

¹⁰⁴ Prachanda, press statement, 22 April 2006.

¹⁰⁵ Prachanda and Baburam Bhattarai, press statement, 25 April 2006.

¹⁰⁶ Crisis Group interview, Kathmandu, 25 April.

¹⁰⁷ Prachanda, "Vartaman jansangharshabare kehi kura", *Janadesh*, 2 May 2006.

¹⁰⁸ Prachanda and Baburam Bhattarai, press statement, 25 April 2006.

¹⁰⁹ Prachanda, press statements, 26 April 2006.

2. They will probably play ball...

Despite their acceptance of the government offer to negotiate, there is no guarantee the Maoists will not walk away from the twelve-point agreement. Even if they stick with it, they will push hard for every possible advantage, and negotiations will be tough. But self-interest argues strongly for adhering to the basic framework of the deal with the parties. It offers the chance of limited victory and potential future gains, while all other options are unattractive. Each harshly worded recent press release has reaffirmed their commitment to this route. Maoist interests in pursuing talks along the lines already agreed with the SPA include:

Protecting their political strengths. Assuming the parties press on with the constituent assembly, the Maoists cannot afford to surrender ownership of this central demand. The same goes for social and economic reforms: the more radical the parties manage to be, the less political space the Maoists will be left with, and all the less likely they could achieve their remaining goals. However much they have used violence to boost their movement, the Maoists still rely on the latent appeal of their populist agenda. If they lose this to the mainstream parties, they will be seriously weakened.

Avoiding return to full-fledged war. A continued military campaign is possible but unappealing. The Maoists retain the capacity to fight on, and some cadres may prefer to stick with what they know best. But while the state cannot impose a military solution, it can make life much more uncomfortable for the Maoists than ever before. Rejection of a peace process would invite large-scale foreign assistance for a renewed counter-insurgency campaign – which, for once, might be led by a legitimate government with a decent strategy. New Delhi would be much less accommodating, especially given India's heightened fears about its own Maoists.

Working towards international recognition. The Maoists have gained significantly in international acceptability over the past year. They now interact regularly with foreign officials on human rights and development issues and have access to key powers to pursue political discussions. If they reject the democratic path, they stand to lose this. Political acceptability in India has been hard-won, and many Maoist efforts have been designed to safeguard a possible transition to multiparty politics. If this is to happen, the support of important players such as the Communist Party of India (Marxist) will be crucial. It is unlikely to be forthcoming if the Maoists betray the trust that Indian politicians have placed in them.

Building trust with the people. The Maoists are well aware of the positive popular reaction to their openness to a negotiated peace. Their stated promises to end the war

and protect basic rights have won them respect they would be loath to sacrifice quickly. With one eye firmly fixed on the likely constituent assembly polls, the Maoists are preparing for elections. They have a good chance to win a far larger share of the vote than past opinion surveys have suggested but they know they need to broaden their support base.

3. ...But push hard and keep other options open

The Maoists' hope that the movement could produce a republic was founded on their long-standing analysis that the monarchy could only be overthrown by a final, violent insurrection. This did not happen. "The biggest losers are the Maoists", claimed U.S. ambassador James Moriarty. "On Saturday [22 April], they were close to...getting rid of the monarchy entirely by a violent revolution".¹¹⁰ The Maoists had indeed hoped that revolution was close. Prachanda believes that "if the movement had been allowed to continue for only a few more days, it was almost certain that the situation of Nepal's king and royal family would have been no different from Romania's Ceausescu".¹¹¹

However, the Maoists are not the biggest losers. While they would have been delighted if a sudden insurrection had handed them power on a plate, they had planned pragmatically for other outcomes. They remain well organised and highly capable of adapting flexibly to take advantage of a changing political landscape. This has consistently been one of their strong points and is not likely to change. Despite some miscalculations, they have a good track record of reading Kathmandu's politics and exploiting splits and weaknesses to the full.

The Maoists' initial analysis is that the mass movement confirmed the success of their own people's war strategy, which they are convinced was its main foundation. They believe the movement was fuelled by rural mobilisation and that its most important participants were poor peasants, ethnic minorities, dalits and women.¹¹² They recognise that it did not reach fulfilment but see it as having built a more advanced base from which a further uprising may be possible. The movement cannot be compared to 1990 in either scale or nature: the 1990 movement was much narrower, centred on the Kathmandu valley and driven by the urban middle classes.¹¹³

¹¹⁰ "Nepal was very close to a violent revolution: Moriarty", nepalnews.com, 27 April 2006.

¹¹¹ Prachanda, "Vartaman jansangharshabare kehi kura", op. cit.

¹¹² On dalit participation, see "2 Dalits declared Martyrs in Peoples' Movement 2006", Jagaran Media Center E-bulletin no. 15, 1 May 2006.

¹¹³ Prachanda, "Vartaman jansangharshabare kehi kura", op. cit.

The Maoists' current priority is to strengthen their negotiating position in advance of further talks and their public standing in advance of possible constituent assembly elections. Tactical objectives include:

- ❑ pressuring the government to proceed with an unconditional constituent assembly;
- ❑ increasing their political leverage and presence among the general public;
- ❑ using goodwill gestures such as their unilateral ceasefire to earn popular credit;
- ❑ building broader alliances with groups, including other leftist parties, which share many of their political objectives; and
- ❑ maintaining relations with the international community, even if only at the level of basic dialogue.

They moved quickly to occupy newly available political space. Without waiting for restrictions to be lifted officially, their activists started addressing public meetings, even in the heart of Kathmandu as well as in the districts,¹¹⁴ and they immediately resumed publishing and selling their newspaper, *Janadesh*, openly.¹¹⁵ They began holding large meetings across the country, many addressed by senior leaders. They do not yet feel secure enough for Prachanda to appear in public, although they hope this will soon be possible.¹¹⁶ Meanwhile they are seeking to exploit the lingering discontent with mainstream political leaders by inciting those still willing to protest and, it appears, intimidating party politicians.¹¹⁷

¹¹⁴ Maoist student leader Lekhnath Neupane and trade union leader Shalikram Jamarkattel addressed a large meeting in Kathmandu's central Khula Manch, traditional host to party gatherings, on 28 April. See "Rebels press for constituent assembly elections", *Himalayan Times*, 29 April 2006. Large Maoist meetings were also held after the second royal proclamation in Pyuthan, Biratnagar, Dhangadhi, Dhankuta and beyond. "Loktantrik ganatantraka lagi deshvyapi amsabha", *Janadesh*, 30 April 2006.

¹¹⁵ The 2 May 2006 *Janadesh* was the first to be openly sold in Kathmandu since shortly after the collapse of the 2003 ceasefire.

¹¹⁶ Crisis Group interview, 2 May 2006.

¹¹⁷ For example, the UML general secretary, Madhav Nepal, and central committee member, Pradip Gyawali, were attacked by angry mobs – Nepal outside his own house on the evening of 28 April and Gyawali when leaving parliament on 2 May. The Maoists deny this was the work of their cadres; Baburam Bhattarai personally called Nepal to insist on this. "Lawmakers face miscreants' wrath", *Himalayan Times*, 30 April 2006. On 2 May a small but angry crowd broke the lock of the main gate and tried to storm the Singha Durbar government complex, which includes the parliament building. Suspected Maoists

In some cases, they are using front organisations for this round of mass mobilisation. These include the Loktantrik Sanyukta Morcha (Democratic United Front), under the leadership of Ram Man Shrestha, a former CPN(ML) member of the upper house,¹¹⁸ and Rastriya Jana Manch (National People's Front), a new group led by Bhakta Bahadur Shrestha, an above-ground Maoist supporter who, as the general secretary of the then CPN (Mashal), was once Prachanda's boss.¹¹⁹

All these actions also support their current strategy. They will continue to prepare for a possible mass uprising if popular discontent grows, and other conditions are favourable. Maoist leaders privately warn this is the last chance for negotiations. If it fails they and their cadres will lose patience with talks.¹²⁰ However, entering the mainstream in acceptable circumstances remains their safest option. They are aware that even a successful republican insurrection would not bring them a sustainable victory. But they will not enter multiparty politics if this is seen as surrender.

C. THE PALACE: DOWN BUT NOT OUT

The wording of the king's 24 April 2006 proclamation implied unconditional surrender. He was forced to use the language of the people's movement and invite the SPA to implement its roadmap, thereby surrendering his own plans. But the palace will not accept defeat so easily. The preparation for the proclamation suggests a tactical retreat rather than surrender. The king and the powerful networks around him will use whatever influence they have to fight a rearguard action in defence of the monarchy. They will probably have many opportunities to play the games at which they excel, such as preying on party weaknesses to resume attempts at divide and rule.

The palace can still exercise leverage and patronage quietly through powerful networks. Foremost is the RNA, which was the mainstay of the royal government and whose commanders remain loyal to the crown. However, the palace's reach extends throughout Nepal's polity – from the judiciary and civil service to sympathisers in the mainstream parties and even, surprising as it may seem, the Maoists. Unless its powers are severely curtailed, the palace secretariat will remain at the centre of this web.

detained and threatened a photojournalist reporting on their mass meeting in Kathmandu on 28 April. "Maoists grill photo journalist Shrestha in the capital", *nepalnews.com*, 1 May 2006.

¹¹⁸ The CPN(ML) was the product of the UML's 1998 split. The two factions reunited in 2002.

¹¹⁹ See above on the formation of similar fronts during the protests.

¹²⁰ Crisis Group interviews, April-May 2006.

Until the 24 April proclamation, observers who sought to gauge the possible behaviour of the royal government concentrated on the king as an individual. Factors centred on his pride, determination, fear of losing face and so on. But now those who depend upon the palace – army, feudal elites, relatives and clan members, and business interests – will rally round to protect their collective interests. They may form a stronger and more capable political force than the king has been as an individual. In this effort the palace will be supported, directly or indirectly, by the royalist political parties.¹²¹

By the time of his second proclamation, a constituent assembly had become the best option for the king. If he had let the protests continue, the monarchy's fate would have been decided in the heat of the moment by the angry crowds on the street. A constituent assembly may also go against the monarchy but at the very earliest it will be months before it is created and operating. In that period tempers will cool, and if the king plays his cards carefully, he may be able to repair some of the damage done to his image. Already at Koirala's oath-swearing ceremony, a news report referred to the "royal grace and humility" with which the king led the frail prime minister to a sofa.¹²² The wide support for a non-political, constitutional monarchy opinion polls have consistently reported could be regained – especially if mainstream leaders allow their own image to become tainted. However, the poor public image of Crown Prince Paras – who was in headlines days after the king's capitulation for another hit-and-run road accident – may continue to undermine efforts at royal rehabilitation.¹²³

¹²¹ The Rashtriya Prajatantra Party (RPP), led by Pashupati Shamsher Rana, and the Rastriya Janashakti Party, led by Surya Bahadur Thapa, refused to support the royal coup and voted with the other parties to proceed with a constituent assembly. Nevertheless, they will not contemplate a republic and will be valuable, if not uncritical, allies of the palace over the coming months. It remains to be seen whether the RPP faction led by royal Home Minister Kamal Thapa – whose split was engineered and funded by the palace – will have any significance following the collapse of royal rule and Thapa's ignominious disappearance from public view.

¹²² "PM Koirala administered oath of office", nepalnews.com, 30 April 2006. The king also visited the house of the deceased Nara Shamsher (a close palace confidant) in Lalitpur to pay his respects on 30 April 2006. He made this low-profile visit in an unmarked private car, even stopping at traffic lights, "Kalo gadima raja sarara", *Jana Aastha*, 3 May 2006. However, one week later he made a more defiantly open visit to a temple, with public roads shut for hours to secure his convoy. "King offers sacrifices at Dakshinkali temple", *The Kathmandu Post*, 7 May 2006.

¹²³ Kedar Ojha, "Crown prince's vehicle clips wedding party bus", *The Kathmandu Post*, 30 April 2006.

Most of the world has gone cold on the monarchy for the moment but some friends will still be loyal. At their head will be India's royal families (including those in prominent political positions) and the Hindu right. Major powers like China and the U.S. may have been frustrated with the king's recent behaviour but will rally round to protect at least a ceremonial role for the monarchy, if only out of fear for possible instability if Nepal were to abandon its oldest institution. As with the Nepali public, the king can appeal internationally to a continuing fear of the Maoists and – despite his evident failure to counter them – the persistent idea that a monarchy is a safeguard against communist totalitarianism.

D. DIPLOMATIC REALIGNMENT

The first thing the international community needs to do is to learn from its mistakes and make sure it does not repeat them. That course of action – one that donors and diplomats have never hesitated to urge on Nepal's politicians – would not only support Nepal's democratic transition but also benefit its international partners. The success of the pro-democracy movement has bought them space to regain credibility and Nepal's political leaders have carefully left them room to recalibrate their policies.

The likely negative repercussions of the strong support for the king's first offer were immediately apparent to Indian diplomats in Kathmandu. "We risk throwing away in one day all the goodwill that we'd built up by sticking with the Nepali people since February 1 [2005]", a senior diplomat commented. "If this goes badly wrong, it could take us a whole generation to recover trust".¹²⁴ This realisation caused confusion in New Delhi. Even as Prime Minister Manmohan Singh, backed up in a separate statement by National Security Advisor M.K. Narayanan, told the press that India supported the king's offer,¹²⁵ Foreign Secretary Shyam Saran was executing a rapid change of course. At a lengthy late-night press conference, he clarified in response to questions from the Indian press:

I think you should be careful not to take India's statement yesterday as an acceptance of this or rejection of that proposal. As I said, what we tried to put across in the statement yesterday was that the principle that power should be handed over by the monarchy to the people of Nepal, that particular principle the King in his statement, in his proclamation, appears to have conceded. How that is to be taken forward...is really for the people of Nepal to decide...I do not think that it is the people

¹²⁴ Crisis Group interview, Kathmandu, 21 April 2006.

¹²⁵ "Manmohan Singh backs Nepal King Gyanendra's move", *Daily News Analysis*, 22 April 2006.

of Nepal who have rejected or responded negatively to what India has said. I think there have been certain sections or certain elements who have deliberately distorted the implication of what India has said. We have been and continue to be firmly on the side of democratic forces in Nepal. There should be no ambiguity about that.¹²⁶

The U.S. significantly revised its long-established stance on constitutional change. American diplomats had never accepted that fundamental change, beyond revisions within the framework of the 1990 constitution, might become both necessary and widely acceptable politically. In January 2006, Ambassador James Moriarty insisted that: “There is no need to consider a constituent assembly”, emphasising instead that an intensified military campaign was the only way to deal with the Maoists.¹²⁷ Following the king’s climb down, however, the U.S. promptly recognised the new political environment, stating that a constituent assembly “could prove an excellent avenue for the Maoists to join the political mainstream and peacefully help address Nepal’s problems”.¹²⁸

Nevertheless, serious differences of approach remain. British Ambassador Keith Bloomfield has complained of “the repeated misrepresentation in the democratic press of EU views in relation to the King’s declarations of 21 and 24 April”. He insisted that: “The EU position has consistently favoured the full restoration of democracy in Nepal... There are, of course, different routes to achieve the same goal”.¹²⁹ However, this brushed over a fundamental disagreement. The EU had consistently favoured reconciliation between the “constitutional forces” of palace and parties, although it pointedly revised this to “all political forces”, implicitly including the Maoists, in later press statements.¹³⁰

The U.S. position was a step beyond this, insisting that the king was not only a constitutional force but a “legitimate political actor”.¹³¹ The parties had persuasively rejected this stance months earlier and realised – correctly – that only the palace’s concession of defeat would open the route to a popularly acceptable new administration. The U.S. position had shifted so drastically by the time of the

king’s statement reinstating Parliament on 24 April, however, that the State Department issued a statement hours later: “We believe that he should now hand power over to the parties and assume a ceremonial role in his country’s governance”.¹³²

The king’s second offer was warmly welcomed by Nepal’s influential aid community, with many key donors planning to boost assistance. However, there are few signs of a coordinated approach. India, which has the greatest capacity to offer immediate fiscal relief by deferring debts and also has interests in longer term infrastructure and social development, moved quickly to stake its claim to a leading role. According to one report, it “has decided to unilaterally give fiscal support to Kathmandu rather than be part of an international consortium”.¹³³ Norway’s minister for international development, Erik Solheim, flew into Kathmandu just days after the king’s retreat, offering to increase aid and push for talks with the Maoists.¹³⁴ Citing Norway’s Sri Lankan experience, he offered its support to resolve the conflict if the government and the seven parties requested.¹³⁵ He did, however, suggest that India should maintain its leading role and clarified that Norway was not seeking to mediate talks.¹³⁶ Other donors have also started talking of resuming and expanding aid programs,¹³⁷ and Nepali officials are beginning to make requests for funding.¹³⁸ However, the volatile political situation could be further compromised by over-hasty injections of aid.

¹²⁶ “Press Briefing by Foreign Secretary Shri Shyam Saran on Nepal”, Ministry of External Affairs, New Delhi, 22 April 2006.

¹²⁷ Crisis Group interview, Kathmandu, 12 January 2006.

¹²⁸ “U.S. Anticipates Working with New Government”, U.S. embassy press release, 27 April 2006, http://nepal.usembassy.gov/pr_04-27-2005.html.

¹²⁹ Letter to *Nepali Times*, 28 April 2006.

¹³⁰ For example, “Statement by the European Union Presidency on recent events in Nepal”, issued in Kathmandu by the local Finnish embassy on 11 April 2006.

¹³¹ U.S. Ambassador James Moriarty, speech to the Ganesh Man Singh Academy, 15 February 2006.

¹³² In response to questions, U.S. officials indicated that even a ceremonial role would depend upon the people’s decision. Press conference by Richard Boucher, Assistant Secretary of State for South and Central Asian Affairs, Kathmandu, 3 May 2006, available at <http://www.state.gov/p/sca/rls/rm/2006/65751.htm>.

¹³³ “King gone, India opens purse strings for new Nepal Govt”, *Indian Express*, 30 April 2006.

¹³⁴ “Solheim continues parleys in Nepal”, *nepalnews.com*, 4 May 2006.

¹³⁵ “CA elections after forming interim govt including Maoists: PM Koirala”, *ekantipur.com*, 4 May 2006. Solheim is also the chief mediator in the Sri Lankan peace process.

¹³⁶ “Norway rules out Nepal peace role”, *BBC News*, 5 May 2006.

¹³⁷ “Donors eager to extend full scale support to Nepal”, *nepalnews.com*, 29 April 2006. India is reportedly planning a “mega economic package” for Nepal. Bhaskar Roy, “Himalayan Marshall plan to bail out Nepal?”, *Times of India*, 27 April 2006. Japan has released almost \$4 million for social and economic development projects to be run by central government ministries. “Japan approves the utilisation of the counterpart fund of KR2”, *nepalnews.com*, 5 May 2006.

¹³⁸ Finance ministry joint secretary Rameshore Prasad Khanal, representing Nepal at the 39th annual meeting of the Asian Development Bank in Hyderabad, told Reuters that Nepal was appealing for some \$1.2 billion foreign aid for post-conflict reconstruction. “Nepal seeks \$1.2 bln for reconstruction”, *Reuters*, 6 May 2006.

V. URGENT CHALLENGES

A. WEAK GOVERNMENT, WILLING DONORS

Unless and until the peace process with the Maoists delivers concrete results, Nepal's central government will still have only the most limited capacity to administer most of the countryside. However rapid the political progress in Kathmandu, the task of rebuilding state authority and effective governance across the districts will be lengthy – years rather than months. For this reason alone, development assistance cannot be viewed in isolation from the political situation and the complex transitional processes that may eventually deliver a stable, legitimate government with legislative and administrative capacity.

The international community can use effective support for a peace process to regain credibility but trust cannot simply be bought, and it is premature to consider injecting large amounts of aid as a peace dividend. Despite the desire of development professionals to return to business as usual, Nepal is far from ready to resume large-scale development. The primary effort should be to consolidate the peace process and work, under the guidance of the new government, to rebuild confidence in the state and gradually restore its capacity to govern effectively. There is a serious risk that unilateral aid efforts will be contradictory and counter-productive. A Peace Support Group that brings all major donors together to reach agreement on principles and coordinate programs is the most logical means of minimising such risks.

This is not yet the time for structural reform. That can only come as part of the broader constitutional revision process following a full national debate. The focus now should be on sustaining and, where possible, enhancing basic services. Any extra resources would best be devoted not to starting fresh programs but to boosting existing ones that meet basic criteria for consolidating the peace process and are in accordance with the Basic Operating Guidelines (BOGs).¹³⁹

For longer term assistance, Nepal needs a coordinated international approach based on explicit shared principles. Crisis Group has suggested eight as a starting point.¹⁴⁰ A

¹³⁹ Major bilateral donors adopted a set of Basic Operating Guidelines (BOGs) in late 2003 to emphasise the importance and responsibility of all parties to the conflict to maintain development space and provide access to beneficiaries. The BOGs rely strongly on internationally recognised humanitarian law principles and reflect the specific conflict situation in Nepal. The UN and national and international NGOs have adopted similar guidelines. See http://www.ecdelegationnepal.org/en/eu_and_nepal/bogs/bogs.htm.

¹⁴⁰ The suggested principles are: (i) a negotiated peace process, involving wide participation of civil society representatives,

Peace Support Group is all the more important now that a peace process is underway.¹⁴¹ The changed domestic political environment makes it easier for the parties, civil society groups and other representatives to make their own suggestions on principles. Ensuring that Nepal's people are the drivers of international engagement is critical.

Key considerations are to:

- make peace the priority and stick to the basic “do no harm” rule, while ensuring that development agencies abide by their own BOGs, including transparency and anti-corruption mechanisms, and thereby keeping pressure on the government and Maoists to do likewise;
- consider a follow-up to the 2002 London conference, perhaps modelled specifically as a Peace and Development Forum; inclusive preparation and participation would be crucial. Nepali civil society activists are planning to start the process by organising their own, nationally owned, conference in Kathmandu at the end of June, which deserves support and serious participation; and
- ensure inclusive and participatory development, both to address the root causes of the conflict and to ensure that development agencies' activities no longer reinforce socially, ethnically or regionally exclusive models as they sometimes have in the past.

Stability and peace must take priority over structural reforms and increased development. It is important to avoid rushing into ill-considered “peace dividend” packages since poorly planned injections of cash and other support could well be counterproductive. The new government is a fragile interim administration, whose legitimacy is based on popular support for a peace process, not a full-fledged government with legislative and governance capacities. Donors will need to recognise that development assistance cannot be separated from the political situation and processes, so political analysis should inform any aid planning. Finally, donors should carefully evaluate the reach and administrative capacity of government in the districts,

including women, not just the armed parties and political elites; (ii) Maoist rejection of violence and acceptance of complete disarmament as part of a negotiated settlement; (iii) full respect by all parties for fundamental human rights; (iv) establishment of constitutional democracy, with sovereignty vested in the people; (v) an environment of complete political freedom enabling viable elections that reflect the popular will; (vi) full civilian control of security forces; (vii) establishment of a more inclusive political system that addresses the underlying causes of conflict and underdevelopment; and (viii) an equitable development and economic agenda that benefits the entire country, particularly traditionally marginalised groups. Crisis Group Report, *Nepal's Crisis*, op. cit.

¹⁴¹ See *ibid*.

which will be at least as important as the change in the top-level political environment.

B. PEACE PROCESS

The Challenges

The most immediate challenge is to make the ceasefire work – a much tougher task than it may appear. Managing a viable process means keeping the Maoists on board, maintaining unity within the SPA and ensuring continued popular legitimacy and buy-in. In this, as in the constitutional revisions to come, the government will have to work hard to emphasise transparent popular sovereignty and participation. The starting points for the peace process, as well as the framework for its continuation, were defined by the party-Maoist negotiations in 2005.¹⁴² On 4 May 2006 the restored parliament formally endorsed the SPA roadmap based on that twelve-point understanding.¹⁴³

The initial efforts must build confidence and good faith on both sides. The Maoists started the process by announcing a unilateral ceasefire.¹⁴⁴ After a slight delay, the government reciprocated with an indefinite ceasefire, the lifting of Interpol red notices against Maoist leaders¹⁴⁵ and removal of the “terrorist” tag applied to the insurgents.¹⁴⁶ This will allow the Maoists a degree of freedom of movement and peaceful assembly – something they had already started testing. Prachanda quickly welcomed the government’s offer and confirmed that the Maoists were willing to enter negotiations on the basis of the twelve-point agreement.¹⁴⁷

Demonstrable democratic control of the RNA will be essential to reassure the Maoists. The ceasefire will also need to be monitored credibly, primarily by the parties themselves, with national mechanisms, but most probably also with an international component.¹⁴⁸ A draft code of conduct prepared by the Maoists has been discussed by the cabinet but the government has yet to produce its own plans.¹⁴⁹ The Maoists must contribute to the confidence-

building process, initially by releasing civilian captives, respecting political pluralism in practice and ending harassment of the families of security forces. They should also recognise that the countrywide mobilisation of their cadres – even if largely unarmed and in civilian dress – prompts understandable fears among the state security forces.¹⁵⁰ There have been allegations of continued rights violations by Maoists, such as abductions and even killings.¹⁵¹

The Maoists have demonstrated in the past that they have reasonable discipline and can enforce a ceasefire. There will be little tolerance of violations, and the government will expect its positive gestures to be reciprocated. Fortunately, the negotiations leading to the twelve-point agreement have shown that both sides are capable of orchestrating a bilateral process. The Maoists’ initial criticism of the parties’ acceptance of the king’s offer was followed by the rapid lifting of blockades and announcement of a ceasefire, indicating that while they may use harsh language, they can also offer pragmatic concessions.

A peace process will be long and difficult. Each step will bring risks but, if managed well, could help build confidence. The major task before elections to a constituent assembly are possible is to work with the Maoists to deliver a convincing plan for demobilisation and disarmament. It is not realistic to expect this to happen precipitously or in a single step. The Maoists may well play for tactical advantages during the process – as, no doubt, will their political rivals – but they will also require concrete reassurances.

The International Role

The international community should help with ceasefire monitoring if requested and should start practical planning now for a small mission, as Crisis Group has outlined,¹⁵² so it is prepared to assist both armed parties with a gradual demobilisation and demilitarisation process. Its development and humanitarian assistance should aim to consolidate peace by emphasising delivery of services and the opening of space for economic development,

¹⁴² See Crisis Group Report, *Nepal’s New Alliance*, op. cit.

¹⁴³ “House passes motion on probe commission”, *The Kathmandu Post*, 5 May 2006.

¹⁴⁴ Prachanda, press statement, 26 April 2006.

¹⁴⁵ Interpol red notices are issued on requests from national police forces in order “to seek the arrest or provisional arrest of wanted persons with a view to extradition”. See <http://www.interpol.int/Public/Notices/default.asp>. Some two dozen Maoist activists have had such notices issued against them on the request of the Nepal Police.

¹⁴⁶ “Govt announces indefinite truce”, *The Rising Nepal*, 4 May 2006.

¹⁴⁷ Prachanda, press statement, 4 May 2006.

¹⁴⁸ See Crisis Group Briefing, *Mobilising International Influence*, op. cit.

¹⁴⁹ “Cabinet meet to take up Maoist code”, *The Himalayan*

Times, 6 May 2006.

¹⁵⁰ Following the deployment of armed and uniformed Maoist fighters on major highways and at mass meetings, including in district headquarters, the government requested the Maoist leadership to cease such provocative behaviour. The Maoists say they have issued appropriate orders to their cadres and have promised to take action in case of violations. Crisis Group interviews, home ministry official, Kathmandu, May 2006.

¹⁵¹ “Maoists kill two civilians in Bara”, nepalnews.com, 5 May 2006.

¹⁵² See Crisis Group Briefing, *Mobilising International Influence*, op. cit.

while international financial institutions should give the highest priority to macroeconomic stability rather than forcing ambitious reform proposals on an interim government. Donors should consider funding a thorough professional audit of government, palace and military expenditure by reputable international accountants.

C. CONTAINING THE KING

The Challenges

The parties' most immediate task is to roll back palace encroachments made not only since the February 2005 royal coup but since Gyanendra started his power-grab in October 2002. On 3 May the government declared the February 2006 municipal elections invalid and granted one million rupees (\$14,000) compensation to the families of each person killed during the movement.¹⁵³ Four days later the cabinet revoked all political appointments made since the king's 4 October 2002 seizure of power, including regional and zonal administrators, and recalled the twelve ambassadors who were appointed during royal rule.¹⁵⁴

The government will move to more difficult territory once it starts to review judicial and civil service appointments and transfers made since the royal coup. The palace successfully manoeuvred committed supporters into many key positions. Here, too, some may opt for a graceful exit: for example, the attorney-general and the senior officials of the National Planning Commission, National Women's Commission and Social Welfare Council promptly tendered their resignations in order to avoid an acrimonious reshuffle. Most members of the National Human Rights Commission (NHRC) have reportedly agreed to resign en masse but one commissioner is refusing to go.¹⁵⁵ The NHRC has been placed on a watchlist by the International Association of Independent National Human Rights Organisations because of its perceived lack of independence. The Supreme Court had invited the king to participate in the concluding session of its three-day golden jubilee celebrations on 23 May but he has withdrawn.¹⁵⁶

There have been calls from within the parties to cancel all royal ordinances, including withdrawing the much criticised Terrorist and Destructive Activities (Control and Punishment) Ordinance (TADO).¹⁵⁷ The government will find it hard to resist such calls although it may opt to allow some ordinances to lapse by default.¹⁵⁸ The instant repeal of TADO, however, may be more complex: it would require release of Maoist detainees, something the government may wish to reserve as a political matter to be addressed in negotiations.

The government may choose to set up an independent commission to review the royal government's expenditures, especially in the light of well researched recent press exposés suggesting that at least hundreds of millions of dollars were diverted from the state budget to the palace.¹⁵⁹ Several other areas have been the focus of critical attention, not least military procurement (in particular the suspect purchase of helicopters from Kazakhstan¹⁶⁰) and the spending on controversial foreign trips by the king and other members of the royal family. The palace budget itself was massively increased in 2002; Finance Minister Mahat's review may conclude that it should at least be reduced to pre-2002 levels if not further.¹⁶¹

Finally, the government will have to tackle the two main institutional bases of royal power: the Rajparishad (Royal Council) and the palace secretariat. The Rajparishad, composed largely of elderly royalists such as retired generals and former Panchayat politicians, stepped beyond its limited constitutional role to campaign for absolute royal rule and threaten democrats.¹⁶² Prime Minister Koirala has refused to join it (as prime ministers normally would; see above), and it will probably be abolished, although the government may leave this until the wider constitutional reform process starts.

The palace secretariat, however, must be neutralised immediately if the parties do not want to be risk being

¹⁵³ "Govt announces ceasefire; removes red corner notice, terrorist tag on Maoists", nepalnews.com, 3 May 2006.

¹⁵⁴ They are: Karna Dhoj Adhikary (from India), Narendra Raj Pandey (China), Prabal Shumsher Rana (UK), Kedar Bhakta Shrestha (U.S.), Hiranya Lal Shrestha (Russia), Prajwolla Shamsheer Rana (France), Tara Bahadur Thapa (Thailand), Victory Rana (Myanmar), Rameshananda Vaidya (Japan), Abulesh Thakurai (Saudi Arabia), Pushkar Man Singh Rajbhandari (Pakistan) and Shyamananda Suman (Qatar). See "Govt. recalls ambassadors to 12 countries; scraps all appointments made after Oct 4, 2002", nepalnews.com, 7 May 2006.

¹⁵⁵ Crisis Group interview, Kathmandu, 7 May 2006. See also "Most NHRC members mull quitting posts", *The Himalayan Times*, 7 May 2006.

¹⁵⁶ "King not to attend SC fest", nepalnews.com, 4 May 2006.

¹⁵⁷ A further, but more complicated step, will be to review pre-democratic legislation that remained on the statute books after 1990, for example the Army Act (1959) which governs the RNA, and the Public Security Act (1989), which allows for detention without trial.

¹⁵⁸ The 1990 constitution stipulates that ordinances lapse if not approved by parliament within six months. Now that parliament has been restored, the conventions of the 1990 constitution may be assumed to apply in these cases.

¹⁵⁹ Kedar Subedi, "Ru pachas arba yatauta", *Himal Khabapatrika*, 28 February 2006.

¹⁶⁰ Prem Khanal, "Govt buying 4 choppers with bank loans", *ekantipur.com*, 21 August 2005.

¹⁶¹ "Palace expenditures will be downsized: Finance Minister", nepalnews.com, 2 May 2006.

¹⁶² See "Rajparishad ready for confrontation: Report", nepalnews.com, 5 January 2006 and Crisis Group Report, *Electing Chaos*, op.cit.

destabilised by a powerful competing power centre. Many of its key officials, including the chief secretary, Pashupati Bhakta Maharjan, are overdue for retirement and may be persuaded to move on; others could be accommodated elsewhere in the civil service or offered redundancy packages. A restructured palace secretariat should be staffed by regular civil servants – under the current system the staff is hired directly by the palace – and managed by a mainstream ministry with direct ministerial oversight. The government will need to ensure that the clearing of important ministry files through the palace secretariat – a practice that continued even after the 1990 advent of democracy – is promptly halted. It is particularly important that the palace's military secretariat, the focal point of RNA control currently headed by Major-General Gajendra Limbu, be dismantled. UML General Secretary Madhav Nepal has already publicly demanded this.¹⁶³

The International Role

Foreign political leaders should have no more meetings with the king unless requested by the government. U.S. Assistant Secretary of State Richard Boucher made the right start by abandoning his plans to see the king during his 2–3 May visit and emphasising publicly that Gyanendra has no future political role.¹⁶⁴

Countries with monarchies may still be tempted to reward Gyanendra for his climb down with continued engagement and even invitations. Any such efforts would further erode international community credibility. Likewise, Kathmandu-based diplomats should resist the temptation to rehabilitate royal cronies responsible for the worst excesses of royal rule. Kamal Thapa, the ex-home minister who has been disowned by his own former party and who coordinated the brutal attempted suppression of the people's movement, was still invited to the Queen's Birthday Party at the British embassy on 5 May. He and other royalists such as Kirtinidhi Bista and Bharat Keshar Singh also attended the Israeli embassy's 3 May reception.

The international community should recognise that the future of the monarchy is in the hands of the Nepali people. There is enough work to be done to support democracy and no need to force the retention of a ceremonial monarchy. If people want it, they will vote for it; there are plenty of politicians who will be happy to argue the case for a continued royal role.

D. CONTROLLING THE ARMY

The Challenges

Even as the king capitulated, the RNA launched a sophisticated public relations campaign. Chief of Army Staff Pyar Jung Thapa, looking relaxed in civilian dress, recorded a rare interview with CNN for release immediately after the king's 24 April proclamation in which he emphasised that the RNA was willing to work under any legitimate government and take orders from the defence minister and prime minister.¹⁶⁵ The army also put its side of the story to prominent journalists:

The Royal Nepal Army's perception that the crisis in the country was fast escalating out of control played a decisive role in convincing King Gyanendra to step back from the brink... According to a number of sources who spoke to *The Hindu* on condition that they not be identified in any way and that certain details be left out, it was the Army chief, General Pyar Jung Thapa, who took the initiative to push the palace to settle on the SPA's terms... Finally, General Thapa sent a clear and unambiguous message to the SPA leadership: if you form the government, the RNA will be firmly behind you.¹⁶⁶

Accounts such as these may or may not reflect the murky reality of the complex final negotiations that led to the king's retreat. Senior RNA commanders are still loyal to the king, as is the army institutionally. This will not change overnight, especially if the SPA government's actions fail to inspire confidence. Nevertheless, the RNA's stated commitment to the democratic process deserves to be tested. The government will have to be tough and implement some measures that may upset senior officers but it can also assist the army's transformation into a genuine national force with enhanced domestic and international prestige.

The new government will need to separate the king from the army. There can be no more private meetings between the monarch and the Chief of Army Staff. The king himself may have realised that the time for public appearances in uniform has passed, and any future visits to army units will depend on government permission.

Prime Minister Koirala is handling the defence portfolio himself. However, appointing a capable, heavyweight defence minister – even if only as a sign of intent – would send a strong signal that the government was taking charge. The defence ministry, largely a shadow institution, urgently needs talented civil servants who are seen as neither royalists nor party partisans. Although the serious work of

¹⁶³ "Nepal asks govt to remove 'royal' from RNA", *ekantipur.com*, 6 May 2006.

¹⁶⁴ Press conference by Richard Boucher, Assistant Secretary of State for South and Central Asian Affairs, Kathmandu, 3 May 2006, available at <http://www.state.gov/p/sca/rls/rm/2006/65751.htm>.

¹⁶⁵ CNN World Television, 24 April 2006.

¹⁶⁶ Siddharth Varadarajan, "Nepal Army chief helped convince Gyanendra", *The Hindu*, 27 April 2006.

security sector reform cannot be rushed, effective civil servants can start preparing by familiarising themselves with the issues and planning how to build a viable ministry.

A priority for the government will be putting the RNA under the same judicial auspices as every other arm of government. This means bringing military courts under supreme court jurisdiction. The government is likely to freeze all RNA expansion and procurement plans, as well as refuse outside offers of lethal military aid. The bilateral ceasefire will make it essential to dissolve the Unified Command and make the civil police a more effective force capable of maintaining law and order independent of army control. The creeping militarisation of local administration should be promptly halted.

The government may consider voluntarily halting new deployments to UN peacekeeping missions until a full, transparent investigation into army human rights abuses has been completed and the court case over the diversion of soldiers' wages into the unaudited Army Welfare Fund is satisfactorily resolved.¹⁶⁷ At the same time, it could assure the UN that subject to these basic conditions and progress in the peace process, the RNA might increase future troop contributions. If peace takes hold, an RNA that might otherwise have trouble keeping its soldiers occupied could rebuild its international image for peacekeeping if it demonstrates democratic credentials.

General Thapa took a significant step by stating that Maoist fighters could be incorporated into the RNA on the basis of their capability and qualifications.¹⁶⁸ Speaking at a mass meeting in Pyuthan district, the deputy commander of the Maoist forces, Prabhakar, retorted that: "We cannot merge the people's army with corrupt killers like Pyar Jung Thapa". But his complaint is primarily with the top brass. He emphasised that he saw no problem in converting the RNA's "patriotic and nationalist soldiers and officers" into a national army.¹⁶⁹ In an interview with *The New York Times*, Baburam Bhattarai did not talk about disarmament but reiterated the Maoists' commitment to put their troops under international supervision during the election for a constituent assembly if the RNA was similarly restrained. "For free and fair elections, let both the PLA and RNA be kept aside", he proposed. "Let an international supervisory

body keep an eye on both".¹⁷⁰ It will not be easy to agree on this but it is encouraging that the topic is being openly debated.

Army officers' repeated complaints that party politicians must shoulder some of the blame for their poor relations are not without foundation. While the parties argue that the army's support of the royal coup demonstrates that their fears of the RNA's partisanship were justified, the messy history of government-military relations since 1990 does not fully exonerate them. The parties need to do more to build bridges with the military and to equip themselves, as well as the government's civil servants, with the capacity to manage the military professionally.

The International Role

It is important that there be no resumption of lethal aid, especially now that the bilateral ceasefire renders it unnecessary. The RNA has its own ammunition-manufacturing capacity and does not require outside assistance.¹⁷¹ All engagement with the military must be channelled through the civilian government and predicated on concrete steps toward operationalising democratic control. The international community will also need to maintain pressure for a full and transparent investigation of army human rights abuses, including adequate sentences for those convicted, and the investigation of all unresolved cases of forced disappearance.

A key donor focus should be to improve the capacity of politicians and civil servants to manage the armed forces professionally. At the same time, governments should both support a voluntary suspension of new Nepalese contributions to UN peacekeeping missions until RNA human rights abuses are satisfactorily investigated and concrete steps have been taken to assert democratic control of the military, and help the RNA make the necessary reforms that would enable it eventually to increase its contributions to UN missions.

Helping the civil police is equally important. They need to be strengthened so they can play a central role in maintaining law and order during the ceasefire.

E. TRANSITIONAL JUSTICE

The Challenges

Demands that members and officials of the royal government – in particular those responsible for suppressing

¹⁶⁷ The fund has a balance of some \$93.7 million. Ambar Bahadur Thapamagar, chairman of the independent Ex-Army Welfare Council, filed a case in the Supreme Court in 2001 challenging its lack of transparency, which is yet to be resolved. Madhav Dhungel, "Jawanko kamai, hakimko rajain", *Nepal*, 5 March 2006.

¹⁶⁸ "Maoist militia could be incorporated in RNA: CoAS Thapa", *The Kathmandu Post*, 26 April 2006.

¹⁶⁹ "Pyarjang thapajasta bhrashtaharusanga janamukti sena ekikrit nahune", *Janadesh*, 2 May 2006.

¹⁷⁰ Somini Sengupta, "Nepalese Maoist proposes that rebels and army curb troops", *The New York Times*, 28 April 2006.

¹⁷¹ Crisis Group interviews, March 2006. The RNA is able to manufacture 5.56 mm and 7.62 mm ammunition compatible with Indian INSAS rifles, American M16s and its older SLRs.

the pro-democracy movement, including killing and injuring demonstrators – be brought to justice have featured prominently both during and after the protests. Experiences in transitional justice around the world suggest two fundamental rules: (i) don't rush: decisions should not be taken in the heat of the moment but after as wide and inclusive a national debate as possible; and (ii) there is no single model: the key is to reach a formula with broad popular legitimacy, which requires patience from both the new government and an angry population that wants quick results.

The government has formed a five-member independent commission under former Judge Krishna Jung Rayamajhi to probe state atrocities during the April movement.¹⁷² Rayamajhi has said that, if needed, the commission could also summon the then chief executive of the country – in other words, the king.¹⁷³ Nepal's own earlier efforts at transitional justice indicate the difficult areas that will have to be debated. In 1990 an independent judicial probe, the Mallik Commission, investigated abuses during the democracy movement that ended the Panchayat system. Its detailed findings identified suspects but no action was taken.¹⁷⁴ At the time this enabled the country to move forward without acrimonious legal retribution. However, the reappearance of many of the 1990 accused in key positions under the post-royal coup government has highlighted the dangers of a blanket amnesty, especially one that was not widely discussed or approved.

A thorough investigation – probably best undertaken by an independent commission – into the unresolved cases of forced disappearances during the course of the war must be an immediate priority. It ought to be possible now to deal promptly and transparently with outstanding cases of human rights abuses by state security forces. Maoist violations can be investigated and files prepared for later possible prosecutions. While dealing with those directly responsible for killing and injuring demonstrators in April 2006 may be relatively straightforward, addressing the thousands of violations over the course of the conflict will be a delicate process inextricably connected to the politics of peace negotiations.

Beyond transitional measures, future administrations will be faced with wider tasks in reforming the judicial system, whose unresponsiveness and perceived bias was one of the grievances which helped popularise the Maoists'

alternative "people's courts". As well as addressing such weaknesses, the independent National Human Rights Commission, whose current members were appointed by the royal government, will need fresh leadership and a more convincing mandate to act as an effective watchdog.

The International Role

Transitional justice is a sensitive area where national ownership and decision-making is crucial. However, the government could benefit from experiences in other countries and technical input. OHCHR is well placed to be the first source for advice and to coordinate technical assistance in these areas. It has already offered to share the findings of its own investigations into rights abuses with legitimate authorities.

F. PREPARING FOR CONSTITUTIONAL CHANGE

The Challenges

There are two headline challenges: (i) negotiating the remaining differences between the major political players and limiting the capacity of potential spoilers to disrupt the process; and (ii) ensuring that constitutional change is an inclusive, popularly endorsed and driven process, delivering a final constitution that is unambiguously endorsed by the people of Nepal. Addressing both these requirements, which will often be in conflict, will not be easy, although sustained public pressure should help force the political players to resolve their differences.

That constitutional reform will be achieved through a constituent assembly is now hardly in doubt. Unable to attend the first meeting of the reinstated House of Representatives on 28 April due to ill health, Prime Minister Koirala submitted a written motion pledging constituent assembly elections. It passed unanimously but the process remains to be debated and decided.¹⁷⁵ Although the Maoists have not set out a detailed proposal they are again ahead of the mainstream parties in planning. In an telephone interview, Baburam Bhattarai listed some of the issues that need to be discussed, including the election process, constituency numbers and representation of ethnic minorities, women and marginalised groups.¹⁷⁶

¹⁷² The members are: Harihar Birahi (journalist), Dr Kiran Shrestha (Nepal Medical Association general secretary), Ram Kumar Shrestha and Ram Prasad Shrestha (both lawyers). See "Panel to bring to book stir suppressors", *The Himalyan Times*, 6 May 2006.

¹⁷³ "Chief executive can be summoned: Rayamajhi", *ekantipur.com*, 8 May 2006.

¹⁷⁴ See Crisis Group Report, *Electing Chaos*, op. cit.

¹⁷⁵ Tilak Pokharel & Yuvraj Acharya, "House moves constituent assembly poll", *The Kathmandu Post*, 29 April 2006.

¹⁷⁶ "Nepalis deceived again: Bhattarai", *Himalayan Times* 28 April 2006. On Maoist plans for constitutional reform, see Crisis Group Asia Report N°99, *Towards a Lasting Peace in Nepal: The Constitutional Issues*, 15 June 2005, and Crisis Group Asia Report N°104, *Nepal's Maoists: Their Aims, Structure and Strategy*, 27 October 2005.

A fuller list of key substantive issues includes:¹⁷⁷

Social and political inclusion of ethnic, caste and regional groups and women. Many among the hundreds of protestors outside parliament as it sat for its first session on 28 April were pushing for an assembly that would have unconditional authority to deliver minority rights and make Nepal a secular state.¹⁷⁸ This is only one indication of the many demands that Nepal's diverse citizenry will expect to be addressed.

Sub-national governance. There are longstanding demands for devolution of powers to regional and more local levels. This is a popular cause that the Maoists have also embraced.

Electoral reform. Many complaints about the functioning of the post-1990 democratic system have focused on an electoral system that critics claim is inherently unrepresentative. There will be heated debates over the retention of a modified first-past-the-post model or the adoption of other, more proportional models.

Civil-military relations. The new constitution should leave no ambiguity over democratic control of the security forces.

The future of the monarchy. While the choice has probably been reduced to one between a republic and a purely ceremonial monarchy, this question will likely remain the most emotionally charged and controversial.

The International Role

The constitutional reform process will be complex and probably require various forms of technical help. Heavy-handed aid could compromise the essential principle of a people's constitution. Donors should be guided by the government's requests, avoid competing for involvement and be particularly careful not to impose models. That said, they should support a people-driven process, assisting where requested in funding or technically facilitating public consultations and a wide national debate. They should also be prepared to provide more detailed technical assistance where appropriate, while remembering that supporting fundamental changes on the issues outlined above will require a new approach to development and other assistance if Nepal is to achieve the genuine social and economic transformation its people are demanding.

VI. CONCLUSION

The April 2006 people's movement is the first step in a long process. The defeat of the king's absolute rule was essential but does not in itself resolve many problems. The aspirations of the people go far beyond simply revising the role of the monarchy. There can be no return to any earlier status quo: the demand is for fundamental reform and the transformation of Nepal's political, social and economic structures. Many will resist such changes: for conservatives within Nepal and beyond a powerful democratic mass movement is almost as alarming as a Maoist revolution. But change must come, and the outside world should support the people's hard-won chance to deliver a new Nepal through a transparent, inclusive and representative process.

Kathmandu/Brussels, 10 May 2006

¹⁷⁷ For detailed consideration of process and substance issues, see Crisis Group Report, *Towards a Lasting Peace in Nepal*, op. cit.

¹⁷⁸ "Civil society warns leaders", *The Kathmandu Post*, 29 April 2006.

APPENDIX A

MAP OF NEPAL



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APPENDIX B

KING GYANENDRA'S PROCLAMATIONS

King Gyanendra's Nepali New Year message to the nation, April 14, 2006

Beloved Countrymen,

On the occasion of the advent of the New Year 2063, we extend best wishes for peace, good health and prosperity of all Nepalese, living in the country and abroad. We appreciate the understanding and patience of the Nepalese people, conscientiousness of the civil servants and the perseverance, courage and discipline displayed by the security personnel during the past year.

Democracy demands restraint and consensus as all forms of extremism are incompatible with democracy. While facing the challenges confronting the nation, democracy also emphasises acceptance of the preeminence of the collective wisdom in charting a future course. Aware of our traditions and sensitivities, as well as the self-respect and self-confidence of the Nepalese people who have always remained independent throughout history, dialogue must form the basis for the resolution of all problems. We, therefore, call upon all political parties to join in a dialogue, which we have always advocated, to bear the responsibility of and contribute towards activating the multiparty democratic polity. We believe that there is no alternative to multiparty democracy in the 21st century and the verdict of the ballot alone is legitimate. It is our wish that in order to reenergize multiparty democracy, there should not be any delay in reactivating all representative bodies through elections. We are in favour of sustainable peace and the people's right to vote. Democratic norms and values demand a commitment that the goals set forth by the Constitution of the Kingdom of Nepal-1990 can be achieved only through constitutional means. It is, therefore, our desire that with the active participation of all political parties committed to peace and democracy, a meaningful exercise in multiparty democracy be initiated through an exemplary democratic exercise like the general elections.

May the efforts at ensuring sustainable peace and meaningful democracy in the interest of the nation and people bear fruit during the New Year.

May Lord Pashupatinath bless us all!

Jaya Nepal!

Source: Rastriya Samachar Samiti

King Gyanendra's proclamation to the nation, 21 April 2006

Beloved Countrymen,

You are all aware that, given the situation prevailing in the country then, we were compelled to take the decision of 1 February 2005 to set in motion a meaningful exercise in multiparty democracy by activating all elected bodies, ensuring peace and security and a corruption-free good governance through the collective wisdom, understanding and the united efforts of all the Nepalese. By supporting our decision, the Nepalese people made amply clear their desire for peace and democracy and the civil servants demonstrated sincerity towards their duties. We are appreciative of this. We also have high regard for the dutifulness, valour and discipline displayed by the security personnel, upholding their glorious traditions.

By visiting different parts of the country, we made honest endeavours to acquaint ourselves with the hopes and aspirations of our people, mitigate their hardships and boost their morale. We also called on the political parties to enter into a dialogue in the interest of the nation and people afflicted by violence and terrorism. However, this did not materialise. The ideals of democracy can be realised only through the active participation of political parties. In keeping with the traditions of the Shah Dynasty to reign in accordance with the popular will in the greater interest of the nation and people and our unflinching commitment towards Constitutional Monarchy and multiparty democracy, we, through this Proclamation, affirm that the Executive Power of the Kingdom of Nepal, which was in our safekeeping, shall, from this day, be returned to the people

and be exercised in accordance with Article 35 of the Constitution of the Kingdom of Nepal - 1990. As the source of Sovereign Authority is inherent in the people,¹⁷⁹ harmony and understanding must be preserved in the interest of the nation and people in an environment of peace and security. While safeguarding multiparty democracy, the nation must be taken ahead along the road of peace and prosperity by bringing into the democratic mainstream those who have deviated from the constitutional path. Similarly, a meaningful exercise in democracy must be ensured with the activation of representative bodies through elections as soon as possible. We, therefore, call upon the Seven Party Alliance to recommend a name, for the post of Prime Minister, at the earliest for the constitution of the Council of Ministers which will bear the responsibility of governing the country in accordance with the Constitution of the Kingdom of Nepal - 1990. The present Council of Ministers will continue to function until the appointment of the Prime Minister.

May Lord Pashupatinath bless us all!

Jaya Nepal!

(Unofficial Translation)

Source: Royal Palace Secretariat

King Gyanendra's proclamation to the nation, 24 April 2006

Beloved Countrymen,

Convinced that the source of State Authority and Sovereignty of the Kingdom of Nepal is inherent in the people of Nepal and cognizant of the spirit of the ongoing people's movement as well as to resolve the on-going violent conflict and other problems facing the country according to the road map of the agitating Seven Party Alliance, we, through this Proclamation, reinstate the House of Representatives which was dissolved on 22 May 2002 on the advice of the then Prime Minister in accordance with the Constitution of the Kingdom of Nepal-1990. We call upon the Seven Party Alliance to bear the responsibility of taking the nation on the path to national unity and prosperity, while ensuring permanent peace and safeguarding multiparty democracy. We also summon the session of the reinstated House of Representatives at the Sansad Bhawan, Singha Durbar at 1 P.M. on Friday, 28 April 2006.

We are confident that this House will contribute to the overall welfare of Nepal and the Nepalese people. We extend our heartfelt condolences to all those who have lost their lives in the people's movement and wish the injured speedy recovery. We are confident that the nation will forge ahead towards sustainable peace, progress, full-fledged democracy and national unity.

May Lord Pashupatinath bless us all!

Jaya Nepal!

(Unofficial Translation)

Source: Royal Palace Secretariat

¹⁷⁹ The original Nepali text refers not to "sovereign authority" but to "state power".

APPENDIX C

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Crisis Group's approach is grounded in field research. Teams of political analysts are located within or close by countries at risk of outbreak, escalation or recurrence of violent conflict. Based on information and assessments from the field, it produces analytical reports containing practical recommendations targeted at key international decision-takers. Crisis Group also publishes *CrisisWatch*, a twelve-page monthly bulletin, providing a succinct regular update on the state of play in all the most significant situations of conflict or potential conflict around the world.

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JP Morgan Global Foreign

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**Sarlo Foundation of the Jewish
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