

# Nepal IN PERSPECTIVE

An Orientation Guide



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# Geography

## Introduction

Nepal is often associated with the staggering mountain peaks of the Himalaya, long a magnet for high-altitude adventurers from around the world. However, Nepal's geographical diversity surprises those who associate the landscape with the high peaks. While the postcard vistas of mountain streams churning through narrow valleys carved out of metamorphic rock are certainly an elemental part of Nepal, they reveal little about the nation and its people. Nepal is a surprisingly populous country, and about half of its nearly 29 million citizens live at altitudes no higher than that of Atlanta. Much of the other half of Nepal's population is found in the Kathmandu Valley, long the cultural and political center of Nepal.



© Iker Ender  
Mount Everest

The country rises steadily from south to north, spanning an astonishing range between its lowest elevations, roughly 70 m (230 ft) and its highest of 8,778 m (28,800 ft). Steamy jungle settings can be found in the southern plains, while not far north, temperate valleys are tucked into the mountains south of the Himalayas. Nepal is only slightly larger than the state of Arkansas, but its relatively modest size is disguised somewhat by its complex topography, which creates difficult travel conditions. Even today, travel between two sites separated by only a few tens of kilometers can be a nearly day-long event. During the summer monsoon season, travel can be almost impossible in the relatively flat southern region's vast alluvial plains, which are created by rivers emerging from the mountains to the north.

Landlocked Nepal lies between China and India, the two giants of Asia, but its borders with its much larger neighbors could not be more different. To the north, the towering Himalayas present one of the most imposing physical barriers on earth. Some trade routes to the Tibetan plateau still exist, historically created through a few of the more accessible mountain gorges. To the south, the Tarai plain of Nepal blends nearly imperceptibly into the Indo-Gangetic plain, with few natural geographic barriers. (Throughout history, the only true "barrier" in the Tarai has been its forests. Their fearsome reputation for harboring a deadly strain of malaria limited migration from both the Nepalese hills and India's plains until officials attempted to eradicate the disease in the 1960s and 1970s.)<sup>1</sup>

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<sup>1</sup> Forests Monitor. "The Terai Forests." 2006. <http://www.forestsmonitor.org/en/reports/549391/549398>

## Geographic Regions and Topographic Features

### *Tarai*

The Tarai region is a narrow strip of flatlands that in Nepal extend from the Indian–Nepalese border northward to the southern foothills of the Siwalik Range (also known as the Churia Range). The word “tarai” is assumed to originate from the Persian word for “damp,” which aptly describes the marshy plains and their hot, humid climate. Today, the original subtropical forests and savannah vegetation have mostly been cleared for fields of grains, such as rice, wheat, and maize (corn). The once sparsely populated Tarai, where malaria was endemic when forests still covered the land, is now home to nearly half of Nepal’s people and is the country’s agricultural heartland.<sup>23</sup> However, recent average temperature increases in this region, thought to be linked to global climate change, have reduced its productivity of grains. The temperature fluctuations may necessitate a change to other crops better suited to a more tropical climate.<sup>4</sup>



© Mathew Knoktt  
Chitwan National park

Most of the region lies in the northernmost part of the central Indo-Gangetic plain—the vast, flat drainage area for the Ganges (or Ganga) River and its tributaries flowing through northern India. But some valleys, between the Siwalik Range and the Mahabharat Range north of the Siwaliks, are separated from the rest of the Tarai. This discontinuous string of valleys is known as the Inner Tarai. Among the larger of the Inner Tarai valleys is the Chitwan Valley, home to Chitwan National Park. This is one of the few regions in Nepal where the native forests and grasslands of the Tarai still survive.

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<sup>2</sup> *A History of Nepal*. Whelpton, John. “Chapter 1. Environment, State, and Society in the Central Himalayas to 1743 [p. 8].” 2005. Cambridge: Cambridge University Press

<sup>3</sup> *Many Tongues, One People: The Making of Tharu Identity in Nepal*. Guneratne, Arjun. “Chapter 2. The Tharu and the Tarai [p. 22].” 2002. Ithaca: Cornell University Press

<sup>4</sup> Himalayan Times. Aryal, Bishnu Prasad. “Erratic Impacts of Climate Change on Crop Cultivation.” 17 April 2009.

<http://www.thehimalayantimes.com/fullNews.php?headline=Erratic+impacts+of+climate+change+on+crop+cultivation&id=MTI5OQ==>

## *The Hills*

Moving northward, the Siwalik Range immediately gives way to a higher set of mountains (or “hills,” compared to the towering Himalayas farther north). The ridges of this range, the Mahabharat Lekh, generally vary in altitude from 1,500 to 2,700 m (4,900 to 8,900 ft).<sup>5, 6</sup> North of the Mahabharat Lekh is a region of terraced hillsides and river valleys known as the Pahar. Despite the Pahar’s relative geographic isolation, it has long been Nepal’s cultural and political heartland. In particular, the Kathmandu and Pokhara Valleys, the two largest basins within the Pahar, have long been the site of some of Nepal’s largest cities, such as Kathmandu, Patan, and Pokhara. The Kathmandu Valley is not only the location of Kathmandu, Nepal’s capital, and several other urban areas, but it also continues to be an agricultural center because of its extremely fertile soils.<sup>7</sup>

## *The Mountains*

The Himalaya Mountains, the world’s highest mountain range, run east–west along Nepal’s northern border area. Defined by altitudes of 4,000 m (13,100 ft) and higher, the high mountain region is known within Nepal as the Parbat. Within this region lie 8 of the world’s 10 highest peaks, all more than 8,000 m (26,247 ft) in altitude, including several on Nepal’s border with Tibetan China and another on the Nepalese–Indian border.<sup>8</sup> Two of these—Mount Everest, the world’s highest peak, and Annapurna I, perhaps the world’s most dangerous climbing mountain—are well known even to armchair adventurers.<sup>9</sup>



© Chris de Rham  
Kali Gandaki valley

The high altitudes of Nepal’s mountain regions limit human habitation to just a few isolated outposts. One of these, the Kali Gandaki Valley, follows a river gorge separating some of the highest Himalayan peaks and contains some small villages on river plateaus and bluffs.<sup>10</sup>

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<sup>5</sup> *Nepal*, 6th Ed. “Facts About Nepal—Geography [p. 16].” 2003. Footscray, Victoria, Australia: Lonely Planet Publications

<sup>6</sup> Federal Research Division, Library of Congress. *Nepal and Bhutan: Country Studies*. “Chapter 2 – Nepal: The Society and Its Environment – The Hill Region.” September 1991.  
<http://lcweb2.loc.gov/frd/cs/nptoc.html>

<sup>7</sup> *Nepal and Bangladesh: A Global Studies Handbook*. Shrestha, Nanda. R. “Geography and History of Nepal [p. 11].” 2002. Santa Barbara, CA: ABC-CLIO

<sup>8</sup> Infoplease.com. Pearson Education. “The World’s 14 Highest Mountain Peaks (Above 8,000 Meters).” 2007. <http://www.infoplease.com/ipa/A0777280.html>

<sup>9</sup> *The Himalaya By the Numbers: A Statistical Analysis of Mountaineering in the Nepal Himalaya*. Salisbury, Richard; and Elizabeth Hawley. “Death Analysis [p. 85].” September 2007.  
<http://www.himalayandatabase.com/downloads/HimalayaByNbrs.pdf>

<sup>10</sup> *Spectrum Guide to Nepal*. “The Land: High and Mighty, Sweet and Lush [pp. 70–71].” 2000. New York: Interlink Books

## Climate

Nepal's climate is highly variable and heavily dependent upon altitude and surrounding terrain. Within the country's width, a distance of only 160 to 240 km (100 to 150 mi), the climate varies from steamy subtropical monsoon to frigid Alpine conditions.<sup>11</sup> Similar to India to the south, Nepal's rainfall depends on seasonal monsoon winds off the Bay of Bengal. They generate most of the annual precipitation between June and September. In general, rainfall totals lessen from east to west, but there are some exceptions because of local terrain.<sup>12</sup> One is the Pokhara Valley, one of Nepal's wettest areas, despite its location in the middle of the country. Here, the high peaks of the Annapurna massif<sup>13</sup> north of the valley cause monsoon rain clouds to discharge on the valley side.<sup>14</sup>



© suzienevshoes / flickr.com  
Monsoon season

Temperatures in the Tarai region are torrid during the pre-monsoon period and summer monsoon months. In general, the hottest month is May, with a slight drop occurring in June when the monsoon rains finally begin. Average daily May highs of nearly 40°C (104°F) are recorded in some of the towns and cities of the Tarai.<sup>15</sup>

Kathmandu, at an elevation of 1,337 m (4,386 ft), has a temperate climate, with average daily temperatures of 10°C (50°F) in January and 26°C (79°F) in July.<sup>16</sup> Even though the city is linked in popular imagination with the high Himalayas, in reality it receives no snow.<sup>17</sup> To the north, average temperatures quickly decrease in the mountains and never get above freezing at altitudes of 4,876 m (16,000 ft) or more.<sup>18</sup>

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<sup>11</sup> Encyclopædia Britannica Online. "Nepal: The Land: Climate." 2009. <http://search.eb.com/eb/article-23638>

<sup>12</sup> BBC Weather Centre. "Country Guide: Nepal." 11 September 2009. [http://www.bbc.co.uk/weather/world/country\\_guides/results.shtml?tt=TT002640](http://www.bbc.co.uk/weather/world/country_guides/results.shtml?tt=TT002640)

<sup>13</sup> A compact portion of a mountain range, containing one or more summits.

<sup>14</sup> Encyclopædia Britannica Online. "Nepal: The Land: Climate." 2009. <http://search.eb.com/eb/article-23638>

<sup>15</sup> *Nepal*, 6th Ed. "Facts About Nepal—Climate [p. 18]." 2003. Footscray, Victoria, Australia: Lonely Planet Publications

<sup>16</sup> Encyclopædia Britannica Online. "Nepal: The Land: Climate." 2009. <http://search.eb.com/eb/article-23638>

<sup>17</sup> *Nepal*, 6th Ed. "Facts About Nepal—Climate [p. 18]." 2003. Footscray, Victoria, Australia: Lonely Planet Publications

<sup>18</sup> Encyclopædia Britannica Online. "Nepal: The Land: Climate." 2009. <http://search.eb.com/eb/article-23638>

## Rivers

Nepal's major rivers originate in the Himalayas, cutting some of the world's deepest gorges as they flow southward to the Indo-Gangetic plain. While "south" is the general direction of these rivers, many travel east to west (or vice versa) as they traverse the northern side of the Mahabharat Lekh or Siwalik Range before emerging through narrow transverse valleys carved through these hills.



© Michal Salaban  
Narayani river

Three main rivers, the Kosi, Narayani, and Karnali, provide most of Nepal's drainage, all of which eventually enters India. The Kosi (also known as Koshi) River is the repository of most rivers in the eastern third of Nepal. It is the last major tributary received by the Ganges River before its waters flow into Bangladesh. The Kosi River is fed by several major tributaries, including one (the Arun River) that flows into Nepal from the Tibetan Plateau in China. Once it reaches India's Bihar state, the Kosi is a major flood hazard, and it has changed its final course to the Ganges River many times. This occurred most recently during the devastating floods of 2008.<sup>19</sup>

Most of central Nepal is drained by the Narayani (or Gandak) River and its many tributaries, of which the Kali Gandaki and Trisuli Rivers are dominant. The Bagmati River is a lesser river of central Nepal, but of importance because it is the main river flowing through the Kathmandu Valley. It is considered a holy river, and the *ghats* ("steps leading to the river") along its bank near the Pashupatinath Temple in Kathmandu are used for Hindu cremation ceremonies.<sup>20</sup> The Bagmati flows into the Kosi River in Bihar state. The major western watershed in Nepal is the Karnali River, which joins the Mahakali River (at Nepal's western border with India) in the Indian state of Uttar Pradesh, forming the Ghaghara River, a major Ganges River tributary.

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<sup>19</sup> NDTV.com. Press Trust of India. "Kosi Wreaks Havoc in Bihar, Claims 42 Lives." 26 August 2009. <http://www.ndtv.com/convergence/ndtv/story.aspx?id=NEWEN20080062979&ch=8/26/2008 12:36:00 PM>

<sup>20</sup> *Nepal*, 6th Ed. "Around Kathmandu—Pashupatinath [p. 168]." 2003. Footscray, Victoria, Australia: Lonely Planet Publications

## Cities

City	Zone	Population 2001 <sup>21</sup>
Kathmandu	Bagmati	671,846
Biratnagar	Kosi	166,674
Patan (Lalitpur)	Bagmati	162,991
Pokhara	Gandaki	156,312
Birganj	Narayani	112,484
Dharan	Kosi	95,332
Bharatpur	Narayani	89,323
Mahendranagar	Mahakali	80,839
Butwal	Lumbini	75,384
Janakpur	Janakpur	74,192

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<sup>21</sup> CityPopulation.de. Brinkhoff, Thomas. "Nepal." 4 June 2008. <http://www.citypopulation.de/Nepal.html>

## *Kathmandu/Patan/Bhaktapur*

The Kathmandu Valley is the urban heart of Nepal and is occupied by three primary cities that are intrinsically linked, both geographically and historically. Much of the early recorded history of Nepal is actually the history of the Kathmandu Valley and its rulers and kingdoms.<sup>22</sup> From the early 13th century to 1769, the valley was ruled by the Malla dynasty, initially with a single ruler. By the late 15th century, however, the unified kingdom split into three smaller kingdoms, each centered at one of the three main cities that occupy the valley today.



© Phil Dui  
Patan, Nepal

Kathmandu's importance in Nepalese history is rooted in its location along the major trade routes linking Tibet and India. Thus, the people of the valley have cultural connections to their northern and southern neighbors. The Newars, who make up about one half the valley's population, speak a Tibeto-Burman language (Newar) that linguistically ties them to the Tibetan north. At the same time, religious and cultural influences from India are also evident— particularly in the caste system practiced by Hindus and Buddhists.<sup>23</sup>

Kathmandu, Nepal's largest city, is separated from Patan (also known as Lalitpur) by the Bagmati River. Patan, despite its proximity to Kathmandu, is far from a standard suburb. The city has the third-largest population in Nepal, although several times less than that of Kathmandu. In addition, its history as a separate kingdom has left it with historic palaces, temples, and shrines that rival those in Kathmandu. In both cities, as well as in Bhaktapur to the west, Durbar (royal palace) squares mark the sites of the ancient palaces when the cities were separate kingdoms. A large earthquake in 1934 destroyed some of the temples in each of these squares—particularly, in Bhaktapur—but renovations and restorations have helped reclaim much of the dazzling palace architecture.<sup>24</sup>

Modern Kathmandu and Patan have become bustling, traffic-laden cities with economies that have expanded beyond the traditional agricultural base. Patan is the center of Nepal's carpet manufacturing sector, which developed when Tibetan refugees arrived after the

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<sup>22</sup> United Nations Environment Programme. *Kathmandu Valley Environment Outlook*. "1. Introduction [p. 3]." [http://www.rrcap.unep.org/reports/eo/kv/KVEO\\_1\\_intro.pdf](http://www.rrcap.unep.org/reports/eo/kv/KVEO_1_intro.pdf)

<sup>23</sup> Encyclopædia Britannica Online. "Newar." 2009. <http://search.eb.com/eb/article-9055554>

<sup>24</sup> *Nepal Handbook*. Woodhatch, Tom. 1999. "Bhaktapur [p. 283]." 1999. Bath, England: Footprint Guidebooks. [http://books.google.com/books?id=NmltSI-xt8wC&pg=PA283&lpg=PA283&dq=1934+Nepal+earthquake+Durbar+Square&source=bl&ots=y3ITRdxCXC&sig=\\_tQgXc-SJLE2Jtf1oGa-GDJzuZI&hl=en&ei=WfmeSr1FiqiyA8HSjKcO&sa=X&oi=book\\_result&ct=result&resnum=10#v=onepage&q=1934+Nepal+earthquake+Durbar+Square&f=false](http://books.google.com/books?id=NmltSI-xt8wC&pg=PA283&lpg=PA283&dq=1934+Nepal+earthquake+Durbar+Square&source=bl&ots=y3ITRdxCXC&sig=_tQgXc-SJLE2Jtf1oGa-GDJzuZI&hl=en&ei=WfmeSr1FiqiyA8HSjKcO&sa=X&oi=book_result&ct=result&resnum=10#v=onepage&q=1934+Nepal+earthquake+Durbar+Square&f=false)

Chinese invaded Tibet in 1959.<sup>25</sup> Nepalese carpets have since become the country's leading export.<sup>26</sup>

### *Biratnagar*

Biratnagar is Nepal's second largest city, and one of its leading manufacturing centers. Located near the Indian border in the eastern Tarai region, the city is the site of a jute mill that was constructed in 1936 Nepal's first large-scale manufacturing enterprise.<sup>27</sup> Shortly thereafter, factories producing matches, cigarettes, and rice and vegetable oils were built.<sup>28</sup> More recently, Biratnagar industrial operations have produced sugar, textiles, leather, soap, iron and steel products, plastics, processed foods, and alcoholic beverages.

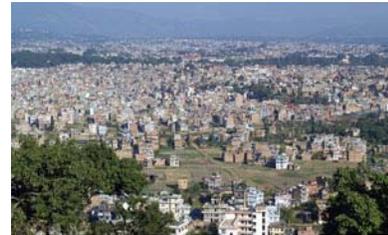


© Tom Krymkowski  
On the streets of Biratnagar

Because of the nearby border with eastern India, Biratnagar is a major trading center and entry point for Indians traveling into Nepal. The city lies near districts to the west that have been subject to violence by several armed groups supporting the Madhesi separatist movement. (Madhesi is the historical name for those who have long lived in Nepal's Tarai region.) Biratnagar has recently seen an influx of new residents as the security situation to its west deteriorates.<sup>29</sup>

### *Pokhara*

Pokhara, like Kathmandu, is in a large valley in Nepal's hills region. Pokhara occupies the northwestern part of the valley and lies adjacent to Phewa Lake, Nepal's second-largest lake.<sup>30</sup> (Only Rara Lake, in the west near the town of Jumla, is larger.)<sup>31</sup>



© richdrogpa / flickr.com  
Kathmandu, Nepal

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<sup>25</sup> *The Power of Women's Informal Networks: Lessons in Social Change From South Asia and West Africa.* Shobha Hamal Gurung. "Women Weavers in Nepal: Between Global Market and Local Craft Production [p. 92]." 2004. Lanham, MD: Lexington Books

[http://books.google.com/books?id=Mq3hPUwpJIEC&pg=PA92&lpg=PA92&dq=Patan+carpet+manufacturing+Tibetan+refugees&source=bl&ots=ucU49\\_TSKQ&sig=mjR8Xz5o00KGAgJBtSx1WY-skps&hl=en&ei=Nv6eSqGYDZP-sQOXyeiQDg&sa=X&oi=book\\_result&ct=result&resnum=5#v=onepage&q=Patan carpet manufacturing Tibetan refugees&f=false](http://books.google.com/books?id=Mq3hPUwpJIEC&pg=PA92&lpg=PA92&dq=Patan+carpet+manufacturing+Tibetan+refugees&source=bl&ots=ucU49_TSKQ&sig=mjR8Xz5o00KGAgJBtSx1WY-skps&hl=en&ei=Nv6eSqGYDZP-sQOXyeiQDg&sa=X&oi=book_result&ct=result&resnum=5#v=onepage&q=Patan%20carpet%20manufacturing%20Tibetan%20refugees&f=false)

<sup>26</sup> International Trade Centre. "Trade Performance HS: Exports of Nepal (2006, in USD Thousands)." 2009. [http://www.intracem.org/appli1/TradeCom/TP\\_EP\\_CI.aspx?RP=524&YR=2006](http://www.intracem.org/appli1/TradeCom/TP_EP_CI.aspx?RP=524&YR=2006)

<sup>27</sup> Encyclopædia Britannica Online. "Biratnagar." 2009. <http://search.eb.com/eb/article-9079292>

<sup>28</sup> *A History of Nepal.* Whelpton, John. "Chapter 3. Nepal Under the Shamsher Ranas, 1885–1951 [p. 77]." 2005. Cambridge: Cambridge University Press

<sup>29</sup> United Nations High Commissioner for Refugees. IRIN. "Nepal: Violence, Abductions on Rise in Volatile Southeast." July 2008. <http://www.unhcr.org/refworld/publisher,IRIN,,NPL,487f10c2c,0.html>

<sup>30</sup> PokharaCity.com. "Lakes Around Pokhara." 2003. <http://www.pokharacity.com/pokhara/Lakes.htm>

<sup>31</sup> NepalVista.com. "Lakes of Nepal." 2009. <http://www.nepalvista.com/features/lakes-of-nepal.php>

Pokhara was a small, isolated place until the late 1960s, when the first road linking the city to the rest of Nepal was built. Prior to that, caravan trade between Tibet and India had been its main link with the world. After the Prithvi Highway was completed in 1973—connecting Pokhara to the Kathmandu Valley—Pokhara’s economy began to focus extensively on tourism.<sup>32</sup> To this day, travelers from around the world journey to Pokhara, which has become a popular staging area for mountain trekking. Numerous daily flights from Kathmandu to Pokhara, taking only 20 minutes versus the 6- to 8-hour bus ride on the Prithvi Highway, have made Pokhara even more accessible to visitors.<sup>33</sup>

### *Birganj*

Birganj (also spelled Birgunj), like Biratnagar, is a border town, lying just a few kilometers from India in central Tarai. Its location on the main highway linking northern India with the Kathmandu Valley ensures a steady stream of travelers through the area. The strategic site also ensures a local economy focused on trade with its larger, southern neighbor India. Nepal’s only inland container depot or “dry port,” Birganj is connected by railway to northern India and ultimately Calcutta.<sup>34, 35</sup> An industrial corridor that runs north from Birganj hosted as many as 450 medium- and large-size manufacturing plants, but many have closed or have ongoing labor disputes.<sup>36</sup>



© Andreas Maechler  
Birganj, Nepal

### **Environmental Concerns**

Nepal has a large population relative to its area, and it continues to have a high population growth rate. Although urban areas are growing, the population remains overwhelmingly rural and mostly employed in the agricultural sector. These facts have resulted in farming practices that have environmental consequences. As hillside forests have been cleared for cultivation and firewood, there has been soil erosion and increased flooding. The soil losses have been particularly severe: the Nepalese government estimates that over 1.5 million tons of nutrients are lost each year.<sup>37</sup>



© Kelly Caylor  
Water pollution

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<sup>32</sup> Travelingo.org. “Backpacking Traveling Guide to Heading West—The Prithvi Highway.” 2008.

[http://www.travelingo.org/asia/nepal/nepal-western-hills/heading-west\\_-the-prithvi-highway/](http://www.travelingo.org/asia/nepal/nepal-western-hills/heading-west_-the-prithvi-highway/)

<sup>33</sup> *Nepal*, 6th Ed. “Pokhara [pp. 251–252].” 2003. Footscray, Victoria, Australia: Lonely Planet Publications

<sup>34</sup> *The Rough Guide to Nepal*, 5th Ed. “The Eastern Tarai and Hills [p. 385].” 2002. London: Rough Guides

<sup>35</sup> OhNepal.com. Mahat, Sujit. “Maoist ‘Extortion’ Shuts Down Birgunj Industries.” 19 May 2006.

<http://ohnepal.wordpress.com/2006/05/20/maoist-%E2%80%99extortion%E2%80%99-shuts-down-birgunj-industries/>

<sup>36</sup> Républica.com. Shayka, Utsav. “An Escape to Birgunj.” 24 July 2009.

[http://www.myrepublica.com/portal/index.php?action=news\\_details&news\\_id=7821](http://www.myrepublica.com/portal/index.php?action=news_details&news_id=7821)

In urban areas, particularly the Kathmandu Valley, water quality problems and air pollution are among the most urgent environmental concerns. Kathmandu's setting in a large basin surrounded by mountain ranges lends itself to air pollution, particularly in the winter when vertical temperature inversions can keep air trapped in the valley. An increasing number of motor vehicles (mostly motorcycles) is one major contributor to Kathmandu's air pollution. Industry is another major pollution source in Kathmandu; cement and brick factories are the worst offenders.<sup>38</sup>

Nepal's city waters have been seriously contaminated by untreated human waste and industrial effluents. Roughly one third of Nepal's urban population has no access to toilet facilities. Kathmandu's drinking water is considered unsafe at all times of the year.<sup>39</sup> But only 29% of the population boils its drinking water before use. Gastroenteritis, typhoid fever, and hepatitis—all diseases potentially spread through contaminated water—were found to be the top three causes of death in Kathmandu's Sakaraj Tropical Infectious Disease Hospital.

In the urban areas of the Tarai region, almost 90% of the drinking water is supplied via wells or water-delivery systems tapping the local aquifers.<sup>40</sup> Over 11% of the region's wells tested to date have arsenic concentrations exceeding the World Health Organization's acceptable level.<sup>41</sup> Much of the arsenic is believed to originate from rocks high in the Himalayas whose eroded sediments, over geologic time, eventually washed to the Tarai plains. There, the dissolved arsenic seeped into the local aquifers.<sup>42</sup>

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<sup>37</sup> Federal Research Division, Library of Congress. "Country Profile: Nepal." November 2005.

<http://memory.loc.gov/frd/cs/profiles/Nepal.pdf>

<sup>38</sup> CleanAirNet.org. Pokhrel, Sumit. "Climatology of Air Pollution in Kathmandu Valley, Nepal [pp. 16–21]." May 2002. [http://www.cleanairnet.org/caiasia/1412/articles-58960\\_SPokhrel\\_Thesis.pdf](http://www.cleanairnet.org/caiasia/1412/articles-58960_SPokhrel_Thesis.pdf)

<sup>39</sup> *Handbook of Urban Health: Populations, Methods, and Practice*. Karki, Tej Kumar. "Perspectives on the Health of Populations in Nepal [p. 228]." 2005. New York: Springer Science+Business Media [http://books.google.com/books?id=5JuAOQm-D04C&pg=PA228&lpg=PA228&dq=Nepal+water+pollution&source=bl&ots=zoCbwwSVRH&sig=I7Qlzo zHTQ7zXDeXhvJoigs23CE&hl=en&ei=yJ6hSsHHOYecsgPsk4mNDw&sa=X&oi=book\\_result&ct=result&resnum=9#v=onepage&q=Nepal+water+pollution&f=false](http://books.google.com/books?id=5JuAOQm-D04C&pg=PA228&lpg=PA228&dq=Nepal+water+pollution&source=bl&ots=zoCbwwSVRH&sig=I7Qlzo zHTQ7zXDeXhvJoigs23CE&hl=en&ei=yJ6hSsHHOYecsgPsk4mNDw&sa=X&oi=book_result&ct=result&resnum=9#v=onepage&q=Nepal+water+pollution&f=false)

<sup>40</sup> *Arsenic: Environmental Chemistry, Health Effects and Waste Treatment*. Mukherjee, Abhijit and Alan E. Fryar, Bethany M. O'Shea. "Major Occurrences of Elevated Arsenic in Groundwater and Other Natural Waters [p. 326]." 2009. New York: Wiley

[http://books.google.com/books?id=hMA70VU36qUC&pg=PA326&lpg=PA326&dq=arsenic+tarai+90%25&source=bl&ots=AL6cnfxb2W&sig=pFQ-RX1SYQIQi27CNQs-Zb0Y2As&hl=en&ei=lqyhSsmnNJDOsQOZY-SMDw&sa=X&oi=book\\_result&ct=result&resnum=1#v=onepage&q=&f=false](http://books.google.com/books?id=hMA70VU36qUC&pg=PA326&lpg=PA326&dq=arsenic+tarai+90%25&source=bl&ots=AL6cnfxb2W&sig=pFQ-RX1SYQIQi27CNQs-Zb0Y2As&hl=en&ei=lqyhSsmnNJDOsQOZY-SMDw&sa=X&oi=book_result&ct=result&resnum=1#v=onepage&q=&f=false)

<sup>41</sup> Scribd.com. Tandeey, Preetam. "Arsenic in Ground Water of Terai Region of Nepal, Its Effect and Mitigation Measures Adopted [p. 2]." July 2009. <http://www.scribd.com/doc/17471903/Arsenic-in-Ground-Water-of-Terai-Region-of-Nepal-Its-Effect-and-Mitigation-Measures-Adopted>

<sup>42</sup> Scribd.com. Tandeey, Preetam. "Arsenic in Ground Water of Terai Region of Nepal, Its Effect and Mitigation Measures Adopted [pp. 4–5]." July 2009. <http://www.scribd.com/doc/17471903/Arsenic-in-Ground-Water-of-Terai-Region-of-Nepal-Its-Effect-and-Mitigation-Measures-Adopted>

## Natural Hazards

Nepal's most frequent and costly natural disasters are landslides and floods. Every year, landslides result in the loss of human life and extensive damage to land resources and critical infrastructure such as roads. While deforestation has contributed to the number of deadly landslides, Nepal's steep terrain and locally hazardous rock structures make landslides a significant threat even where human impact on the landscape has been minimal.<sup>43</sup> One reconnaissance study found that roughly 75% of Nepal's landslides were completely natural events.<sup>44</sup>



© The Advocacy Project / flickr.com  
Flooded street in Nepal

Nepal's floods, like its landslides, generally occur during the monsoon season when torrential rains can generate tremendous amounts of water runoff in the mountains, a situation exacerbated by melting snow and glaciers.<sup>45</sup> During strong monsoon rains, the mountain rivers, swollen with sediment as well as water, can cause intense flooding once they reach the Tarai plains. In some places on the Tarai plains, flood control measures have been put into place, but such measures do not guarantee safety from flood disaster. An example is the August 2008 flooding of the Kosi River, created by the breach of a retaining wall near the small village of Kosha. An estimated 85,000 Nepalese citizens were displaced, and 550,000 people in adjacent Bihar state in India were driven from their homes as well.<sup>46</sup>

Nepal lies on a tectonic collision zone where the Indian subcontinental plate pushes north beneath the Asian plate, continuing the uplift of the geologically young Himalayan Range. As a result, earthquakes are common throughout the country and have, on occasion, been deadly. Within the last century or so, the most devastating Nepalese earthquake occurred in 1934, centered 10 km (6 mi) south of Mount Everest. No one will ever know how many died in Nepal in this quake, because much of the country was isolated. Recent scientific studies have calculated that the earthquake's magnitude was 8.1, making it one of the largest earthquakes since seismic recording began.<sup>47, 48</sup>

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<sup>43</sup> Nepal Landslide Society. "Landslide Survey, 2003." <http://www.nels.org.np/lsurvey.htm>

<sup>44</sup> Disaster Preparedness Network Nepal. United Nations Environment Programme. "Disaster Hazards in Nepal." 2001. <http://dpnetnepal.tripod.com/id14.html>

<sup>45</sup> BBC News, World Edition. "Nepal Flood Dead 'Tops 400'." 13 August 2002. [http://news.bbc.co.uk/2/hi/south\\_asia/2190294.stm](http://news.bbc.co.uk/2/hi/south_asia/2190294.stm)

<sup>46</sup> Direct Relief International. "Direct Relief Aid to Nepal and India Supports Emergency Response." 24 September 2008

<http://www.directrelief.org/EmergencyResponse/2008/IndiaandNepalFlooding/IndiaandNepalFlooding.asp>

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<sup>47</sup> U.S. Geological Survey. "1934 Mw 8.1 Bihar/Nepal Earthquake 15 January 1934." No date. <http://cires.colorado.edu/~bilham/HimalayanEarthquakes/1934BiharNepal/1934earthquake.html>

<sup>48</sup> U.S. Geological Survey. "Earthquakes With 1,000 or More Deaths Since 1900." 29 January 2009. [http://earthquake.usgs.gov/regional/world/world\\_deaths.php](http://earthquake.usgs.gov/regional/world/world_deaths.php)

# History

## Introduction

As a unified state, Nepal has existed for less than 250 years. Before this period, Nepali history focuses mostly on kingdoms in the Kathmandu Valley. The Kathmandu rulers possessed concentrated power, but they only indirectly influenced the outlying areas that comprise most of Nepal today. After the Nepali kingdom expanded during the late 18th century (to roughly today's borders), it remained isolated from much of the world for many decades.



Courtesy of Wikipedia.org  
Palace in the Kathmandu Durbar Square

The recent history of Nepal displays a turbulent transition to a modern nation, with sudden and often violent political changes occurring frequently. Beginning in 1996, Nepal suffered a decade of bloody civil war that left more than 16,000 people dead and another 70,000 displaced from their homes.<sup>49</sup> A peace treaty in 2006 has largely restored calm. Yet recent strife between two of the largest political parties—both communist—has threatened to rekindle Nepal's most violent decade.<sup>50</sup>

## Ancient History

The early history of the Kathmandu Valley and nearby regions is based mainly on informed speculation and references from ancient Indian texts. Legends in those texts refer to the Kiratis, a Tibeto-Burman hill people in what is now eastern Nepal, with some sources claiming that they ruled in the Kathmandu Valley during the first millennium B.C.E.<sup>51, 52</sup> The Kiratis are believed to be ancestors of the Rai and Limbu people who now inhabit the hills of eastern Nepal.<sup>53</sup> Siddhartha Gautama, who founded Buddhism, is believed to have been born around 563 B.C.E. in the town of Lumbini in the Tarai region (now western Nepal). Later, in the third century B.C.E., the emperor Ashoka of the Mauryan Dynasty of India is believed to have visited Lumbini and Patan in the Kathmandu Valley, leaving



© Dhilung Kirat  
Temple built by the  
Licchavi Dynasty

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<sup>49</sup> Agence France-Presse. "Nepal Government Raises War Death Toll." 22 September 2009.

<http://www.google.com/hostednews/afp/article/ALeqM5jeMATyoHzJZE7hmXvTe6C2IEp1jw>

<sup>50</sup> Asian Times Online. Adhikary, Dhruva. "Nepal Beset by Chaos and Conjecture." 23 September 2009.

[http://www.atimes.com/atimes/South\\_Asia/KI23Df05.html](http://www.atimes.com/atimes/South_Asia/KI23Df05.html)

<sup>51</sup> *A History of Nepal*. Whelpton, John. "Chapter 1. Environment, State and Society in the Central Himalayas to 1743 [p. 13]." 2005. Cambridge: Cambridge University Press.

<sup>52</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Ancient Nepal, ca. 500 B.C.–A.D. 700: Early Influences on Nepal." September 1991.

[http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0014\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0014))

<sup>53</sup> *Nepal*, 6th Ed. "Facts about Nepal—History [p. 11]." 2003. Footscray, Victoria, Australia: Lonely Planet Publications.

behind inscribed pillars and stupas.<sup>54</sup>

Historians believe that during the middle of the first millennium B.C.E., the Khasas, an Indo-Aryan group from northwest India, began migrating into the Tarai regions.<sup>55</sup> Over time, they moved into the hill regions to the north and eventually spread their influence eastward. Their language became the basis of Nepali.

The fogginess of Nepal's ancient past clears somewhat with the emergence of the Licchavi Dynasty in the Kathmandu Valley during the fifth century C.E. The Licchavis left records and inscriptions dating from 464 to 733 C.E., all written in Sanskrit, the progenitor of modern Indian languages. During the Licchavi period, the valley became an important stop along the trans-Himalayan trade routes that linked India with Tibet.<sup>56</sup> These routes also became the path by which Buddhism was introduced to Tibet.<sup>57</sup>

## The Medieval Period

### Nepal's Dark Age

The Licchavi Dynasty declined during the eighth century, ushering in several centuries of a historical “dark age,” about which little is known definitively. The Kathmandu Valley apparently continued to be a single political entity, with numerous struggles for power among its royal families and powerful personages.<sup>58</sup> During this period, as a Newar cultural identity emerged, an early form of the Newari language (also known as Nepal Bhasa) gradually replaced Sanskrit in the valley. Despite diverse origins, the Newar are defined largely by their use of this language and by their long existence in the Kathmandu Valley. The first year of their calendar is 879 C.E., which marks the beginning of the “Nepal Era.” One possible explanation for choosing that date is a dynasty change at that time, yet the details are



© Artha / wikipedia.org  
Near the palace of the  
Malla dyansty rulers

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<sup>54</sup> *Spectrum Guide to Nepal*. “History: The Kingdom of the Gods [p. 45].” 2000. New York: Interlink Books.

<sup>55</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. “1. Nepal: Historical Setting: Ancient Nepal, ca. 500 B.C–A.D. 700: Early Influences on Nepal.” September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0014\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0014))

<sup>56</sup> *A History of Nepal*. Whelpton, John. “Chapter 1. Environment, State and Society in the Central Himalayas to 1743 [p. 19].” 2005. Cambridge: Cambridge University Press.

<sup>57</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. “1. Nepal: Historical Setting: Ancient Nepal, ca. 500 B.C–A.D. 700: The Early Kingdom of the Licchavis, 400–750.” September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0015\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0015))

<sup>58</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. “1. Nepal: Historical Setting: Medieval Nepal, 750–1750: Transition to the Medieval Kingdom, 750–1000.” September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0016\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0016))

not really known.<sup>59</sup>

### *The Malla Dynasty*

Around 1200 C.E., Ari Malla became the first of a series of kings in the Kathmandu Valley to use the honorific suffix “Malla.” This tradition continued until the second half of the 18th century; this period in Nepal is known as the Malla era. The early Malla era was a time of political upheaval in the Kathmandu Valley, as frequent raids and invasions by neighboring kingdoms led to militarization. Among these invaders were the Nepali-speaking Khasas, who had established a large kingdom in the western hills—complete with their own Malla dynasty (not related to the Malla rulers of the Kathmandu Valley).<sup>60</sup>

During the early Malla era, the valley towns of Kathmandu, Patan, and Bhaktapur grew steadily and vied for primacy. In 1382, Jayasthiti Malla, whose origins are obscure, took control of the entire Kathmandu Valley and surrounding areas. During his reign, which lasted until 1395, he developed the first Nepali social and legal codes, which were based on Hindu religious texts.<sup>61</sup> Among the effects of these codes was the institutionalization of the Hindu caste system (comprised of four *varnas*, or social classes).<sup>62, 63</sup> Exactly 100 years later, the valley split into three separate city-state kingdoms. This occurred during a succession struggle after the death of Jayasthiti Malla’s grandson Yaksha Malla, whose rule lasted 54 years.<sup>64</sup>

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<sup>59</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. “1. Nepal: Historical Setting: Medieval Nepal, 750–1750: Transition to the Medieval Kingdom, 750–1000.” September 1991.

[http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0016\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0016))

<sup>60</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. “1. Nepal: Historical Setting: Medieval Nepal, 750–1750: The Malla Kings.” September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0017\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0017))

<sup>61</sup> Encyclopædia Britannica Online. “Nepal: History: Middle Period.” 2009. <http://search.eb.com/eb/article-23630>

<sup>62</sup> *Nepal*, 3rd Rev. Ed. “History: Legend and Reality [p. 26].” 1999. Munich, Germany: Nelles Verlag. [http://books.google.com/books?id=sIXyKfBnRVkC&pg=RA1-PA24&lpg=RA1-PA24&dq=Thakuri+Nepal&source=bl&ots=4I42gQ4W7p&sig=KWrlP5nHO31nlDsx-FAQy0XQzfw&hl=en&ei=5sCuSpiKHofiswP\\_\\_MHCCw&sa=X&oi=book\\_result&ct=result&resnum=7#v=onepage&q=Thakuri%20Nepal&f=false](http://books.google.com/books?id=sIXyKfBnRVkC&pg=RA1-PA24&lpg=RA1-PA24&dq=Thakuri+Nepal&source=bl&ots=4I42gQ4W7p&sig=KWrlP5nHO31nlDsx-FAQy0XQzfw&hl=en&ei=5sCuSpiKHofiswP__MHCCw&sa=X&oi=book_result&ct=result&resnum=7#v=onepage&q=Thakuri%20Nepal&f=false)

<sup>63</sup> Some historians, however, question the evidence for Jayasthiti Malla’s role in defining Nepal’s caste system. See *A History of Nepal*. Whelpton, John. “Chapter 1. Environment, State and Society in the Central Himalayas to 1743 [p. 30].” 2005. Cambridge: Cambridge University Press.

<sup>64</sup> *A History of Nepal*. Whelpton, John. “Chapter 1. Environment, State and Society in the Central Himalayas to 1743 [p. 22].” 2005. Cambridge: Cambridge University Press.

## *Developments Outside the Kathmandu Valley*

Over the next two centuries, the three Kathmandu Valley kingdoms (supported by wealth from trade with Tibet) built lavish temples and palace complexes. Beyond the valley to the west, the Khasa kingdom fragmented into numerous small states in the far western and central hills that were collectively known as the *baisi* (“twenty-two”) and *chaubisi* (“twenty-four”), respectively. The small kingdoms and principalities of the *baisi* and *chaubisi*, like their larger counterparts in the Kathmandu Valley, developed a rigid caste system. In the *baisi* and *chaubisi* regions, most of the Khasas acquired the upper-caste designation of Chetri. But the rulers of the *baisi* and *chaubisi* mini-states were often members of the Thakuri caste; like the Chetris, they were part of the Kshatriya *varna* (the second-highest social class). The Thakuris were Rajputs, the ruling clans of Rajasthan state in India, who had immigrated to the Himalayan hills for several hundred years, once Muslim armies began invading northern India around 1000 C.E.<sup>65</sup>



© Clemensmarabu / wikipedia.org  
King Prithvi Narayan Shah

## **The Modern Period**

### *The Early Shah Dynasty*

One of the small kingdoms to the west of the Kathmandu Valley was Gorkha, ruled since 1559 by the Shah Dynasty.<sup>66</sup> In 1743, Prithvi Narayan Shah acceded to the Gorkha throne upon the death of his father. For the next 25 years, Prithvi waged a campaign to conquer the city-states of the Kathmandu Valley. Despite the military intervention of an expeditionary force led by the British East India Company, which was concerned about potential disruptions to its trade with the valley, Prithvi finally realized his goal in 1768. With this victory, he ended over 500 years of Malla rule in the Kathmandu Valley.<sup>67</sup>



Courtesy of Wikipedia.org  
Jang Bahadur Rana

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<sup>65</sup> *A History of Nepal*. Whelpton, John. “Chapter 1. Environment, State and Society in the Central Himalayas to 1743 [p. 23].” 2005. Cambridge: Cambridge University Press.

<sup>66</sup> *A History of Nepal*. Whelpton, John. “Chapter 1. Environment, State and Society in the Central Himalayas to 1743 [p. 23].” 2005. Cambridge: Cambridge University Press.

<sup>67</sup> *A History of Nepal*. Whelpton, John. “Chapter 2. Unification and Sanskritisation, 1743–1885 [p. 37].” 2005. Cambridge: Cambridge University Press.

After Prithvi's death in 1777, many decades of disruptive political intrigues followed. Much of this time, Nepal's kings were minors, which caused power struggles between the royal regents (who ruled in place of the child sovereigns) and competing factions of nobles. As a result of the court rivalries, the Gorkhali army was given free rein to continue to expand the kingdom. By 1809, these campaigns had produced a state that encompassed all of modern-day Nepal and, in India, the northwest regions of Garhwal and Kumaon, parts of Sikkim, and the area around Darjeeling.<sup>68, 69</sup>

The prime minister was often the seat of power, and this pattern became more pronounced in the second half of the 19th century. One of the earliest prime ministers, Bhimsen Thapa, held the position for over 30 years (1806–1837) during two successive regencies.<sup>70</sup> During his unofficial rule, Nepal suffered military setbacks against the forces of the British East India Company between 1814 and 1816. The British forces ultimately forced surrender terms that reduced the kingdom to approximately its present borders, and mandated the establishment of a British residency in Kathmandu. (In the final peace terms, the western Tarai region was presented to the king of Oudh in India. The British returned the region to Nepal in 1860, in recognition of the Nepali army's help in suppressing the 1857 Indian Rebellion.<sup>71, 72</sup>)

### *The Ranas*

In 1837, King Rajendra Bikram Singh Shah, now of majority age, announced his intention to rule independently of regent authority. Shortly thereafter, Bhimsen Thapa was arrested on charges of poisoning the king's son; he committed suicide in prison a few years later.<sup>73</sup> But court conspiracies and plots spiraled into ever greater complexity after Bhimsen's removal from power. In 1846, these culminated in a bloody massacre of dozens of Kathmandu nobles and their followers at the Kot, an arsenal adjacent to the palace. In the wake of this bloody event, Jang Bahadur Kunwar, who had plotted against the nobles, rose to power. Believed by many to be a conspirator in both the assassination of the powerful military leader



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<sup>68</sup> *A History of Nepal*. Whelpton, John. "Chapter 2. Unification and Sanskritisation, 1743–1885 [p. 42]." 2005. Cambridge: Cambridge University Press.

<sup>69</sup> *A History of Nepal*. Whelpton, John. "Chapter 1. Environment, State and Society in the Central Himalayas to 1743 [pp. 24–25]." 2005. Cambridge: Cambridge University Press.

<sup>70</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: The Making of Modern Nepal: The Struggle at Court." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0020\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0020))

<sup>71</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Dictatorship of Jang Bahadur." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0025\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0025))

<sup>72</sup> *A History of Nepal*. Whelpton, John. "Chapter 2. Unification and Sanskritisation, 1743–1885 [p. 43]." 2005. Cambridge: Cambridge University Press.

<sup>73</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: The Making of Modern Nepal: Infighting Among Aristocratic Factions." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0022\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0022))

that led to the massacre and in the massacre, Jang Bahadur Kunwar was elevated to prime minister.<sup>74, 75</sup>

Jang Bahadur immediately purged friends and families of those massacred, forcing over 6,000 people into exile.<sup>76</sup> He then turned his attention to the queen's followers, whom he claimed were plotting his assassination. After the queen's supporters had been removed, the queen was banished from the kingdom, and her husband, King Rajendra, accompanied her. His son Sumendra remained in Nepal and became the new king when Rajendra was dethroned the next year after his failed attempt to return to Nepal. The young Sumendra's royal authority was limited, however, because all real power was in the hands of the prime minister.

Jang further consolidated his power by intermarrying his sons and daughters with Sumendra's children. In 1856 the king granted him the title of Maharaja of Kaski and Lamjung, which essentially gave Jang a kingdom within the larger kingdom. Two years later, the king added the honorific title of Rana to Jang Bahadur's name, and Jang's dynasty became known by that title. A Rolls of Succession was created to delineate the sequence in which Jang Bahadur's family members assumed the now-hereditary positions of maharaja and prime minister.<sup>77, 78, 79</sup>

### *Nepal under Jang Bahadur*

An early concern of the Jang Bahadur administration was Nepal's relations with the British. Their residency in Kathmandu had briefly been influential, often determining the battles for court supremacy in the 1840s.<sup>80</sup> Soon after achieving power, Jang Bahadur traveled to London, an unprecedented action for a Nepali leader. After observing the British industrial and military capacity, Jang charted a course of cooperation with the British colonial administrators in India. Nepal's support of the British East India

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<sup>74</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Kot Massacre." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0024\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0024))

<sup>75</sup> *A History of Nepal*. Whelpton, John. "Chapter 2. Unification and Sanskritisation, 1743–1885 [p. 46]." 2005. Cambridge: Cambridge University Press.

<sup>76</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Kot Massacre." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0024\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0024))

<sup>77</sup> *The Democratic Transition in Nepal*. Parajulee, Ramjee P. "A Brief Political History [p. 34]." 2000. Lanham, D: Rowan & Littlefield.

[http://books.google.com/books?id=9RsLR6OsEx0C&pg=PA34&lpg=PA34&dq=Ranoddip+Singh&source=bl&ots=XdCLNthPdX&sig=Y9mrxgMdwB6AJUuTwIweMOZVPMI&hl=en&ei=qDyxSszQIYbsswO11KnLCw&sa=X&oi=book\\_result&ct=result&resnum=7#v=onepage&q=Ranoddip%20Singh&f=false](http://books.google.com/books?id=9RsLR6OsEx0C&pg=PA34&lpg=PA34&dq=Ranoddip+Singh&source=bl&ots=XdCLNthPdX&sig=Y9mrxgMdwB6AJUuTwIweMOZVPMI&hl=en&ei=qDyxSszQIYbsswO11KnLCw&sa=X&oi=book_result&ct=result&resnum=7#v=onepage&q=Ranoddip%20Singh&f=false)

<sup>78</sup> *A History of Nepal*. Whelpton, John. "Chapter 2. Unification and Sanskritisation, 1743–1885 [pp. 46–48]." 2005. Cambridge: Cambridge University Press.

<sup>79</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Dictatorship of Jang Bahadur." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0025\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0025))

<sup>80</sup> *A History of Nepal*. Whelpton, John. "Chapter 2. Unification and Sanskritisation, 1743–1885 [pp. 43–45]." 2005. Cambridge: Cambridge University Press.

Company in the 1857 Indian Rebellion (referred to in India as the First War of Independence) accomplished two things. It regained the western Tarai region for the Nepali kingdom, and it elevated Jang Bahadur by garnering him an honorary knighthood from the British government.<sup>81</sup>

In 1854, early in Jang Bahadur's reign, he commissioned a codification of the kingdom's laws and procedures, to be based on an interpretation of Hindu texts. The resulting document, the Muluki Ain, was an immense administrative treatise to be used for governance. In detail, it prescribed legal and procedural frameworks for issues from landowner-tenant relationships, to tax collection policies, to allowable inter-caste contacts.<sup>82</sup> For nearly 100 years, it served as the primary "law of the land" in Nepal.

### *The Shamsher Ranas*

Despite Jang Bahadur's careful planning for his succession, yet another struggle for power ensued after he died during a hunting expedition in 1877. Jang Bahadur's eldest surviving brother, Ranoddip Singh, became the new prime minister and maharaja with the support of his other brothers. However, Ranoddip Singh's succession denied the wish that Jang Bahadur expressed through the Rolls of Succession for his eldest son, Jagat Jang, to succeed him as maharaja.<sup>83</sup> While Ranoddip, who was childless, became increasingly feeble over the next 8 years, plots were hatched behind the scenes to control the next Rana succession. In 1885, both Ranoddip and Jagat Jang were assassinated by Bir Shamsher and his brothers. These murders were truly a family affair, because all the conspirators were nephews of Ranoddip and cousins of Jagat Jang.<sup>84</sup> Bir Shamsher, now the prime minister and maharaja, quickly revised the Rolls of Succession to ensure that none of Jang Bahadur's brothers or sons could claim Rana power.<sup>85</sup> With this change, the Shamsher brothers and their offspring controlled the Rana succession until the dynasty's downfall 66 years later.



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<sup>81</sup> *A History of Nepal*. Whelpton, John. "Chapter 2. Unification and Sanskritisation, 1743–1885 [pp. 46–47]." 2005. Cambridge: Cambridge University Press

<sup>82</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Dictatorship of Jang Bahadur." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0025\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0025))

<sup>83</sup> *The Democratic Transition in Nepal*. Parajulee, Ramjee P. "A Brief Political History [p. 34]." 2000. Lanham, D: Rowan & Littlefield.  
[http://books.google.com/books?id=9RsLR6OEx0C&pg=PA34&lpg=PA34&dq=Ranoddip+Singh&source=bl&ots=XdCLNthPdX&sig=Y9mrxgMdwB6AJUuTwIweMOZVPMI&hl=en&ei=qDyxSszQIYbsswO11KnLCw&sa=X&oi=book\\_result&ct=result&resnum=7#v=onepage&q=Ranoddip%20Singh&f=false](http://books.google.com/books?id=9RsLR6OEx0C&pg=PA34&lpg=PA34&dq=Ranoddip+Singh&source=bl&ots=XdCLNthPdX&sig=Y9mrxgMdwB6AJUuTwIweMOZVPMI&hl=en&ei=qDyxSszQIYbsswO11KnLCw&sa=X&oi=book_result&ct=result&resnum=7#v=onepage&q=Ranoddip%20Singh&f=false)

<sup>84</sup> *A History of Nepal*. Whelpton, John. "Chapter 2. Unification and Sanskritisation, 1743–1885 [pp. 48–49]." 2005. Cambridge: Cambridge University Press.

<sup>85</sup> *The Democratic Transition in Nepal*. Parajulee, Ramjee P. "A Brief Political History [p. 34]." 2000. Lanham, D: Rowan & Littlefield.  
<http://books.google.com/books?id=9RsLR6OEx0C&pg=PA34&lpg=PA34&dq=Ranoddip+Singh&source>

After Bir Shamsheer came to power, Rana cooperation with British India increased. A practical reason for this was that Jang Bahadur's remaining sons were exiled in India and trying to launch armed raids into Nepal. Bir wished to ensure that the British had no reason to assist them in the ongoing family battle. With Bir's support, the British doubled the number of Gurkha regiments within the Indian army. These regiments consisted of Nepali soldiers and were considered some of the best fighting forces within the entire army.<sup>86</sup>

Bir died in 1901 and was succeeded by his brother Dev Shamsheer, who quickly revealed an inclination toward reform. His ideas concerning universal education, partial abolition of slavery, and limited free expression of reformist ideas did not sit well with his brothers. Within 3 months they forced Dev out of office and into exile.<sup>87</sup> He is mostly remembered for founding *Gorkhapatra*, Nepal's first newspaper, which continues to be published.

### *Decline of the Rana Dynasty*

Over the next 42 years, power was held by the three remaining Shamsheer brothers: Chandra Shamsheer (1901–1929), Bhim Shamsheer (1929–1932), and Judda Shamsheer (1932–1945). Some social reforms were enacted, including bans on slavery and *sati* (the practice in which a Hindu widow immolated herself on her husband's funeral pyre). Modest economic modernization began when the kingdom's first industrial facilities were established in the eastern Tarai region.<sup>88</sup> Education was neither a priority nor entirely ignored. Most notably, the nation's first institution of higher education, Tri-Chandra College, was opened in Kathmandu in 1918. But for the most part, Nepal remained a medieval kingdom almost completely shielded from advances in the outside world. Except for the Kathmandu Valley, illiteracy was widespread and access to health care was almost nonexistent.<sup>89, 90</sup>



© Adrian Sulic  
Old King's palace on a hill in Gorkha

Given these conditions, opposition to Rana rule eventually emerged. Most of the early discourse against the regime was among Nepali exiles in the relative safety of India. The first anti-Rana political party, Nepal Praja Parishad (People's Council), was founded in

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=bl&ots=XdCLNthPdX&sig=Y9mrxgMdwB6AJUuTwIweMOZVPMI&hl=en&ei=qDyxSszQIYbsswO11KnLCw&sa=X&oi=book\_result&ct=result&resnum=7#v=onepage&q=Ranoddip%20Singh&f=false

<sup>86</sup> *A History of Nepal*. Whelpton, John. "Chapter 3. Nepal Under the Shamsheer Rana, 1885–1951 [p. 62]." 2005. Cambridge: Cambridge University Press.

<sup>87</sup> *A History of Nepal*. Whelpton, John. "Chapter 3. Nepal Under the Shamsheer Rana, 1885–1951 [p. 62]." 2005. Cambridge: Cambridge University Press.

<sup>88</sup> *A History of Nepal*. Whelpton, John. "Chapter 3. Nepal Under the Shamsheer Rana, 1885–1951 [p. 77]." 2005. Cambridge: Cambridge University Press.

<sup>89</sup> *Spectrum Guide to Nepal*. "History: The Rana Era [p. 58]." 2000. New York: Interlink Books.

<sup>90</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Rana Oligarchy." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0026\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0026))

1935. Its cells within Kathmandu were exposed in 1941 and four members and sympathizers were executed, which only further increased public dissatisfaction with the Rana regime.<sup>91</sup>

Nepal supported the British forces during World War II, and hundreds of thousands of Nepali soldiers served either in British Indian Gurkha regiments or in Nepali battalions fighting in Burma.<sup>92</sup> After the war, momentous political changes took place to Nepal's north and south, as China underwent a communist revolution and India broke free of British rule to become an independent nation. Almost inevitably, Nepal was swept along in this tide of political redefinition. Nepali exiles in India organized new anti-Rana groups that consolidated as the Nepali Congress Party in 1950. By then, Nepal was ruled by Mohan Shamsher—destined to be the last Rana maharaja/prime minister.

### *Revolt*

The Nepali monarchy, a figurehead institution during virtually the entire Rana era, became relevant again when King Tribhuvan Bir Bikram Shah escaped to the Indian embassy in Kathmandu. Tribhuvan had been a supporter of the anti-Rana movement, and so restoring the sovereignty of the king became a goal of the Nepali Congress.<sup>93</sup> After intense negotiations with the Indian embassy, Mohan allowed the king to fly to India and had the king's 3-year-old grandson Gyanendra crowned as the new Nepali king.<sup>94</sup>



DoD Photo  
King Birendra Bir Bikram Shah Dev of Nepal

Armed revolt began in earnest almost immediately, and by January 1951 the Liberation Army of the Nepali Congress controlled much of eastern Nepal.<sup>95</sup> A month later, the Mohan government agreed to let Tribhuvan return to Nepal as king. The Mohan government acquiesced to the revocation of the special powers that had allowed the Rana leaders to rule Nepal since the 1850s.<sup>96</sup>

For a brief period in 1951, Nepal was administered under a coalition of Ranas and leaders of the Nepali Congress Party. All executive powers, including command of the military,

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<sup>91</sup> *A History of Nepal*. Whelpton, John. "Chapter 3. Nepal Under the Shamsher Rana, 1885–1951 [p. 67]." 2005. Cambridge: Cambridge University Press.

<sup>92</sup> *A History of Nepal*. Whelpton, John. "Chapter 3. Nepal Under the Shamsher Rana, 1885–1951 [p. 67]." 2005. Cambridge: Cambridge University Press.

<sup>93</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Return of the King." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0028\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0028))

<sup>94</sup> *A History of Nepal*. Whelpton, John. "Chapter 3. Nepal Under the Shamsher Rana, 1885–1951 [p. 71]." 2005. Cambridge: Cambridge University Press.

<sup>95</sup> *A History of Nepal*. Whelpton, John. "Chapter 3. Nepal Under the Shamsher Rana, 1885–1951 [p. 71]." 2005. Cambridge: Cambridge University Press.

<sup>96</sup> *A History of Nepal*. Whelpton, John. "Chapter 3. Nepal Under the Shamsher Rana, 1885–1951 [p. 72]." 2005. Cambridge: Cambridge University Press.

were returned to the king.<sup>97</sup> But Nepal remained far from stable, as renegade rebel groups continued to spur revolts in the Tarai while hard-line Ranas in Kathmandu plotted to regain power.<sup>98</sup> Meanwhile, many factional political parties began to emerge. These included a newly reconstituted version of the Praja Parishad, the Communist Party of Nepal, and the Nepali National Congress (a breakaway group from the Nepali Congress Party). Nationalism (i.e., a lessening of Indian influence on Nepali affairs), class struggle, and resistance to the perceived authoritarian tendencies of the Nepali Congress leaders were some of the issues that these groups rallied around. This intense activity led to a political atmosphere that was rife with political rivalries.<sup>99</sup>

### *The Return of Shah Rule*

In 1952, at the urging of Indian Prime Minister Jawaharlal Nehru, King Tribhuvan dismissed the existing government dominated by Nepali Congress members. He instituted in its place a new path of direct rule by the king, assisted by a council of advisors.<sup>100</sup> By the next year, however, the king returned to the previous system in which administrative responsibility was carried out by governments appointed by the king. For the next 7 years, under Tribhuvan and, after 1955, his son and successor Mahendra, Nepal went through several short-lived, ineffective governments. The new regimes failed both to create a new constitution and to generate any true, widespread support among the population.<sup>101</sup>



© Saurav Ratna Tuladhar  
Bell tower at the  
Tri Chandra College

In December 1957, the Nepali National Congress and Praja Parishad organized a campaign of *satyagraha* (civil disobedience) to pressure the king to call for legislative elections. The strategy succeeded, and Nepal held its first elections in February 1959, with the electorate voting on all 109 members of the Pratinidhi Sabha (Lower House). The Lower House in turn elected half the members of the Mahasabha (Upper House). Under the new constitution, approved just days before the election, the remaining half of the seats in the Mahasabha was designated for appointment by the king.<sup>102</sup> The king also retained control of military and foreign affairs, and, by invoking emergency powers, the

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<sup>97</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Return of the King." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0028\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0028))

<sup>98</sup> *A History of Nepal*. Whelpton, John. "Chapter 4. The Monarchy in Ascendance: Domestic Politics and Foreign Relations, 1951–1991 [p. 87]." 2005. Cambridge: Cambridge University Press.

<sup>99</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Democratic Experiment." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0029\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0029))

<sup>100</sup> *A History of Nepal*. Whelpton, John. "Chapter 4. The Monarchy in Ascendance: Domestic Politics and Foreign Relations, 1951–1991 [p. 90]." 2005. Cambridge: Cambridge University Press.

<sup>101</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Democratic Experiment." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0029\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0029))

<sup>102</sup> *A History of Nepal*. Whelpton, John. "Chapter 4. The Monarchy in Ascendance: Domestic Politics and Foreign Relations, 1951–1991 [p. 93]." 2005. Cambridge: Cambridge University Press.

right to suspend the constitution at any time.<sup>103</sup> As it turned out, it would not be long before he invoked this constitutional provision.

### *Democracy, Then Panchayat*

The Nepali Congress won an overwhelming victory in the February 1959 elections, and its longtime leader B. P. Koirala became the new prime minister. With a clear mandate, the Koirala government enacted sweeping reforms, including the elimination of the *birta* estates (tax-free landholdings, issued by the government to Ranas and their supporters). Another major reform was the nationalization of the forests, many of which had been the property of members of the royal family. Koirala also delicately negotiated Nepal's diplomatic stances with India and China. The two countries were then in a dispute over the uprising in Tibet and the subsequent escape by the Dalai Lama and his followers to northern India.<sup>104</sup>



The new measures enacted by the Koirala government were not generally supported by the entrenched power structure within Nepal. King Mahendra, who never seemed comfortable with parliamentary democracy since he was pressured into calling for elections in late 1958, declared a state of emergency in December 1960. He arrested Koirala and his cabinet on charges of failing to uphold public law and order. The king then established the *panchayat* system. Under the *panchayat*, elections at the village level eventually led through a complicated four-tier system to the selection of a Rastriya Panchayat, or National Assembly. Since the National Assembly lacked power to initiate legislation, approve spending, or otherwise override the king's wishes, the effect was to return absolute authority to the monarchy. Political parties also were banned, thus reducing the chances of the return of organized opposition.<sup>105</sup>

Mahendra died in 1972 and was replaced on the throne by his son Birendra, who continued his father's *panchayat* system. In 1979, continuing student demonstrations for political reform led the king to call for a popular referendum on whether the *panchayat* system should be retained. By a 55% to 45% margin, the system was ratified by the electorate in 1980, although most political opposition figures did not accept the

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<sup>103</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Democratic Experiment." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0029\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0029))

<sup>104</sup> *A History of Nepal*. Whelpton, John. "Chapter 4. The Monarchy in Ascendance: Domestic Politics and Foreign Relations, 1951–1991 [pp. 96–97]." 2005. Cambridge: Cambridge University Press.

<sup>105</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "1. Nepal: Historical Setting: Rana Rule, Nepal: The Panchayat System Under King Mahendra." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0030\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0030))

referendum result. (B. P. Koirala, back in Nepal after 8 years of imprisonment and another 8 years of exile, was a notable exception.)<sup>106</sup>

### *Return of Democracy*

The narrow margin of the referendum did lead to reforms of the *panchayat* system, including the direct election of members to the Rastriya Panchayat. Political parties continued to be banned, although several, including the Nepali Congress, operated “unofficially” in the open. During the 1980s, discontent with the government grew, less with political oppression than with economic stagnation and high-level corruption. In 1990, the government attempted to suppress a series of nationwide strikes and demonstrations, organized by the Nepali Congress Party and a seven-party communist coalition, the United Left Front.<sup>107</sup> Ultimately, the king was forced to back down. A new constitution was written, establishing direct elections for a bicameral legislature (as in 1959), the reinstatement of political parties, and severe restrictions on the powers of the king under a constitutional monarchy. The elections of 1991 again gave the Nepali Congress Party the majority of seats, and Giraja P. Koirala, the younger brother of B. P. Koirala, was chosen by his party to lead the new government.<sup>108</sup>



Courtesy of Wikipedia.org  
Indian Prime Minister  
Jawaharlal Nehru

### *The Communist Split*

The Communist Party of Nepal (United Marxist-Leninist, or UML) competed in the 1991 elections and emerged with a sizable number of parliamentary seats as an opposition party. A number of other communist or leftist organizations competed in the 1991 elections, one of which was the United People’s Front alliance. This alliance of convenience split apart after the election, which led to more turbulence. In 1996, one of the more militant political factions, the Communist Party of Nepal (Maoist), launched an armed insurrection, commanded by its leader Pushpa Kumar Dahal (known by his *nom de guerre* Prachanda). The Maoists’ initial stronghold was in the mid-western hill region populated by the Kham Magars, but the group soon developed an organizational presence throughout Nepal.

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<sup>106</sup> *A History of Nepal*. Whelpton, John. “Chapter 4. The Monarchy in Ascendance: Domestic Politics and Foreign Relations, 1951–1991 [p. 109].” 2005. Cambridge: Cambridge University Press.

<sup>107</sup> *A History of Nepal*. Whelpton, John. “Chapter 4. The Monarchy in Ascendance: Domestic Politics and Foreign Relations, 1951–1991 [p. 113].” 2005. Cambridge: Cambridge University Press.

<sup>108</sup> Encyclopædia Britannica Online. “Nepal: History: Modern Period: Nepal Since 1950.” 2009. <http://search.eb.com/eb/article-23633>

## *Nepali Civil War*

The year 2001 was a turning point in the civil war, declared by the Maoists to be the “Peoples’ War.” In April, after two attacks by the Maoists killed 70 policemen, the government of Prime Minister Giraja Koirala announced intentions to initiate a new security and defense program. For the first time, Nepali army forces would fight against the Maoists. (Prior to this, a special Armed Police Force conducted counter-insurgency measures.)



Courtesy of Wikipedia.org  
Pushpa Kumar Dahal (Prachanda)

Against this background, a bizarre and tragic event at the royal palace thrust Nepal into the world news headlines. Crown Prince Dipendra, apparently distraught by family unhappiness over his marriage plans and under the influence of alcohol and possibly drugs, destroyed his family. He gunned down his father (King Birendra) and mother, brother and sister, and several aunts, uncles, and other royal family members.<sup>109</sup> After the murders, Dipendra turned his gun on himself, but survived for 3 days before succumbing. During this time, he reigned as the Nepali king (owing to his position as the next-in-line to the crown), even though he was hospitalized and in a coma.<sup>110</sup> After Dipendra’s death, Birendra’s brother, Gyanendra, became the new king. For Gyanendra, this was his second time as king, having reigned for a few months as a toddler during the end of Rana rule in 1950–51.

Within Nepali society, the royal massacre set off a wave of conspiracy rumors. The rumors included an accusation by the Maoists that King Gyanendra had been involved in plotting the massacre, in alliance with U.S. and Indian intelligence agencies.<sup>111</sup> The Maoists briefly entered peace negotiations a few months later, after a reshuffling of government leadership led to a call for ceasefire. The guerrilla group’s leadership broke off these talks in November, citing the government’s continued unwillingness to create a new constitution. A Maoist attack on an army barracks that same month soon led to the declaration of a national state of emergency by Nepal’s government.<sup>112</sup>

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<sup>109</sup> *A History of Nepal*. Whelpton, John. “Chapter 7. Democracy and Disillusionment: Nepal Since 1991 [p. 211].” 2005. Cambridge: Cambridge University Press.

<sup>110</sup> *A History of Nepal*. Whelpton, John. “Chapter 7. Democracy and Disillusionment: Nepal Since 1991 [p. 213].” 2005. Cambridge: Cambridge University Press.

<sup>111</sup> *A History of Nepal*. Whelpton, John. “Chapter 7. Democracy and Disillusionment: Nepal Since 1991 [p. 216].” 2005. Cambridge: Cambridge University Press.

<sup>112</sup> *A History of Nepal*. Whelpton, John. “Chapter 7. Democracy and Disillusionment: Nepal Since 1991 [p. 218].” 2005. Cambridge: Cambridge University Press.

## *Path to Peace*

Less than a year later, in October 2002, the king dismissed the prime minister and his cabinet, and conferred upon himself executive control of the government. After another round of peace talks failed in August 2003, the level of violence escalated, as much of the countryside became swept up into the fight between the army and the Maoist insurgents. In February 2005, King Gyanendra formally dissolved the government, severing Nepal's last connection to democratic rule. He also placed severe restrictions on the media and all forms of public protests. Numerous students, journalists, and human rights workers were arrested, and even senior political figures were placed under house arrest.<sup>113</sup> To justify these widely condemned measures, the king asserted that the Nepali political establishment had proven itself corrupt and unable to turn the tide of the Maoist insurgency.<sup>114</sup>



© Petr Novák / Wikipedia.org  
A family in Maoist-controlled Nepal

Ironically, the king's decision to clamp down helped create the conditions for a peace treaty. With the mainstream political parties and the Maoists now unified by their opposition to the king, representatives of seven of these political parties began secret discussions with the Maoists. In November 2005, the Maoists and the Seven Party Alliance (SPA) signed an agreement to cooperate in their efforts to end the king's direct rule.<sup>115</sup> A nationwide strike the following April provoked a strong clamp-down by the police, but the protests continued. The king, forced into a corner, issued an order restoring parliament—a victory that in turn led to a unilateral truce by the Maoists. Peace talks through the summer and fall of 2006 led finally to an agreement in November that was signed by Prime Minister Girija Koirala and Maoist leader Prachanda.

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<sup>113</sup> TimeAsia. Perry, Alex. "Gunning for Nepal." 18 April 2005.

<http://www.time.com/time/asia/2005/nepal/story.html>

<sup>114</sup> BBC News. Sharma, Nagendar. "Nepal Opposition in Maoist Talks." 18 November 2009.

[http://news.bbc.co.uk/2/hi/south\\_asia/4450438.stm](http://news.bbc.co.uk/2/hi/south_asia/4450438.stm)

<sup>115</sup> ReliefWeb.org. NepalNews.com. "Chronology of Decade-Long Conflict." 22 November 2006.

<http://www.reliefweb.int/rw/rwb.nsf/db900SID/VBOL-6VSKJU?OpenDocument&RSS20=02-P>

## Recent Events

A key element of the peace agreement was the call for an election to fill posts for a Constituent Assembly (i.e., a group selected to draft a new constitution). This election was held in April 2008, with the Maoists winning the most seats. The election marked the ending of the Nepali monarchy as well. On 11 June, Gyanendra, the last of a long line of Shah rulers extending 240 years, left the royal palace and entered civilian life.<sup>116</sup> The former Hindu kingdom of Nepal entered a new phase of its history, as a secular democratic republic.



© Ingmar Zahorsky  
Madhav Kumar Nepal

Unfortunately, the new Nepali government, with Prachanda as prime minister, proved no more stable than its many predecessors. Prachanda resigned in May 2009, following a stand-off with the other political parties and the president about Prachanda's decision to relieve the Nepali army chief of his duties.<sup>117</sup> He later vowed to launch a third "People's Movement" (referring to the two waves of street demonstrations in 1990 and 2006 that had forced the monarchy to back down). The purpose of this new movement would be to eliminate "reactionaries, opportunists, and traitors" in the government.<sup>118</sup>

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<sup>116</sup> BBC News. "Nepal's Ousted King Quits Palace." 11 June 2008.

[http://news.bbc.co.uk/2/hi/south\\_asia/7447533.stm](http://news.bbc.co.uk/2/hi/south_asia/7447533.stm)

<sup>117</sup> VOA News. Pasricha, Anjana. "Nepal's Maoist Prime Minister Prachanda Resigns." 4 May 2009.

<http://www.voanews.com/english/archive/2009-05/2009-05-04-voa8.cfm?CFID=301887598&CFTOKEN=87716198&jsessionid=6630fadd9d0db22cd4e6585c43375b394f24>

<sup>118</sup> Asia News. Parajuli, Kalpit. "Nepal: Maoists Announce a Third 'People's Movement' Against the Government." 22 June 2009. <http://new.asianews.it/index.php?l=en&art=15580>

# Economy

## Introduction

Until the early 1950s, Nepal's economy was more feudal than modern. The vast majority of the population was involved in labor-intensive agriculture. Industrial development was limited and generally small-scale. The lack of modern transportation infrastructure meant that moving goods from one part of the country to another usually involved transporting them into India for part of the way and then back into Nepal.



© International Transport Workers' Federation  
Rally in Dharan city

Over the next 40 years, Nepal received a major influx of development aid, which was used to develop a more diversified and productive economy. In addition, progress was achieved in promoting public health and education. Nonetheless, Nepal remained one of the world's poorest countries. Many rural regions experienced few of the positive changes occurring in the Kathmandu Valley and parts of the Tarai plains.

Since its return to democracy in 1991, Nepal has experienced a rocky path in its economic evolution. Labor unrest and a violent communist insurgency have hindered attempts to attract outside investment. In addition, Nepal has had to grapple with natural disadvantages that would be challenging in the most stable of times. While the economy has recently experienced above-average growth, it remains to be seen whether political conditions will remain stable enough to sustain this growth.

## Industry and Manufacturing

Nepal's manufacturing sector is limited. Development has been hindered by many factors: Nepal's landlocked isolation, limited mineral and energy resources, poor transportation infrastructure, uncertain political climate, and historical reliance on India for most consumer goods.<sup>119, 120</sup> Manufacturing facilities are concentrated in the Kathmandu Valley, and near or in the larger cities of the eastern and central Tarai region.



© Daniel / flickr.com  
Carpet factory workers

Including small industries (those employing fewer than 10 people) and cottage industries, roughly 10% of Nepal's workers are employed either full- or part-time in industry.<sup>121</sup> However, the most recent survey of registered manufacturing units (facilities with more than 10 employees)

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<sup>119</sup> *A History of Nepal*. Whelpton, John. "Chapter 5: The Quest for 'Development': Economy and Environment, 1951–1991 [p. 145]." 2005. Cambridge: Cambridge University Press.

<sup>120</sup> Encyclopædia Britannica Online. "Nepal: The Economy." 2009. <http://search.eb.com/eb/article-23642>

<sup>121</sup> *A History of Nepal*. Whelpton, John. "Chapter 5: The Quest for 'Development': Economy and Environment, 1951–1991 [p. 147]." 2005. Cambridge: Cambridge University Press.

revealed that fewer than 180,000 people, out of 11 million total workers, are employed in these factories.<sup>122, 123</sup> About one quarter of registered manufacturing facilities are food and beverage plants, including grain and sugar mills, oilseed processing plants, and breweries.<sup>124</sup> Brick factories employ about 25% of workers in the manufacturing sector.<sup>125</sup> Textile production and related goods, including carpets and rugs, is a prominent part of the Kathmandu Valley's manufacturing profile, while jute<sup>126</sup> mills still employ thousands of workers in and near Biratnagar.<sup>127</sup>

The apparel industry in Nepal used to be a significant employer but has largely collapsed due to continuing labor problems and the global phaseout of garment industry import quotas.<sup>128, 129</sup> During the mid-1990s, the Nepalese garment industry consisted of over 1,000 factories generating nearly one third of total exports.<sup>130, 131</sup> However, by August 2009, only seven or eight factories were still in operation.<sup>132</sup>

One of Nepal's most lucrative manufacturing sectors—based on the total value added during production—is the cigarette industry.<sup>133</sup> Most of Nepal's cigarettes are produced at a large, privately held plant near Birganj and a publicly owned factory in Janakpur,

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<sup>122</sup> Central Bureau of Statistics, Government of Nepal. "Table No. 1.1. Principal Indicators of Manufacturing Establishments by NSIC, Nepal 2006–2007." 2008.

[http://www.cbs.gov.np/Manufacturing/national\\_level/Table 1.1.pdf](http://www.cbs.gov.np/Manufacturing/national_level/Table%201.1.pdf)

<sup>123</sup> Central Bureau of Statistics, Government of Nepal. Nepal Labour Source Survey – 2008. "Executive Summary [p. ii]." 2009. [http://www.cbs.gov.np/Surveys/EXECUTIVE SUMMARY.pdf](http://www.cbs.gov.np/Surveys/EXECUTIVE_SUMMARY.pdf)

<sup>124</sup> Central Bureau of Statistics, Government of Nepal. "Table No. 1.1. Principal Indicators of Manufacturing Establishments by NSIC, Nepal 2006–2007." 2008.

[http://www.cbs.gov.np/Manufacturing/national\\_level/Table 1.1.pdf](http://www.cbs.gov.np/Manufacturing/national_level/Table%201.1.pdf)

<sup>125</sup> Central Bureau of Statistics, Government of Nepal. "Table No. 1.1. Principal Indicators of Manufacturing Establishments by NSIC, Nepal 2006–2007." 2008.

[http://www.cbs.gov.np/Manufacturing/national\\_level/Table 1.1.pdf](http://www.cbs.gov.np/Manufacturing/national_level/Table%201.1.pdf)

<sup>126</sup> Jute is a natural vegetable fiber that is spun into coarse, strong threads used in burlap material.

<sup>127</sup> Central Bureau of Statistics, Government of Nepal. "Directory of Manufacturing: Establishments – 2064." No date. <http://www.cbs.gov.np/Manufacturing/Directory.pdf>

<sup>128</sup> Ministry of Finance, Government of Nepal. Shakya, Bijendra Man. "Sustaining the Nepalese Garment Industry After Quota Abolition." September 2005.

[http://www.mof.gov.np/economic\\_policy/pdf/Sustaining\\_Nepalese.pdf](http://www.mof.gov.np/economic_policy/pdf/Sustaining_Nepalese.pdf)

<sup>129</sup> Himalayan Times. "RMG Sector on Verge of Folding Up, Says GAN." 3 August 2009.

<http://www.thehimalayantimes.com/fullNews.php?headline=RMG+sector+on+verge+of+folding+up%2C+says+GAN&id=MjM4MTU=#>

<sup>130</sup> Entrepreneur. Koirala, Govinda P. "Estimates of Scale Economies in the Garment Industry in Nepal." 2003. <http://www.entrepreneur.com/tradejournals/article/105460813.html>

<sup>131</sup> Ministry of Finance, Government of Nepal. Shakya, Bijendra Man. "Sustaining Nepalese Garment Industry After Quota Abolition [p. 2]." September 2005.

[http://www.mof.gov.np/economic\\_policy/pdf/Sustaining\\_Nepalese.pdf](http://www.mof.gov.np/economic_policy/pdf/Sustaining_Nepalese.pdf)

<sup>132</sup> Nepal German Chamber of Commerce and Industry. "Garment Industry Sees Recovery." 27 August 2009. <http://www.ngcci.org/index.php?nav=resources&page=ecoglimpse&id=839>

<sup>133</sup> Central Bureau of Statistics, Government of Nepal. "Table No. 1.2. Value Added of Manufacturing Establishments by NSIC, Nepal 2006–2007." 2008.

[http://www.cbs.gov.np/Manufacturing/national\\_level/Table%201.2.pdf](http://www.cbs.gov.np/Manufacturing/national_level/Table%201.2.pdf)

both in the Tarai region.<sup>134</sup> Although some tobacco is grown in Nepal, the cigarette industry relies on tobacco imports from India to fulfill production.<sup>135</sup>

## Agriculture

Agriculture has long been the heart of Nepal's economy. In 1971, agriculture employed nearly 95% of Nepal's work force; it now employs just below 75% (based on a 2008 survey).<sup>136</sup> Land holdings in Nepal tend to be small, with the average farm being 0.8 hectares (less than 2 acres).<sup>137</sup>



© Sajal Sthapit  
A woman farmer in her fields

Nearly 55% of Nepal's arable land lies in the narrow Tarai plains, the lowest and flattest part of the country. The hills to the north, with a greater variation in altitudes and climates, provide another 35% of Nepal's farmlands. The high-altitude mountain region makes up the final 10%. In all geographical regions, grains are the dominant crop, but the geographical and climatic differences between the regions influence the mix of grain crops. Rice and (to a lesser extent) wheat dominate grain production in the Tarai, whereas a more even balance of wheat, rice, maize (corn), and millet characterizes grain production in the hills and mountains.<sup>138</sup> Overall, rice remains Nepal's most important crop, but less so than in the past. In particular, the amount of acreage devoted to wheat production has increased dramatically over the last 50 years. It is commonly sown in the winter as a spring crop, alternating with rice in lower regions and maize in higher areas.<sup>139</sup>

Of non-grain crops grown in Nepal, the largest amount of acreage is devoted to legumes (primarily lentils and soybeans). Other crops—such as oilseeds (mustard and linseed), potatoes, vegetables, and spices—account for lesser total amounts of croplands and are

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<sup>134</sup> World Health Organization. "Tobacco Surveillance System: Country Profiles-Nepal." No date. [http://www.searo.who.int/LinkFiles/Regional\\_Tobacco\\_Surveillance\\_System\\_Country\\_Profiles\\_Nepal.pdf](http://www.searo.who.int/LinkFiles/Regional_Tobacco_Surveillance_System_Country_Profiles_Nepal.pdf)

<sup>135</sup> International Trade Centre/World Trade Organization. "Trade Performance HS: Imports of Nepal: Tobacco and Manufactured Tobacco Substitutes (2006, in USD thousands)." 2009. [http://www.intracen.org/appli1/TradeCom/TP\\_IP\\_CI\\_P.aspx?IN=24&RP=524&YR=2006&IL=24](http://www.intracen.org/appli1/TradeCom/TP_IP_CI_P.aspx?IN=24&RP=524&YR=2006&IL=24) Tobacco and manufactured tobacco substitutes&TY=I

<sup>136</sup> Central Bureau of Statistics, Government of Nepal. Nepal Labour Source Survey – 2008. "Executive Summary [p. ii]." 2009. [http://www.cbs.gov.np/Surveys/EXECUTIVE\\_SUMMARY.pdf](http://www.cbs.gov.np/Surveys/EXECUTIVE_SUMMARY.pdf)

<sup>137</sup> Central Bureau of Statistics, Government of Nepal. Agriculture Census Nepal, 2001/02. "Chapter 2. Size of Holding [p. 12]." No date. [http://www.cbs.gov.np/Agriculture/Agricultural\\_Monograph\\_Final/Chapter02.pdf](http://www.cbs.gov.np/Agriculture/Agricultural_Monograph_Final/Chapter02.pdf)

<sup>138</sup> Central Bureau of Statistics, Government of Nepal. Agriculture Census Nepal, 2001/02. "Chapter 6. Temporary Crops [p. 86]." No date. [http://www.cbs.gov.np/Agriculture/Agricultural\\_Monograph\\_Final/Chapter02.pdf](http://www.cbs.gov.np/Agriculture/Agricultural_Monograph_Final/Chapter02.pdf)

<sup>139</sup> *Wheat in Heat-Stressed Environments: Irrigated, Dry Areas and Rice-Wheat Farming Systems*. Devkota, R. N. "Wheat-Breeding Objectives in Nepal: The National Testing System and Recent Progress [p. 216]." 1994. Mexico City: CIMMYT.

usually grown on smaller plots of land than grains.<sup>140</sup> Nearly all of Nepal's cash crops (sugar cane, jute, tobacco, tea) are grown in the Tarai region, where the processing industries are located.

Irrigation became increasingly common in Nepali agriculture in the late twentieth century. The 2001 Nepali agricultural census revealed that 44% of the country's agricultural land had irrigation, compared to less than 24% just 20 years earlier. Not surprisingly, the Tarai region, which is traversed by numerous rivers on relatively flat terrain, has nearly twice as much irrigated land than either the hills or the mountains.<sup>141</sup>

## Banking and Currency

Nepal's banking industry began in 1937 with the establishment of the first commercial bank, the Nepal Bank. Nearly 20 years later, the Nepali central bank, Nepal Rastra Bank, was formed, allowing the country to finally exert some control over its foreign currency accounts.<sup>142</sup> Prior to the Nepal Rastra Bank, the Indian rupee was commonly used for financial transactions in most parts of Nepal outside the Kathmandu Valley. The Indian rupee was not officially replaced by the Nepali rupee (NPR) until 1966.<sup>143</sup> A strong interdependence between the Nepali and Indian economies is reflected in currency policy. The value of the NPR follows the Indian rupee, at an exchange rate of 1.6 Indian rupees for 1 NPR.



Nepal's banking industry has experienced extensive growth over the last three decades. Twenty-five commercial banks operated as of January 2009. Of those, 18 are wholly owned Nepali institutions, and 7 are joint ventures with foreign banks.<sup>144, 145</sup> In

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<sup>140</sup> Central Bureau of Statistics, Government of Nepal. Agriculture Census Nepal, 2001/02. "Chapter 6. Temporary Crops [pp. 94, 96]." No date. [http://www.cbs.gov.np/Agriculture/Agricultural Monograph Final/Chapter02.pdf](http://www.cbs.gov.np/Agriculture/Agricultural%20Monograph%20Final/Chapter02.pdf)

<sup>141</sup> Central Bureau of Statistics, Government of Nepal. Agriculture Census Nepal, 2001/02. "Chapter 8. Irrigation [p. 125]." No date. [http://www.cbs.gov.np/Agriculture/Agricultural Monograph Final/Chapter02.pdf](http://www.cbs.gov.np/Agriculture/Agricultural%20Monograph%20Final/Chapter02.pdf)

<sup>142</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "Chapter 3: Nepal: The Economy: Money and Banking, Nepal." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0071\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0071))

<sup>143</sup> *Contributions to Nepalese Studies*, Vol. 29, No. 1. Maskay, Nephil Matangi. "Nepal's Experience for Currency Unification." January 2002. [http://himalaya.socanath.cam.ac.uk/collections/journals/contributions/pdf/CNAS\\_29\\_01\\_02.pdf](http://himalaya.socanath.cam.ac.uk/collections/journals/contributions/pdf/CNAS_29_01_02.pdf)

<sup>144</sup> Nepal Rastra Bank. "Banking and Financial Statistics [p. 17]." January 2009. [http://bfr.nrb.org.np/statistics/bank\\_fina\\_statistics/Banking\\_and\\_Financial\\_Statistics--No\\_52](http://bfr.nrb.org.np/statistics/bank_fina_statistics/Banking_and_Financial_Statistics--No_52) January 2009 - (Part I).pdf

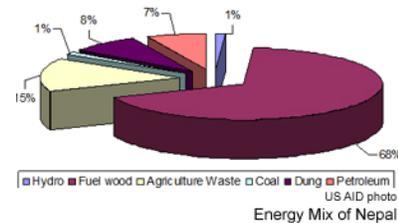
<sup>145</sup> Federation of Nepalese Chambers of Commerce and Industry. "Joint Venture Commercial Banks." July 2008. [http://www.fncci.org/text/jv\\_bank.pdf](http://www.fncci.org/text/jv_bank.pdf)

comparison, only two commercial banks were operating in Nepal in 1980.<sup>146</sup> Numerous Nepali financial institutions provide credit and other services, including development banks, finance companies, and micro-credit development banks. Foreign banks do not yet operate branches within Nepal, but as part of Nepal’s accession to the World Trade Organization, the government will allow foreign banks to operate within the country after 1 January 2010.<sup>147</sup>

## Trade

As a landlocked country surrounded on three sides by India, special problems concerning international trade arise. For many years, Nepal has used Kolkata (formerly Calcutta) as its seaport. Here, goods traveling to or from Nepal are either offloaded from, or loaded onto, ocean freighters. Transit time for goods shipped from Kathmandu via Birganj to Kolkata averages about 7 days.

Imported goods traveling the same route but in the opposite direction, average about 14 days in transit.<sup>148</sup> In theory, China provides another land route for transported trade goods, but the difficult conditions of the one paved road to Tibet—and the remoteness of Tibet from major Chinese urban areas to the east—make this route generally unattractive for most cross-border trade.<sup>149</sup>



India serves as Nepal’s transit corridor for international trade and as its leading trade partner. Up until the 1950s, over 90% of Nepal’s foreign trade was with India.<sup>150</sup>

Agricultural products from the Tarai plains farming regions were exported, and Nepal imported consumer and other processed goods from India. This ratio dropped significantly during the late 20th century due to trade diversification policies implemented after trade transit agreements were reached with India.<sup>151</sup> New overseas markets in carpets and cloth apparel greatly helped expand Nepal’s exports beyond

<sup>146</sup> Nepal Rastra Bank. “Banking and Financial Statistics [p. 3].” January 2009.

[http://bfr.nrb.org.np/statistics/bank\\_fina\\_statistics/Banking\\_and\\_Financial\\_Statistics--No\\_52](http://bfr.nrb.org.np/statistics/bank_fina_statistics/Banking_and_Financial_Statistics--No_52) January 2009 - (Part I).pdf

<sup>147</sup> Nepal Rastra Bank. “Legal, Regulatory and Supervisory Provisions for Foreign Bank Branches in Nepal [pp. 1, 5–6].” 2006. [http://red.nrb.org.np/publications/study\\_reports/Study\\_Reports--Report\\_by\\_Nepal\\_Rastra\\_Bank\\_Task\\_Force\\_\\_\\_Foreign\\_Bank\\_Branches\\_and\\_the\\_Health\\_and\\_Stability\\_of\\_Nepal's\\_Financial\\_System.pdf](http://red.nrb.org.np/publications/study_reports/Study_Reports--Report_by_Nepal_Rastra_Bank_Task_Force___Foreign_Bank_Branches_and_the_Health_and_Stability_of_Nepal's_Financial_System.pdf)

<sup>148</sup> Ministry of Finance, Government of Nepal. Nepal, Vidya Nath. “Policy Reorientation Study on Transit Trade of Nepal.” October 2006. [http://www.mof.gov.np/economic\\_policy/pdf/Policy\\_Reorientation.pdf](http://www.mof.gov.np/economic_policy/pdf/Policy_Reorientation.pdf)

<sup>149</sup> *Nepal*, 6th Ed. “Beyond the Kathmandu Valley [p. 225].” 2003. Footscray, Victoria, Australia: Lonely Planet Publications.

<sup>150</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. “Chapter 3: Nepal: The Economy: Foreign Trade, Nepal.” September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0072\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0072))

<sup>151</sup> *A History of Nepal*. Whelpton, John. “Chapter 5: The Quest for ‘Development’: Economy and Environment, 1951–1991 [p. 150].” 2005. Cambridge: Cambridge University Press.

India.<sup>152</sup> However, in recent years, Nepal's clothing exports have sharply declined and India's share of overall trade with Nepal has once again increased. In FY 2007–2008, 65% of Nepal's exports and imports were with India.<sup>153</sup> In addition, a significant amount of illegal cross-border trade with India takes place outside of customs channels, and is unrecorded in official statistics.

Nepal's main exports, based on the most recent data from the International Trade Centre, are carpets, clothing (although exports are much reduced from earlier years), vegetable oils, toothpaste, and non-alcoholic beverages. Major imports include petroleum products, electrical equipment, machinery, and motor vehicles. Nepal's trade ledger shows an increasing negative trade balance in recent years as clothing exports have declined.<sup>154</sup>

## Investment

Foreign businesses have invested relatively little in Nepal in recent years, owing in part to ongoing security concerns of a Nepalese civil war. Another contributing factor in Nepal's small amount of foreign direct investment (FDI) is its labor laws. These laws are viewed as excessively pro-labor by foreign concerns, especially in comparison with neighboring countries. A relatively low per-capita consumption rate by the Nepalese also limits the size of the domestic market for many goods, thus encouraging foreign development in other countries where the local market is larger. A shortage of skilled industrial workers also makes Nepal less competitive for foreign investments, compared to many of its neighbors.<sup>155</sup>



© Kevin Bluer  
Market in Nepal

Nepal has been much more reliant on foreign aid than FDI in terms of economic development. Much of the early aid was in the form of grants for large development projects, usually provided by individual countries such as the U.S., China, or Russia. Beginning in the mid 1960s the percentage of aid provided as loans rather than grants has steadily increased, and much of it is now provided by international aid agencies such as the World Bank's International Development Association and the Asian Development

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<sup>152</sup> *A History of Nepal*. Whelpton, John. "Chapter 5. The Quest for 'Development': Economy and Environment, 1951–1991 [p. 148]." 2005. Cambridge: Cambridge University Press.

<sup>153</sup> Ministry of Finance, Government of Nepal. Economic Survey Fiscal Year 2008/09. "Table 6.1. Direction of International Trade." 2009. <http://www.mof.gov.np/publication/budget/2009/table/table6.pdf>

<sup>154</sup> International Trade Centre/World Trade Organization. "Trade Performance HS: Export and Imports of Nepal (2006, in USD thousands)." 2009.

[http://www.intracen.org/appli1/TradeCom/TP\\_TP\\_CI.aspx?RP=524&YR=2006](http://www.intracen.org/appli1/TradeCom/TP_TP_CI.aspx?RP=524&YR=2006)

<sup>155</sup> República.com. Bhattarai, Bishal. "Economics of FDI in Nepal." 10 August 2009. [http://www.myrepublica.com/portal/index.php?action=news\\_details&news\\_id=8448](http://www.myrepublica.com/portal/index.php?action=news_details&news_id=8448)

Bank.<sup>156</sup> Japan, Germany, and India are currently the largest individual donor countries to Nepal.<sup>157</sup>

## Energy and Mineral Resources

### *Energy*

Nepal has no oil or natural gas deposits (as yet discovered), and its limited minable coal deposits cannot meet the country's coal needs.<sup>158</sup> What Nepal does have, however, are numerous mountain rivers that could provide large amounts of hydroelectric power. Nepal has roughly 43,000 megawatts of economically viable hydroelectric power capacity, one of the world's largest amounts. However, less than 700 megawatts of installed capacity have been brought online, generating most of the electricity that serves roughly 40% of Nepal's population.<sup>159</sup> The energy needs for the remainder of Nepal's population, mostly in rural areas, continues to be provided by fuel wood and animal and agricultural waste. Imported oil and diesel fuel, primarily from India, provides another 8% or so of Nepal's energy.<sup>160</sup>



© Chris Marquardt  
Electrical system in Kathmandu

### *Minerals*

Nepal's mineral industry is quite small and contributes little to the nation's gross domestic product (GDP). While scattered deposits of lead, zinc, cobalt, copper, iron ore, and other metals are known and have occasionally been extracted by small-scale operations, no metallic mineral mines currently operate in Nepal.<sup>161</sup> Mining in Nepal is restricted to nonmetallic and construction minerals, including limestone, marble, red clay, quartzite, aggregates, and talc.<sup>162</sup> Cement is the primary mineral product, although Nepal must still import well over 50% of its cement from India.<sup>163</sup>

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<sup>156</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "Chapter 3: Nepal: The Economy: Foreign Aid, Nepal." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0074\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0074))

<sup>157</sup> TelegraphNepal.net. Dahal, Madan Kumar. "Foreign Aid in Nepal: The Changing Context." 14 May 2008. [http://www.telegraphnepal.com/news\\_det.php?news\\_id=3417](http://www.telegraphnepal.com/news_det.php?news_id=3417)

<sup>158</sup> Energy Information Administration, Department of Energy. "Nepal Energy Profile." 16 September 2009. [http://tonto.eia.doe.gov/country/country\\_energy\\_data.cfm?fips=NP](http://tonto.eia.doe.gov/country/country_energy_data.cfm?fips=NP)

<sup>159</sup> American Chronicle. Shrestha, Hari Prasad. "Nepal to Be Failure by Power Failure." 19 January 2009. <http://www.americanchronicle.com/articles/view/88220>

<sup>160</sup> Independent Power Producers' Association, Nepal. "Hydropower in Nepal." No date. <http://www.ippan.org.np/HPinNepal.html>

<sup>161</sup> Department of Mines and Geology, Government of Nepal. "Metallic Minerals." No date. [http://www.dmgnepal.gov.np/metallic\\_min.php](http://www.dmgnepal.gov.np/metallic_min.php)

<sup>162</sup> U.S. Geological Survey. 2007 Minerals Yearbook. "Bhutan and Nepal [Advance Release]." February 2009. <http://minerals.usgs.gov/minerals/pubs/country/2007/myb3-2007-bt-np.pdf>

<sup>163</sup> NepalNews.com. "India Puts Restriction on Export of Cement." 17 April 2008. <http://www.nepalnews.com/archive/2008/apr/apr17/news03.php>

## Standard of Living

Nepal is one of Asia's poorest countries, just above Afghanistan in GDP per capita.<sup>164</sup> According to figures from the most recent National Living Standard Survey, in 2004, nearly 31% of all Nepalese live below the country's poverty line. A more recent National Planning Commission estimate claims that this percentage has been reduced to slightly less than 25%.<sup>165</sup> Living standards vary substantially in Nepal depending on geographical location, ethnic identity, and caste status. In general, the Nepalese poverty rate is higher for non-Hindus or Hindus belonging to low castes and for those Nepalese living in the western-most regions of the country or rural areas.<sup>166</sup>



Overall living conditions for the Nepalese are somewhat better than these statistics indicate, considering other developmental standards. Average life expectancy in Nepal is the highest among the non-island nations of South Asia (Nepal, India, Pakistan, Bhutan, and Bangladesh), and of them, only India has a higher literacy level.<sup>167</sup> Even though the literacy rate in Nepal is slightly above 56%, in the mid 1950s this percentage barely reached 5%.<sup>168</sup> Education itself is provided tuition-free throughout the nation. However, in the poorer rural areas, the cost of necessary supplementary items, such as books and clothing, can hinder school attendance. Nonetheless, there has been a steady increase in the number of children attending school in both rural and urban areas, and the once-pronounced difference in the school attendance rates between boys and girls has plummeted.<sup>169</sup>

As in many poor countries, remittances from Nepalese working outside the country have helped stave off poverty or mitigate it. Accurate estimates on the total amount of Nepalese workers' remittances are unavailable because these transactions go unrecorded. However, it has been estimated that more than 12% of Nepal's gross national product

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<sup>164</sup> Central Intelligence Agency. *The World Factbook*. "Country Comparison: GDP - Per Capita (PPP)." 2009. <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2004rank.html?countryName=Nepal&countryCode=np&regionCode=sas&rank=210#np>

<sup>165</sup> Asian Tribune. Koirala, Kosh Raj. "Nepal's Poverty Rate Down to 24.8 Percent." 14 April 2009. <http://www.asiantribune.com/?q=node/16787>

<sup>166</sup> United Nations Development Programme. *Nepal Human Development Report 2009*. "Chapter 2. Unequal Human Development [pp. 44–45]." 2009. [http://hdr.undp.org/en/reports/nationalreports/asiathepacific/nepal/NHDR\\_Nepal\\_2009\\_EN.pdf](http://hdr.undp.org/en/reports/nationalreports/asiathepacific/nepal/NHDR_Nepal_2009_EN.pdf)

<sup>167</sup> United Nations Development Programme. *Human Development Report 2009*. "Statistical Annex [p. 173]." 2009. [http://hdr.undp.org/en/media/HDR\\_2009\\_EN\\_Complete.pdf](http://hdr.undp.org/en/media/HDR_2009_EN_Complete.pdf)

<sup>168</sup> Federal Research Division, Library of Congress. *Country Study: Nepal*. "Chapter 2: Nepal: The Society and Its Environment: Education, Nepal." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0058\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0058))

<sup>169</sup> International Education Statistics. Huebler, Friedrich. "Primary School Attendance in Nepal, 1996–2006." 14 August 2007. <http://huebler.blogspot.com/2007/08/primary-school-attendance-in-nepal-1996.html>

(the sum of GDP and income received by Nepalese workers in other countries) may come from these remittances.<sup>170</sup>

## Tourism

Tourism for many decades was an important, steadily increasing part of Nepal's economy. By 1999, foreign visitors totaled 491,000 a year. However, a December 1999 hijacking of an Indian Airlines flight bound for New Delhi from Kathmandu followed by growing conflict between the Maoists and Nepalese government forces severely reduced the flow of visitors to Nepal for several years.<sup>171</sup> Since the signing of a peace treaty in 2006, tourist travel to Nepal has rebounded. In 2008, over 500,000 international visitors arrived in Nepal, slightly less than the previous year, probably reflecting the declining state of the world economy.<sup>172</sup> Despite the drop in visitors, however, overall tourism-generated foreign exchange earnings jumped by a dramatic 52.6% in 2008, following on the heels of a 41.7% increase the year before.



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Everest base camp, Himalayas, Nepal

Roughly 1 in 5 tourist visitors to Nepal come to enjoy mountaineering and trekking in the Himalayas, with the Annapurna and Mt. Everest regions being the most popular sites.<sup>173</sup> These mountainous regions are most popular among visitors from outside Asia. Overall, the nationalities with the highest percentage of visitors to Nepal in 2008 were India (18.2%), Sri Lanka (7.6%), China (7.0%), United Kingdom (6.7%), and the United States (6.0%). India, whose open border with Nepal requires no passport or visa controls, actually accounts for a much higher percentage of visitors than 18.2%. This is because the official statistics only account for Indian arrivals via air, while most Indians travel to Nepal by land.<sup>174</sup> Most tourists from other countries arrive in Nepal via air; however, a majority of Sri Lankan and Thai tourists also travel to the country via land. The majority of Buddhists making pilgrimages to Lumbini, the Tarai village believed to be the birthplace of the Buddha, are from these two countries.<sup>175</sup>

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<sup>170</sup> *The Journal of Nepalese Business Studies*, Vol. 3, No. 1. Gaudel, Yadav Sharma. "Remittance Income in Nepal: Need for Economic Development [p. 12]." December 2006. <http://www.nepjol.info/index.php/JNBS/article/viewFile/491/478>

<sup>171</sup> ThaIndian News. IANS. "Nepal Records Highest Tourist Arrivals in Eight Years." 3 November 2008. [http://www.thaindian.com/newsportal/world-news/nepal-records-highest-tourist-arrivals-in-eight-years\\_100114565.html](http://www.thaindian.com/newsportal/world-news/nepal-records-highest-tourist-arrivals-in-eight-years_100114565.html)

<sup>172</sup> Ministry of Tourism and Civil Aviation, Government of Nepal. "Nepal Tourism Statistics, 2008 [pp. 3, 6]." 2009. [http://www.tourism.gov.np/pdf/Final Book NTS\\_2008.pdf](http://www.tourism.gov.np/pdf/Final%20Book%20NTS_2008.pdf)

<sup>173</sup> Ministry of Tourism and Civil Aviation, Government of Nepal. "Nepal Tourism Statistics, 2008 [pp. 3–4]." 2009. [http://www.tourism.gov.np/pdf/Final Book NTS\\_2008.pdf](http://www.tourism.gov.np/pdf/Final%20Book%20NTS_2008.pdf)

<sup>174</sup> Indian Express. Didyala, Amrita. "'Nepal Tourism' in India Relaunched." 6 May 2009. <http://www.indianexpress.com/news/nepal-tourism-in-india-relaunched/455149/#>

<sup>175</sup> Ministry of Tourism and Civil Aviation, Government of Nepal. "Nepal Tourism Statistics, 2008 [pp. 28, 29, 56]." 2009. [http://www.tourism.gov.np/pdf/Final Book NTS\\_2008.pdf](http://www.tourism.gov.np/pdf/Final%20Book%20NTS_2008.pdf)

## Transportation

Nepal's road network has improved greatly since 1951, but it is still considered poor by world standards. The poor quality and scarcity of roads hinders the economic development of large regions of the country. Certainly the geographic terrain provides unique challenges for road planners and maintenance crews. Not only are the towns and villages of the hill regions often separated by the steep ridges of river valleys, but the hillsides themselves are geologically young and thus subject to high rates of erosion.<sup>176</sup> During the monsoon season, landslides can cause road closures that last for months.



© Sajal Sthapit  
Monsoons lead to landslides and soil erosion

Of Nepal's over 19,100 km (11,900 mi) of road, slightly more than 30% is paved.<sup>177</sup> Most of Nepal's paved roads are found in the central and southeastern parts of the country, interconnecting cities of the Tarai region and roads to the Kathmandu Valley and Pokhara.<sup>178</sup> Roughly 60% of the ongoing development budget for Nepal's road system comes from foreign donor contributions.<sup>179</sup>

Railroads in Nepal are nearly nonexistent. The main line is a 32 km (20 mi) narrow-gauge railway that links the border town of Jaynagar in India with the Nepalese city of Janakpur, an important pilgrimage site for Hindus. An even shorter 6 km (4 mi) railway run by Indian Railways connects Nepal's only dry port, located outside Birganj, with the Indian border city of Raxaul.<sup>180</sup>

Nepal has 47 airports, but many of them are small with unpaved runways.<sup>181</sup> Given the deficiency of good roads in Nepal, many of the lesser airports are served by commercial airlines. Nepal Airlines, the national air carrier, provides air service to several other Asian countries from its hub at Tribhuvan International Airport in the Kathmandu Valley.

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<sup>176</sup> International SABO Network. Regmee, Shital Babu. "Water-Induced Disasters in Nepal: Recent Trends and Measures." 2004. <http://www.sabo-int.org/projects/nepal.html>

<sup>177</sup> Ministry of Finance, Government of Nepal. Economic Survey Fiscal Year 2008/09. "11. Transport and Communication [p. 148]." 2009. [http://www.mof.gov.np/publication/budget/2009/pdf/english\\_full.pdf](http://www.mof.gov.np/publication/budget/2009/pdf/english_full.pdf)

<sup>178</sup> Federal Research Division, Library of Congress. "Country Profile: Nepal." November 2005. <http://lcweb2.loc.gov/frd/cs/profiles/Nepal.pdf>

<sup>179</sup> The World Bank. "Nepal Transport Sector." 2009. <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/SOUTHASIAEXT/EXTSARREGTOPTRANSPORT/0,,contentMDK:20560914~menuPK:869038~pagePK:34004173~piPK:34003707~theSitePK:579598,00.html>

<sup>180</sup> The World Bank. "Nepal Transport Sector." 2009. <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/SOUTHASIAEXT/EXTSARREGTOPTRANSPORT/0,,contentMDK:20560914~menuPK:869038~pagePK:34004173~piPK:34003707~theSitePK:579598,00.html>

<sup>181</sup> Central Intelligence Agency. *The World Factbook*. "Nepal." 29 September 2009. <https://www.cia.gov/library/publications/the-world-factbook/geos/np.html>

Tribhuvan also has regularly scheduled international flights from a host of other airlines, both foreign and domestic.<sup>182</sup>

## Economic Outlook

Despite the worldwide economic downturn in 2008, Nepal's economy grew at its greatest rate in many years, registering a 5.3% increase in GDP. Much of the increase reflected the increased revenues from tourism-based businesses, as well as strong agricultural output resulting from timely monsoon rains.<sup>183</sup>

Sustaining and increasing this economic growth in future years, however, remains challenging. Industrial production continues to lag, adversely affected by low labor productivity and inadequate infrastructure. For improvements to occur, it will be essential that Nepal quickly establish political stability that can provide the environment for economic investment. The abrupt resignation of Maoist Prime Minister Prachanda in the spring of 2009 caused a significant political distraction, but has not yet led to recurring conflict.



© Cheryl Marland  
Changunarayan, Nepal

Nepal's recent economic growth has been assisted by private consumption, made possible by remittances from Nepalese foreign workers. Ultimately, however, economic opportunities will need to be created within Nepal to support the country's growing population and its returning workers. This situation is especially critical in Nepal's rural areas. Expansion of Nepal's employment base will be a complex challenge, as many factors currently undermine an expansion of the employment base, including low worker skills, poor infrastructure, and continued management-labor friction. Under the current circumstances, a significant drop in either worker remittances or in foreign aid could have very negative effects on the nation's economy. The Nepali government continues to rely on these sources of foreign revenue to help finance economic development projects, offset the country's large negative trade balance, and provide discretionary income in some of Nepal's poorest areas.<sup>184</sup>

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<sup>182</sup> Ministry of Tourism and Civil Aviation, Government of Nepal. "Nepal Tourism Statistics, 2008 [pp. 27, 72]." 2009. [http://www.tourism.gov.np/pdf/Final Book NTS\\_2008.pdf](http://www.tourism.gov.np/pdf/Final%20Book%20NTS_2008.pdf)

<sup>183</sup> Asian Development Bank. *Asian Development Outlook 2009*. "Nepal." 2009. <http://www.adb.org/Documents/Books/ADO/2009/NEP.pdf>

<sup>184</sup> Asian Development Bank. *Asian Development Outlook 2009*. "Nepal." 2009. <http://www.adb.org/Documents/Books/ADO/2009/NEP.pdf>

## International Organizations

Nepal is a member of most major international organizations involved in economic development and cooperation, including the World Trade Organization, the World Bank, and the Asian Development Bank. The latter two organizations have been among the most important suppliers of developmental aid to Nepal, as have numerous multilateral organizations that have supplied assistance on specific projects.



© shinyai / flickr.com  
Cyber Cafe in Thamel, Kathmandu, Nepal

Regionally, Nepal is a member of the South Asian Association for Regional Cooperation (SAARC), which has advocated lower trade tariffs among its eight members (Nepal, India, Pakistan, Bangladesh, Bhutan, Sri Lanka, Maldives, and Afghanistan). A free-trade agreement among the members went into effect in 2006, but it has not yet influenced regional trade due to disagreements between SAARC's largest members (India, Pakistan) over tariff concessions.<sup>185</sup>

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<sup>185</sup> The Nation. Agence France-Presse. "SAARC Nations Sidestep Trade Pact Amid Frictions." 31 July 2008. <http://www.nation.com.pk/pakistan-news-newspaper-daily-english-online/Politics/31-Jul-2008/Saarc-nations-sidestep-trade-pact-amid-frictions>

# Society

## Introduction

Nepal has undergone wrenching change over the last 60 years. Once one of the world's most isolated countries, Nepal has opened itself to significant foreign influence through global media and a burgeoning tourism sector. These phenomena have transformed, Nepal's culture, especially in urban areas, but many traditions still thrive. The population of the country remains a disparate one, with numerous linguistic, religious, geographical, and caste divisions. Nonetheless, relations between the nation's many groups have historically reflected more tolerance than confrontation.



© Marina & Enrique / flickr.com  
Nepalese child

## Ethnic Groups, Castes, and Languages

### *Janajatis*

Janajati (translated as “nationality” in English) is a catch-all term describing the various groups of the mountain, hill, and Tarai regions who have their own language, collective identity, and traditional homeland within Nepal.<sup>186</sup> Most, of these groups were probably present in modern-day Nepal prior to the migration of the Khasas, and for that reason the Janajati “ethnic communities” are sometimes called Nepal's indigenous peoples. Almost all of the Janajati groups who have traditionally lived in the hill and mountain regions speak languages of Tibeto-Burman origin. In contrast, the Nepali language is Indo-Aryan, the linguistic branch that also includes Hindi, the most prominent language of northern India. A few of the hill and mountain Janajati groups are dominantly Hindu (most notably, the Magars), but most are not. Instead, these groups are more likely Buddhist or practice religious beliefs of local origin.



© Iker Ender  
Sherpa boys

Within Nepal's high mountain region, the Sherpas (0.8% of Nepal's population), famed for their mountaineering prowess, are the most populous group. Collectively, the Sherpas and the other groups of people of Tibetan origin who live in Nepal's higher and more northern locations are sometimes referred to as Bhotia.<sup>187</sup> The largest Janajati groups in the hill region, moving from west to east, are the Magars (7.1%), Gurungs (2.4%), Tamangs (5.6%), Rais (2.8%), and Limbus (1.6%). The last two of these groups are part

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<sup>186</sup> Central Bureau of Statistics, Government of Nepal. Population Monograph of Nepal 2003. “Chapter 3: Social Composition of the Population: Caste/Ethnicity and Religion in Nepal [p. 91].” 2003.

[http://www.cbs.gov.np/Population/Monograph/Chapter 03 Social Composition of the Population.pdf](http://www.cbs.gov.np/Population/Monograph/Chapter%2003%20Social%20Composition%20of%20the%20Population.pdf)

<sup>187</sup> *Nepal in Pictures*. Zuchora-Walske, Christine. “The People [pp. 41, 42].” 2009. Minneapolis: Lerner Publications.

of a larger group collectively known as the Kirat Confederation, who practice an indigenous animist religion (Kirant) distinctively different from Hinduism or Buddhism.

The Janajati groups living in the Tarai and Inner Tarai are descended from those who inhabited the region prior to the influx of Indian migrants following the successful malaria eradication program in the hill region. Most of the Janajati ethnic groups in the Tarai are quite small in number, with the Tharus (6.75%) being the notable exception.<sup>188</sup> Tharus are found throughout the Tarai belt, but are most populous in the west. For many centuries, the Tharus lived in the forests of the Tarai, adjacent to the malaria-infested swamps, a region long feared by Nepal's hill peoples. Medical researchers now believe that the Tharus may carry a genetic factor resistant to malaria.<sup>189</sup>

### *Parbitiyas*

The Parbitiyas (“people of the mountains”) have long been the dominant group. Within Nepal, especially in the Tarai region, they are often referred to as Pahadis.<sup>190</sup> Their linguistic ancestors were the Khasas, who migrated into western Nepal early in the first millennium C.E. At that time, a small group of Rajputs joined the Khasas after Muslim armies invaded their homeland in Rajasthan, western India. The Parbitiyas were Hindus who defined their social identity by caste. The most prominent among them were the upper-caste Bahuns (the Nepali term for Brahmans living in the hills region), Chetris, and Thakuris. Today these three “hill castes” collectively make up 30% of Nepal's population and primarily speak Nepali (the linguistic successor of the Khasa language). Another 8% of the Parbitiya population consists of members of the Dalit, or Untouchable, castes (Kamis, Damai, and Sarkis) and of the Sanyasi caste (descendants of those who renounced the material world for spiritual pursuits).<sup>191</sup>

### *Madheshi Caste Groups*

The Madhesh, a term some use to distinguish the Nepali and India plains of the Tarai, is one of the most culturally heterogeneous regions of Nepal. Besides the Janajati groups of the Tarai, a large segment of the population is of northern Indian descent. This population speaks languages closely related to Hindi, forming a dialect continuum in the Tarai region. These people are almost universally Hindu and have traditionally employed a

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<sup>188</sup> Central Bureau of Statistics, Government of Nepal. Population Monograph of Nepal 2003. “Chapter 3: Social Composition of the Population: Caste/Ethnicity and Religion in Nepal [p. 117].” 2003.

<http://www.cbs.gov.np/Population/Monograph/Chapter 03 Social Composition of the Population.pdf>

<sup>189</sup> National Center for Biotechnology Information. *Annals of Tropical Medicine and Parasitology*, Vol. 82, No. 1. Terrenato, L, and S. Shrestha, K.A. Dixit, L. Luzzatto, G. Modiano, G. Morpurgo, P. Arese.

“Decreased Malaria Morbidity in the Tharu People Compared to Synthetic Populations in Nepal [abstract].” 1988. <http://www.ncbi.nlm.nih.gov/pubmed/3041928?dopt=Abstract>

<sup>190</sup> The National. Chopra, Anuj. “The Explosive Plains of Nepal.” 12 September 2009.

<http://www.thenational.ae/apps/pbcs.dll/article?AID=/20090912/FOREIGN/709119835/0/includes#>

<sup>191</sup> Central Bureau of Statistics, Government of Nepal. Population Monograph of Nepal 2003. “Chapter 3: Social Composition of the Population: Caste/Ethnicity and Religion in Nepal [pp. 117–119].” 2003.

<http://www.cbs.gov.np/Population/Monograph/Chapter 03 Social Composition of the Population.pdf>

caste system much more complex than the Parbitiyas. Overall, these castes, including the Tarai Dalits, make up nearly 21% of Nepal's population, of which the Yadavs, a mid-level caste, is the largest (3.9%).<sup>192</sup>

### *Newars*

The Newars, who historically have been the largest part of the Kathmandu Valley population, occupy an ethnic position between the hill Janajati groups and the Parbitiyas. The Newar language, also known as Nepal Bhasa, is a Tibeto-Burman one. Today it uses the same written script as Indo-Aryan languages such as Nepali and Hindi.<sup>193</sup> Like the Parbitiyas and the Madheshis, the Newar Hindus and the less numerous Newar Buddhists both have a caste system. The Newars are associated with the Malla dynasty of the medieval period. The evidence of their era of architectural splendor can be seen in the many historical buildings and temples in the Kathmandu Valley.



### **Religion**

Until January 2007, when Nepal's new Interim Constitution went into effect, Nepal was the world's only Hindu kingdom. The move to a secular state was welcomed by the sizable non-Hindu minority living in Nepal. According to the most recent census figures, approximately 80.6% of the population of Nepal classify themselves as Hindu, a percentage that has been dropping steadily in census counts since 1981. Approximately 59% of the Nepali people are members of the Parbitiya and Madheshi caste groups, with the remaining 21% of Nepal's Hindu population coming from the Newars and from various Janajati groups—in particular, the Tharus of the Tarai region and the Magars.<sup>194</sup>



Nearly 11% of Nepal's people are Buddhists, a percentage that has doubled since the 1981 census. In part, this increase may reflect more accurate data collection in recent census surveys. Five ethnic communities of the hill and mountain regions—Tamangs,

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<sup>192</sup> Central Bureau of Statistics, Government of Nepal. Population Monograph of Nepal 2003. "Chapter 3. Social Composition of the Population: Caste/Ethnicity and Religion in Nepal [p. 117]." 2003. <http://www.cbs.gov.np/Population/Monograph/Chapter 03 Social Composition of the Population.pdf>

<sup>193</sup> Ethnologue.com. *Ethnologue: Lanugages of the World*, 16th Ed. "Nepal: Newar." 2009. [http://www.ethnologue.com/show\\_language.asp?code=new](http://www.ethnologue.com/show_language.asp?code=new)

<sup>194</sup> Central Bureau of Statistics, Government of Nepal. Population Monograph of Nepal 2003. "Chapter 3: Social Composition of the Population: Caste/Ethnicity and Religion in Nepal [pp. 92, 133]." 2003. <http://www.cbs.gov.np/Population/Monograph/Chapter 03 Social Composition of the Population.pdf>

Magars, Gurungs, Newars, and Sherpas—account for nearly 93% of Nepal’s Buddhist population.<sup>195</sup>

Another fast-growing religion in Nepal is Islam. Most of Nepal’s Muslims, who are dominantly Sunni, live in the Tarai region.<sup>196</sup> In Rautahat, one of the Tarai districts, Muslims make up nearly 20% of the total population, and several other Tarai districts have Muslim percentages between 10 and 16%.<sup>197</sup>

In the eastern hill region, the Rais, Limbus, and several other smaller ethnic communities practice an animist religion known as Kirant, which also blends in elements of Buddhism and Hinduism. Altogether, 3.6% of Nepal’s population adheres to Kirant beliefs. The Kirant philosophy has been passed orally through recitations from the *Mundhum*, a piece of folk literature that presents the Kirant beliefs of the world’s origin and humans’ place in it.<sup>198</sup>

A small group of Nepalese people (0.45%) practice Christian faiths, although church officials claim much higher overall percentages. According to one report, over 300 Christian churches are now active in Kathmandu alone.<sup>199</sup>

### **Traditions: Celebrations and Holidays**

Festivals and holidays dot the calendar throughout the year in Nepal. The two largest ones—Dasain and Tihar—fall close together during the autumn months. Most major holidays in Nepal are religious and follow the lunar calendar, which means the dates of each festival may change by several weeks from year to year.

While the majority of Nepal’s religious festivals are Hindu, some other holidays in Nepal are celebrated by the nation’s religious minorities. For Buddhists, the most festive of these is Losar (Tibetan and Bhotia New Year’s Day), a time of feasting, family visits, and public dancing by costumed performers.<sup>200, 201</sup>



© Ingmar Zahorsky  
Newar Man

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<sup>195</sup> Central Bureau of Statistics, Government of Nepal. Population Monograph of Nepal 2003. “Chapter 3: Social Composition of the Population: Caste/Ethnicity and Religion in Nepal [p. 133].” 2003. <http://www.cbs.gov.np/Population/Monograph/Chapter 03 Social Composition of the Population.pdf>

<sup>196</sup> Bureau of Democracy, Human Rights, and Labor, U.S. Department of State. International Religious Freedom Report 2008. “Nepal.” 19 September 2009. <http://www.state.gov/g/drl/rls/irf/2008/108504.htm>

<sup>197</sup> Central Bureau of Statistics, Government of Nepal. Population Monograph of Nepal 2003. “Chapter 3: Social Composition of the Population: Caste/Ethnicity and Religion in Nepal [pp. 120–129].” 2003. <http://www.cbs.gov.np/Population/Monograph/Chapter 03 Social Composition of the Population.pdf>

<sup>198</sup> ExploreDarjeeling.com. “Cultures and Peoples of Darjeeling: Kirats.” No date. <http://www.exploredarjeeling.com/culture.htm>

<sup>199</sup> Bureau of Democracy, Human Rights, and Labor. U.S. Department of State. International Religious Freedom Report 2008. “Nepal.” 19 September 2009. <http://www.state.gov/g/drl/rls/irf/2008/108504.htm>

<sup>200</sup> *Cultures of the World: Nepal*. Burbank, Jon. “Festivals [p. 119].” 2002. Tarrytown: Marshall Cavendish.

<sup>201</sup> iExplore.com. “Losar Festival.” 2009. <http://www.iexplore.com/dmap/Nepal/Event/8531#>

## *Dasain*

Dasain, which falls sometime within the months of September and October, is Nepal's longest and largest holiday. For more than two weeks, virtually all of Nepal shuts down as the nation's population travels to be with family. Dasain is classically a Hindu festival, but Nepalese Buddhists have adapted some of the traditions and activities to create their own version of the holiday.<sup>202</sup> The first 9 days of the 15-day celebration are known as Nawa Ratri and commemorate the battle between the goddess Durga and the demon Mahisasura, who is able to take the form of a water buffalo at will. On the first day of Nawa Ratri, each Nepali household prepares the kalash, a sacred water jug that is filled and then covered with a patch of soil mixed with cow dung, sown with barley seeds. Over a few days, the seeds sprout as *jamara*,<sup>203</sup> which will play an important ritual role later in Dasain.

Fulpati usually falls on the seventh day of Dasain. On this day, a jar containing sacred shrubs and flowers completes its overland journey from Gorkha to the Hanuman Dhoka (old Royal Palace) in Kathmandu.<sup>204</sup> The ninth and culminating day of Nawa Ratri marks Durga's defeat of Mahisasura. Tens of thousands of goats, sheep, and water buffaloes are sacrificed on this day, with their blood used to bless machinery and moving vehicles of all types, including aircraft, as protection against future accidents. The day ends with a feast. Even Nepalese who seldom eat meat—whether from financial limitations, geographical restrictions, or religious convictions—dine on it on this special day.<sup>205, 206</sup>

The 10th day of Dasain, Vijaya Dashami, marks the end of the Nawa Ratri rituals. Elders apply *tikas* (a spot of red dye placed on the forehead) and place garlands of *jamara* in the hair of younger Nepalese. The ensuing four days are filled with family visits and feasting. The last day of Dasain, Kartika Purnima, is a full-moon day and is celebrated by playing card games, often involving gambling.<sup>207</sup>

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<sup>202</sup> *Nepal*, 6th Ed. "Festivals of Nepal [p. 88]." 2003. Footscray, Victoria, Australia: Lonely Planet Publications.

<sup>203</sup> *Jamara* is a sacred yellow grass that is taken as a token of Goddess Durga and as an elders blessing during Dasain.

<sup>204</sup> The Himalayan Beacon. "Nepal: Fulpati Being Observed Today." 25 September 2009. <http://beacononline.wordpress.com/2009/09/25/nepal-fulpati-being-observed-today/>

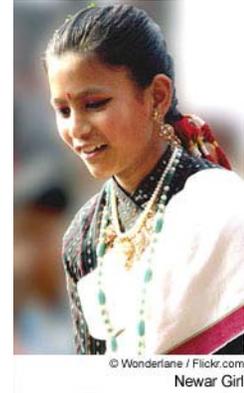
<sup>205</sup> *Nepal*, 6th Ed. "Festivals of Nepal [p. 89]." 2003. Footscray, Victoria, Australia: Lonely Planet Publications.

<sup>206</sup> VisitNepal.com. Karki, Avigya. "Dashain Festivals in Nepal." 2008. [http://www.visitnepal.com/nepal\\_information/dashain.php](http://www.visitnepal.com/nepal_information/dashain.php)

<sup>207</sup> *Nepal*, 6th Ed. "Festivals of Nepal [p. 89]." 2003. Footscray, Victoria, Australia: Lonely Planet Publications.

## Tihar

Following shortly after Dasain, Tihar is a 5-day festival in which different creatures are worshipped each day: crows, dogs, cows, and then bulls. The festival coincides with Diwali, a major Hindu holiday in India, and shares some of the same traditions. On the 3rd day, Lakshmi, the Hindu goddess of wealth and good fortune, is honored in each house through the rituals of *puja*. Candles, electrical lights, and oil lamps decorate homes and businesses, lighting up the night in what is often called the “festival of light.” The 5th day of Tihar is a special day for family blessings. Men and boys around the country receive the Bhat Tika, or “brother’s blessing,” from their sisters, even if they must travel far distances. In appreciation for the blessing, a sister receives gifts from her brother.<sup>208</sup>



## Cuisine

The Nepalese typically eat two meals a day: the first during the mid morning, and the second in the early evening.<sup>209</sup> At either of these two meals, *dal bhat tarkari*, the staple of Nepalese cuisine, which consists of lentil soup, rice, and curried vegetables, may be consumed. Typically, the lentil soup is poured over the rice. Then the thumb and first two fingers are used to shape it into bite-sized balls, which are put directly into the mouth.<sup>210</sup> *Achar*, or pickled vegetables, is sometimes served as a side dish. Several spices, including turmeric, garlic, onion, and chili may be used in the *dal bhat tarkari*.<sup>211</sup> After the meal, many Nepalese, especially in the Tarai, will commonly chew *paan*, a betel leaf wrapped around a sweetly spiced areca nut. This mixture is a mild stimulant that is used as a digestive aid.<sup>212</sup>



Rice is the primary grain for the majority of Nepalese and provides an estimated 90% of the total calories in the national diet.<sup>213</sup> In higher hill and mountain regions, rice cannot be grown. Instead, *sattu* or *tsampa* (“roasted flour”) is often the staple food, made from locally grown grain such as barley, wheat, maize, and millet. Potatoes, which can be

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<sup>208</sup> *Cultures of the World: Nepal*. Burbank, Jon. “Festivals [p. 111].” 2002. Tarrytown: Marshall Cavendish.

<sup>209</sup> *Cultures of the World: Nepal*. Burbank, Jon. “Food [p. 124].” 2002. Minneapolis: Lerner Publications.

<sup>210</sup> *Cultures of the World: Nepal*. Burbank, Jon. “Food [p. 124].” 2002. Minneapolis: Lerner Publications.

<sup>211</sup> Food-Nepal.com. “Main Dish: Dal Bhat (Rice and Lentils).” 2001–2009. <http://www.food-nepal.com/recipe/R008.htm>

<sup>212</sup> *The Rough Guide to Nepal*, 5th Ed. “B. Basics: Eating and Drinking [p. 50].” 2002. London: Rough Guides.

<sup>213</sup> GlobalGourmet.com. “Nepal: Rice and Grains.” January 2007. <http://www.globalgourmet.com/destinations/nepal/nepalrice.html>

grown at high altitudes, are the predominant vegetable eaten by highland peoples such as the Bhotia.<sup>214, 215</sup>

In the Kathmandu Valley, the Newars have developed a regional cuisine that makes liberal use of *buff* (water buffalo). All parts of the animal are used in dishes such as *kachila* (raw, minced *buff* mixed with ginger, mustard oil, and spices), *choyla* (grilled or roasted, spicy *buff* cubes), and *momo* (dumplings filled with minced *buff*).<sup>216, 217</sup> Minced *buff* is also often an ingredient for *chatamari*, a pizza-like dish in which a rice pancake may be topped by *buff*, egg, and vegetables.<sup>218</sup>

*Chiya* (tea) is Nepal's most popular drink. It is typically the first thing to be consumed in the morning, often hours before the first meal. Preparation involves boiling a pot of black tea mixed with milk, sugar, cardamom seeds, and cinnamon.<sup>219</sup> Ginger or black pepper is also sometimes brewed into the *chiya* mixture.<sup>220</sup>

## Traditional Dress

In a nation as ethnically and geographically diverse as Nepal, it is impossible to identify a style of dress that reflects more than a subset of the population. The clothing styles in the Tarai mirror those of northern India, whereas the peoples in the northern mountain regions dress like their Tibetan neighbors on the other side of the border with China. Younger people throughout the country are as likely to be wearing Western-style shirts and trousers as they are any traditional dress.



© Deana Zabaldo  
Nepalese women in traditional clothing

Despite these many differences in clothing styles, the Nepali government identifies the *daura-surwal* as the national form of dress for men, one frequently worn on formal occasions. Increasingly, as the politics of ethnic and geographic identity became more

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<sup>214</sup> GlobalGourmet.com. "Nepal: Rice and Grains." January 2007.

<http://www.globalgourmet.com/destinations/nepal/nepalrice.html>

<sup>215</sup> Laboratory of Agricultural and Natural Resources Anthropology, University of Georgia. "The World Geography of Potatoes: Nepal." No date. <http://www.lanra.uga.edu/potato/asia/nepal.htm>

<sup>216</sup> *The Rough Guide to Nepal*, 5th Ed. "B. Basics: Eating and Drinking [p. 46]." 2002. London: Rough Guides.

[http://books.google.com/books?id=lcbUIOTcE18C&pg=PA46&lpg=PA46&dq=Nepal+Tarai+cuisine&source=bl&ots=T5Q8BKwYPb&sig=3CEdVEV5iD6EVps5I05j0IFO4LU&hl=en&ei=WRzWSrumG4jSsQO24pjaAg&sa=X&oi=book\\_result&ct=result&resnum=7&ved=0CBgQ6AEwBg#v=onepage&q=Nepal Tarai cuisine&f=false](http://books.google.com/books?id=lcbUIOTcE18C&pg=PA46&lpg=PA46&dq=Nepal+Tarai+cuisine&source=bl&ots=T5Q8BKwYPb&sig=3CEdVEV5iD6EVps5I05j0IFO4LU&hl=en&ei=WRzWSrumG4jSsQO24pjaAg&sa=X&oi=book_result&ct=result&resnum=7&ved=0CBgQ6AEwBg#v=onepage&q=Nepal%20Tarai%20cuisine&f=false)

<sup>217</sup> *Nepal*, 6th Ed. "Facts for the Visitor: Food and Drink [p. 80]." 2003. Footscray, Victoria, Australia: Lonely Planet Publications.

<sup>218</sup> TouristNepal.org. "Cuisine of Nepal." No date. <http://www.tourismnepal.org/culture-nepal/nepalese-cuisine.html>

<sup>219</sup> NepalNews.com. "Nepali Spicy Tea." 26 October 2008.

<http://cooking.nepalnews.com/videoplay.php?id=1036> [retrieved 14 October 2009]

<sup>220</sup> *Cultures of the World: Nepal*. Burbank, Jon. "Food [p. 128]." 2002. Minneapolis: Lerner Publications.

pronounced in Nepal, this style has become controversial and a symbol of the politically dominant Pahadi of Nepal's hill region.<sup>221, 222</sup> The *surwal* is a pair of long trousers—with legs that fall in folds at the ankles, cling tightly to the calves, and are cut full near the waist. The *daura* is a double-breasted thigh-length shirt wrapped around the body and held in place with ties. The *dhaka topi*, which takes its name from the patterned *dhaka* cloth it is traditionally made from, is the national headwear. It is a brimless cap with a slightly offset peak on the oval crown. A more recent addition to the *daura-surwal* form of dress is the Western-style jacket, often worn over the *daura*.

For Nepali women, the fundamental item of clothing is the *sari*, worn in the Haku Patasi style.<sup>223</sup> A long strip of black cloth with red borders (specific to Newar) is wrapped and pleated all around the waist, and instead of one end being draped over the shoulder, a separate shawl is worn to cover the shoulders. Jewelry, much of it gold, is a common element as well. Earrings, nose pins, studded rings in the top of the ear, finger rings, bracelets, anklets, and necklaces are all frequently worn. In many cases the jewelry style identifies the region or ethnic group of the wearer.<sup>224, 225</sup>

## Arts

### *Architecture*

Many of Nepal's architectural treasures lie in the Kathmandu Valley and date back to the Malla Dynasty (1200–1768 CE), when the competing rulers of Kathmandu, Patan, and Bhaktapur each built extensive palace complexes, all of which remain at least partially standing today. Numerous Buddhist and Hindu temples were built in the valley during this time as well, featuring the exquisite work of Newar craftsmen, who were equally at home working in wood, metal, terra cotta, and stone.<sup>226</sup>

Most of the craftspeople who worked on these structures, as well as their designers, are unknown to us today. An exception is Arniko, a Kathmandu-born architect of the 13th century, who is credited with creating the multi-roofed pagoda style of temple architecture. This style was introduced to Tibet and to the famous Dadu (modern-day Beijing) during the reign of Kublai Khan. There, the White Pagoda Temple remains

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<sup>221</sup> American Chronicle. Bombay, Prakash. "The Legacy of 'Daura-Suruwal-Topi' Politics of Nepal." 8 March 2009. <http://www.americanchronicle.com/articles/view/93761>

<sup>222</sup> TelegraphNepal.com. "Nepal President Was Forced to Wear Daura Suruwal: Upendra Yadav." 25 July 2008. [http://www.telegraphnepal.com/news\\_det.php?news\\_id=3785](http://www.telegraphnepal.com/news_det.php?news_id=3785)

<sup>223</sup> SariStylist.com. "How to Wear Saris: Styles of Sari Draping." 2009. <http://www.saristylist.com/styles-of-sari-draping.html>

<sup>224</sup> Everyculture.com. "Nepalis: 11: Clothing." 2008. <http://www.everyculture.com/wc/Mauritania-to-Nigeria/Nepalis.html>

<sup>225</sup> Nepal.com. "Spectacular Art of Jewelry Making in Nepal." 2009. <http://www.nepal.com/blog/spectacular-art-of-jewelry-making-in-nepal#>

<sup>226</sup> *Nepal*, 6th Ed. "Facts About Nepal: Architecture and Sculpture [p. 32]." 2003. Footscray, Victoria, Australia: Lonely Planet Publications.

today as a lasting Chinese architectural treasure.<sup>227</sup> A statue of Arniko was placed outside this temple in 2002.<sup>228</sup> He was also the namesake for the Arniko Highway, the only paved road that connects the Kathmandu Valley with Tibet.

### *Music*

Multi-ethnic Nepal has numerous musical and dance traditions. As with traditional dress, the musical styles of those Nepalese groups living close to either the Chinese Tibetan border or the Indian border were influenced strongly by their neighboring states. Traditionally, music in the hill region was played by itinerant minstrels known as *Gandarbha*, (previously as “Gaines”) a low caste of troubadours who would sing folk songs door-to-door in both villages and cities.<sup>229</sup> The *Gandarbhas* would accompany themselves on the Nepalese *sarangi*, a four-stringed instrument carved from a single block of wood, somewhat similar to a fiddle but “stopped” by the back of the fingernails.



The *Gandarbha* tradition began to die out as Nepal became increasingly exposed to Western musical influences in the late 20th century. At this time, the *sarangi* was viewed by many younger Nepalese as a dated instrument, less sophisticated than instruments like the guitar and keyboard. Caste biases may have also played a part in the decline of the *Gandarbhas*. However, there has been a renaissance in recent years for the *sarangi*, as a new generation of *sarangi* players embrace the instrument. Many modern *sarangi* artists continue to play traditional songs in the classic style, but the instrument has also been incorporated into modern musical forms known as *lok geet* and *lok pop*. In the former, both traditional and modern instruments are employed in updating traditional folk songs or melodies. The latter genre uses this instrumental fusion to accompany modern pop songs often written in a folk style.<sup>230, 231, 232</sup> *Lok pop* songs, traditionally more popular in

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<sup>227</sup> Nepali Times. Bhattarai, Anoop Ranjan. “Arniko’s Resurrection.” 12–18 October 2001.

<http://www.nepalitimes.com.np/issue/2001/10/12/Culture/7263>

<sup>228</sup> Arniko Society. “Articles.” No date.

<http://www.arnikosociety.com.np/index.php?clicks=1&cid=1&stitle=Articles&pid=4&%20thvalue=default2.css&meid=4>

<sup>229</sup> Canada Foundation for Nepal. “Nepali School - Project: Music of Nepal.” 2008.

[http://www.cffn.ca/nepali\\_school/music.php](http://www.cffn.ca/nepali_school/music.php)

<sup>230</sup> ZenithOnline.com. “The Sarangi Revival.” 6 June 2009.

<http://zenithonline.wordpress.com/2009/06/06/the-sarangi-revival/>

<sup>231</sup> Nepali Times. “Musical Revival.” 13–19 February 2009.

<http://www.nepalitimes.com.np/issue/2009/02/13/Review/15673>

<sup>232</sup> *Teens in Nepal*. Yackley-Franken, Nickie. “Playing Hard [p. 79].” 2008. Minneapolis: Compass Point Books.

[http://books.google.com/books?id=SgAXnTNoCxoC&pg=PA76&lpg=PA76&dq=sarangi+popularity+Nepal&source=bl&ots=CCAhqxHqAB&sig=0gI6mNOchuelDSdIARqfy3K7qHY&hl=en&ei=zJLYSujBF4ziNYeSzMNMH&sa=X&oi=book\\_result&ct=result&resnum=10&ved=0CCEQ6AEwCQ#v=onepage&q=&f=false](http://books.google.com/books?id=SgAXnTNoCxoC&pg=PA76&lpg=PA76&dq=sarangi+popularity+Nepal&source=bl&ots=CCAhqxHqAB&sig=0gI6mNOchuelDSdIARqfy3K7qHY&hl=en&ei=zJLYSujBF4ziNYeSzMNMH&sa=X&oi=book_result&ct=result&resnum=10&ved=0CCEQ6AEwCQ#v=onepage&q=&f=false)

urban areas than *lok geet*, paradoxically often feature lyrics that focus on rural village themes.<sup>233</sup>

## Folklore

Most of Nepal's population has been raised in either the Hindu or Buddhist traditions and is familiar with the rich and symbolic mythology of these religions. The sacred books of both religions make abundant use of locales in Nepal for their tales and use Buddhist or Hindu deities as central characters.



© Wonderlane / flickr.com  
Buddhist monks reading

An example is the *Swayambhu Purana*, a Buddhist text that narrates the origin of the Kathmandu Valley. According to the *Swayambhu*, the Buddhist *bodhisattva* (“enlightened being”) named Manjusri made a pilgrimage to worship a lotus flower floating on the lake that once covered what is now the Kathmandu Valley. A radiant flame blazed from the center of the lotus flower. Manjusri, wishing to view the flame from a closer vantage point than the shore of the lake, used his sword of wisdom to slice open the mountain walls that surrounded the lake. The waters quickly drained, leaving the present-day valley floor. Manjusri built a shrine at the resting spot of the lotus flower on the valley floor.<sup>234</sup>

Today, according to legend, this location is the site of the Swayambhunath Buddhist temple, one of the seven UNESCO World Heritage sites in the Kathmandu Valley. Boudhanath, another famous Buddhist temple in the Valley recognized by UNESCO, is also the subject of many folktales and legends concerning its origin.

In the eastern Tarai region, the city of Janakpur attracts devout pilgrims from both Nepal and India owing to its prominence in the Hindu epic, the Ramayana. Sita, Rama's wife, was the daughter of King Janak of Mithila (modern-day Janakpur). As described in the Ramayana, Rama wins Sita's hand in marriage by successfully answering Janak's challenge to bend and string the mighty bow of Shiva (which Rama not only is able to string, but snaps it in two when he pulls the string back).<sup>235</sup>

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<sup>233</sup> Department of Musicology, University of California, Los Angeles. *Echo*, Vol. 7, No. 1. Rajkarnikar, Yubakar Raj and Paul Greene. “Echoes in the Valleys: A Social History of Nepali Pop in Nepal's Urban Youth Culture, 1985–2000.” Fall 2005. [http://www.echo.ucla.edu/Volume7-Issue1/yubakar\\_greene/yubakar\\_greene2.html](http://www.echo.ucla.edu/Volume7-Issue1/yubakar_greene/yubakar_greene2.html)

<sup>234</sup> Everyculture.com. “Nepalis: 4: Folklore.” 2008. <http://www.everyculture.com/wc/Mauritania-to-Nigeria/Nepalis.html>

<sup>235</sup> *Ramayana* (Translated and Abridged). Dutt, Romesh C. “Book 1: Sita—Swayawara [pp. 7–9].” 1899. Whitefish: Kessinger Publishing.

## Sports and Recreation

If Nepal had a national sport, it would be *kabaddi*, a team game popular throughout rural parts of South Asia. The game consists of two seven-member teams who alternate sending a “raider” across a dividing line into the opponent’s territory. If the raider is able to tag one of the opponents and return to his or her own territory without being caught or tackled by the opposing team, the raider’s team scores one point. The raider is required to accomplish this goal in a single breath, all the while chanting the name of the game.<sup>236</sup>



© Dey Alexander  
Nepalese men playing Karom

Other popular sports in Nepal include football (soccer), cricket, volleyball, basketball, badminton, and martial arts such as taekwondo and karate.<sup>237</sup> Among Nepali boys, football is the most actively pursued sport, while cricket holds a similar position among girls.<sup>238</sup>

Board games are popular leisure pursuits among all ages. These include chess, ludo (a modified version of the Indian game *pachisi*), carrom (somewhat similar to pool but played by flicking checkers with a finger on a small board), and *bagh chal*.<sup>239, 240</sup> In the latter game, which is similar to checkers and believed to be of Himalayan origin, tiger game pieces try to “eat” goat pieces by jumping over them. The game is often played as was hundreds of years ago, using stones for pieces on a grid that is scratched into the dirt.<sup>241</sup>

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<sup>236</sup> IBNLive.com. Associated Press. “Truly Asian: Sepak Takraw to Kabaddi.” 6 December 2006.

<http://ibnlive.in.com/news/truly-asian-sepak-takraw-to-kabaddi/27819-5.html>

<sup>237</sup> *Teens in Nepal*. Yackley-Franken, Nickie. “Playing Hard [p. 80–81].” 2008. Minneapolis: Compass Point Books.

[http://books.google.com/books?id=SgAXnTNoCxoC&pg=PA77&lpg=PA77&dq=Nepal+popular+sports&source=bl&ots=CCAhsDCnyK&sig=ab465Qq\\_AdHWn4dgHrHD0goWqfg&hl=en&ei=rXXcSvbmHZPQtgO6kJmNBg&sa=X&oi=book\\_result&ct=result&resnum=5&ved=0CBYQ6AEwBDgK#v=onepage&q=Nepal%20popular%20sports&f=false](http://books.google.com/books?id=SgAXnTNoCxoC&pg=PA77&lpg=PA77&dq=Nepal+popular+sports&source=bl&ots=CCAhsDCnyK&sig=ab465Qq_AdHWn4dgHrHD0goWqfg&hl=en&ei=rXXcSvbmHZPQtgO6kJmNBg&sa=X&oi=book_result&ct=result&resnum=5&ved=0CBYQ6AEwBDgK#v=onepage&q=Nepal%20popular%20sports&f=false)

<sup>238</sup> *Teens in Nepal*. Yackley-Franken, Nickie. “Playing Hard [p. 81].” 2008. Minneapolis: Compass Point Books.

[http://books.google.com/books?id=SgAXnTNoCxoC&pg=PA77&lpg=PA77&dq=Nepal+popular+sports&source=bl&ots=CCAhsDCnyK&sig=ab465Qq\\_AdHWn4dgHrHD0goWqfg&hl=en&ei=rXXcSvbmHZPQtgO6kJmNBg&sa=X&oi=book\\_result&ct=result&resnum=5&ved=0CBYQ6AEwBDgK#v=onepage&q=Nepal%20popular%20sports&f=false](http://books.google.com/books?id=SgAXnTNoCxoC&pg=PA77&lpg=PA77&dq=Nepal+popular+sports&source=bl&ots=CCAhsDCnyK&sig=ab465Qq_AdHWn4dgHrHD0goWqfg&hl=en&ei=rXXcSvbmHZPQtgO6kJmNBg&sa=X&oi=book_result&ct=result&resnum=5&ved=0CBYQ6AEwBDgK#v=onepage&q=Nepal%20popular%20sports&f=false)

<sup>239</sup> TradGames.org. Masters, James. “Carrom: History and Information.” 1997.

<http://www.tradgames.org.uk/games/Carrom.htm>

<sup>240</sup> BoardGameGeek.com. Yeung, Tim. “Bagh Chal (AKA Tigers and Goats).” 30 October 2005.

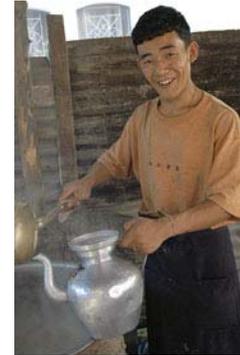
<http://www.boardgamegeek.com/thread/84848>

<sup>241</sup> Himalayan Times. Basnyat, Shraddha. “Bagchal in the Alps.” 17–23 January 2003.

<http://www.nepalitimes.com.np/issue/2003/01/17/Leisure/4987>

## Gender Issues

Although significant differences exist from one ethnic group to another, much of Nepal has traditionally been a patriarchal society in which the status of women has been subordinate to men in most areas of life.<sup>242</sup> Although positive changes have occurred in the last few decades, Nepalese women still are at a distinct disadvantage in improving their situation. While traditional attitudes concerning the role of women certainly present a barrier to change, perhaps the biggest impediment towards improving the status of women in Nepal is their very low literacy rate.<sup>243</sup>



© Wonderlane / Flickr.com  
Preparing tea

Nevertheless, despite the continuing lag in the economic, educational, and social status of women, there is real cause to believe that these gender gaps will decrease in the future. A landmark occurrence for Nepali women came in the 2008 elections for the nation's Constituent Assembly; nearly one third of the elected representatives were women. This percentage is significantly higher than in the previous election. In 1999 only 6% of the elected representatives were women.<sup>244</sup> The elected women are especially important because the current assembly is entrusted with drafting a new national constitution by 2010. Despite political differences between the women elected to the Constituent Assembly, a strong women's caucus is pushing for constitutional guarantees of women's rights and mandated gender equity at all levels of the government.<sup>245</sup>

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<sup>242</sup> Federal Research Division, Library of Congress. *A Country Study: Nepal*. "Chapter 2: Nepal: The Society and Its Environment: Social System and Values, Nepal: Women's Status and Role in Society." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0053\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0053))

<sup>243</sup> United Nations Development Programme. *Human Development Report 2009*. "Nepal." 2009. [http://hdrstats.undp.org/en/countries/country\\_fact\\_sheets/cty\\_fs\\_NPL.html#](http://hdrstats.undp.org/en/countries/country_fact_sheets/cty_fs_NPL.html#)

<sup>244</sup> IPSNews.org. Aryal, Mallika. "Nepal: A Small Victory for Nepali Women." 24 June 2008. <http://ipsnews.net/news.asp?idnews=42933>

<sup>245</sup> Nepali Times. Rai, Dewan. "Leading By Example." 18–24 September 2009. <http://www.nepalitimes.com.np/issue/2009/09/18/Nation/16313>

# Security

## Introduction

Nepal faces few, if any, threats to its security from outside its borders, but internally confronts numerous challenges: a fragile, volatile peace process, and ethnic- and location- based insurgency groups operating in the south and east. Landlocked Nepal's relationships with its neighbors remain critical to the country's economic well being. Nepal lies between China and India—two of the world's economic powerhouses who vie for dominance in eastern and southern Asia. As a result, the Nepalese government must always strike a delicate balance in its foreign policy. Nepal's relations with India have traditionally been closer, if not necessarily warmer, than those with China, because Nepal has historically relied on India economically. Though recently, Nepal's relationship with China has strengthened due to China's planned developmental assistance for implementing projects designed to connect Nepal to the improving transportation infrastructure in neighboring Tibet.



DoD Photo  
A member of the Nepalese Quick Reactionary Force

## Military

The Nepal Army (NA) protects the country from all external and internal threats. Most of the NA's 95,000 active personnel are divided into 6 combat divisions, with 1 division assigned for each development region (Eastern, Central, Western, Mid-Western, Far Western) and one division in the Kathmandu Valley.<sup>246, 247</sup> The Chief of Army Staff (CoAS) is the top military officer and reports directly to the President of Nepal, who is the Supreme Commander-in-Chief. Reporting directly to the CoAS are two Lieutenant Generals: the Chief of the General Staff (CGS) and the Chief of Staff (COS). The CGS oversees operations, intelligence, and training, while the COS supervises non-war military operations.<sup>248</sup> Nepal has no Air Force or Navy, but the Army Air Service operates helicopters and fixed-wing aircraft primarily used for transport and rescue operations.<sup>249</sup>



© Deana Zabaldo  
Nepalese tank

Nepal's military and police forces have been employed extensively in United Nations (UN) peacekeeping missions. As of September 2009, the NA had over 3,300 soldiers

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<sup>246</sup> NepalArmy.mil. "Combat Arms." 2008.

<http://www.nepalarmy.mil.np/organisation/combatarms.php?hdng=combatarms&pg=1>

<sup>247</sup> Bureau of South and Central Asian Affairs, U.S. Department of State. "Background Note: Nepal." January 2009. <http://www.state.gov/r/pa/ei/bgn/5283.htm>

<sup>248</sup> NepalArmy.mil. "Chain of Command." 2008.

<http://www.nepalarmy.mil.np/organisation/chainofcommand.php?hdng=chain of command&pg=1>

<sup>249</sup> Scramble (Dutch Aviation Society). "Nepal Army Air Wing." 25 March 2008.

<http://www.scramble.nl/np.htm>

serving in UN missions. Most of these forces are involved in four separate UN operations: Chad, Haiti, Democratic Republic of the Congo, and Lebanon.<sup>250</sup>

The Comprehensive Peace Treaty (CPA) that was signed in June 2007 ended the decade-long insurgency waged by the Maoists. Under the terms of the CPA, the Nepal Army and the Maoist cadres are confined to barracks and cantonments. The CPA also included language allowing the more than 19,500 former Maoist combatants the option to join the Nepalese security forces. The NA leadership has since then resisted such a merging, arguing that the Maoist fighters must first be “de-mobilized, rehabilitated, and reintegrated [into society]” before any integration into the NA could occur.<sup>251</sup>

In May 2009 Nepal Prime Minister Pushpa Kamal Dahal (“Prachanda”), the former Maoist military leader, fired General Rookmangud Katawal, the CoAS. When Nepal’s President Ram Naram Yadav, the Commander-in-Chief of the military, overruled Prachanda and allowed Katawal to stay on as army chief, a political crisis erupted, with Prachanda resigning in protest.<sup>252, 253</sup> Five months after Prachanda’s resignation, Nepal’s Defense Minister announced plans to recruit new soldiers and purchase new arms. These moves were widely expected to put further strains on the peace process in Nepal.<sup>254</sup>

## U.S.–Nepal Relations

The U.S. has maintained formal relations with Nepal since 1947. Since then, the United States has always enjoyed friendly relations with the Kathmandu government. In 1951, the U.S. became the first nation to provide bilateral aid, and to date has cumulatively supplied well over USD 1 billion in ongoing bilateral developmental assistance.<sup>255</sup> During the decade-long Maoist insurgency, an increasing percentage of U.S. aid



DoD Photo  
Nepal Army soldiers exit USAF C-5 transport aircraft

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<sup>250</sup> United Nations. “UN Mission’s Summary Detailed by Country.” 30 September 2009.

[http://www.un.org/Depts/dpko/dpko/contributors/2009/sept09\\_3.pdf](http://www.un.org/Depts/dpko/dpko/contributors/2009/sept09_3.pdf)

<sup>251</sup> Bloomberg.com. Tighe, Paul. “Nepal’s Government Splits After Army Chief Fired (Update 1).” 3 May 2009. [http://www.bloomberg.com/apps/news?pid=20601110&sid=a1LY5QeoU\\_wY](http://www.bloomberg.com/apps/news?pid=20601110&sid=a1LY5QeoU_wY)

<sup>252</sup> MyRepublica.com. “Prez Blocks Action Against CoAS – Constitutional Coup: Maoists.” 3 May 2009. [http://www.myrepublica.com/portal/index.php?action=news\\_details&news\\_id=4632](http://www.myrepublica.com/portal/index.php?action=news_details&news_id=4632)

<sup>253</sup> VOAnews.com. Pasricha, Anjana. “Nepal’s Maoist Prime Minister Prachanda Resigns.” 4 May 2009. <http://www.voanews.com/english/archive/2009-05/2009-05-04-voa8.cfm?CFID=304640754&CFTOKEN=34842237&jsessionid=0030f12aa241857b056451217f10386f2d1c>

<sup>254</sup> Times of India. “Nepal Govt Seeks to Recruit Soldiers Against Peace Pact.” 8 October 2009.

<http://timesofindia.indiatimes.com/world/south-asia/Nepal-govt-seeks-to-recruit-soldiers-against-peace-pact/articleshow/5102213.cms>

<sup>255</sup> Bureau of South and Central Asian Affairs, U.S. Department of State. “Background Note: Nepal.” January 2009. <http://www.state.gov/r/pa/ei/bgn/5283.htm>

went toward military and security assistance. But during this period developmental aid remained the largest share of U.S. support.<sup>256</sup>

The Constituent Assembly elections in 2008, which brought the Unified Communist Party of Nepal-Maoist (UCPN-M)<sup>257</sup> into a leadership role in the Nepali government, initially raised some questions concerning the level of engagement that the U.S. government should have with the Maoist leadership. These questions arose with the appearance of the Maoist group on two of the three foreign terrorist lists maintained by the U.S. Government.<sup>258</sup> (The most stringent of these lists—Foreign Terrorist Organizations—is the only one in which the Maoists have never been included.) While the Maoists have remained on the two terrorist lists, the U.S. government has taken measured steps to work with the Maoists to the extent that the group’s leaders “continue to embrace the political process and abandon violence.”<sup>259</sup> Certainly, the resignation of Prime Minister Prachanda in May 2009 aroused concern in the U.S. administration. In remarks made during a Security Council briefing shortly after Prachanda’s resignation, Susan Rice, the U.S. Representative to the United Nations, urged the UCPN-M to remain committed to the political process and to continue their participation in drafting a new national constitution.<sup>260</sup>

The continuing activities of Maoist-affiliated groups have stalled the complete normalization of relations between the UCPN-M and the U.S. government. In particular, the Maoists’ youth wing called the Young Communist League (YCL) was characterized in the U.S. State Department’s *Country Reports on Terrorism 2008* (released in April 2009) as having “carried on the Maoist militia’s tactics of abuse, abduction, murder, intimidation, and extortion in cities and villages.”<sup>261</sup> The report also noted that some of

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<sup>256</sup> Wikileaks.org. Congressional Research Service. Vaughn, Bruce. “Nepal: Political Developments and Bilateral Relations with the United States [p. 11].” 23 October 2008.

<http://wikileaks.org/leak/crs/RL34731.pdf>

<sup>257</sup> In January 2009, the Communist Party of Nepal (Maoist) merged with the Communist Party of Nepal-Unity Centre (Masal). The new organization was renamed the Unified Communist Party of Nepal-Maoist (UCPN-M). See United Nations Security Council. “Report of the Secretary General on the Request of Nepal for United Nations Assistance in Support of Its Peace Process [p. 1].” 13 July 2009.

[http://www.unmin.org.np/downloads/keydocs/SG\\_Report\\_July\\_2009.ENG.pdf](http://www.unmin.org.np/downloads/keydocs/SG_Report_July_2009.ENG.pdf)

<sup>258</sup> MERLN, U.S. Department of State. “U.S.-Nepal Relations: Evan Feigenbaum, Deputy Assistant Secretary of State for South and Central Asian Affairs.” 29 May 2008.

<http://merln.ndu.edu/archivepdf/SA/State/105440.pdf>

<sup>259</sup> Wikileaks.org. Congressional Research Service. Vaughn, Bruce. “Nepal: Political Developments and Bilateral Relations with the United States [p. 11].” 23 October 2008.

<http://wikileaks.org/leak/crs/RL34731.pdf>

<sup>260</sup> United States Mission to the United Nations. “Remarks by Ambassador Susan E. Rice, U.S. Permanent Representative to the United Nations, During a Security Council Briefing on Nepal.” 5 May 2009.

<http://usun.state.gov/briefing/statements/2009/may/126047.htm>

<sup>261</sup> Office of the Coordinator for Counterterrorism, U.S. Department of State. “Chapter 2: Country Reports: South and Central Asia Overview.” 30 April 2009. <http://www.state.gov/s/ct/rls/crt/2008/122434.htm>

the other political parties in Nepal had used the YCL's activities as a justification for reciprocal violence carried out by their own youth wings.<sup>262</sup>

## Relations with Neighboring Countries

### India

Nepal and India have enjoyed a “special relationship,” cemented in the 1950 Indo-Nepal Peace and Friendship Treaty. The treaty formally established open borders between the two countries and granted full rights of property ownership, residency, unrestricted travel, economic participation, and other privileges to each country's citizens within the borders of the other.<sup>263</sup>



© Bo Jayatilaka  
Between Nepal and India

Beyond the formal treaty, informal cultural ties between the two countries run very deep. The Tarai region, in particular, is home to many people who have either migrated to Nepal from India or are a few generations removed from such immigrants. Many people in this part of Nepal speak Hindi or closely related dialects. Religious ties also link India and Nepal. The two countries make up two of only three countries in the world to have a Hindu population of greater than 50%. (Mauritius is the other.)<sup>264</sup>

Water and trade have traditionally been two of the thornier issues between Nepal and India. With regard to water, Nepal is a quintessential “upstream” nation, with most of its rivers originating within the country and then flowing downstream to India, where they contribute 46% of the total flow of the Ganges River.<sup>265</sup> During the 1950s, water projects built by India on or near the Nepali border were perceived as being one-sided endeavors, with India receiving the bounty: irrigation water, and power. Popular dissatisfaction in Nepal with early water projects left residual mistrust, which has clouded subsequent negotiations. The Nepalese remain suspicious about India's intent to equitably divide water and power.<sup>266</sup>

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<sup>262</sup> Office of the Coordinator for Counterterrorism, U.S. Department of State. “Chapter 2: Country Reports: South and Central Asia Overview.” 30 April 2009. <http://www.state.gov/s/ct/rls/crt/2008/122434.htm>

<sup>263</sup> NepalDemocracy.org. Kansakar, Vidya Bir Singh. “Nepal-India Open Border: Prospects, Problems and Challenges.” 2001.

[http://www.nepaldemocracy.org/documents/treaties\\_agreements/nep\\_india\\_open\\_border.htm](http://www.nepaldemocracy.org/documents/treaties_agreements/nep_india_open_border.htm)

<sup>264</sup> Adherents.com. “The Largest Hindu Communities.” 8 April 2005.

[http://www.adherents.com/largecom/com\\_hindu.html](http://www.adherents.com/largecom/com_hindu.html)

<sup>265</sup> *The Nepal-India Water Relationship: Challenges*. Dhungel, Dwarika Nath and Santa Bahadur Pun, Niva Shrestha, Anil Shrestha. “Chapter 1: Introduction [p. 2].” 2009. New York: Springer.

[http://books.google.com/books?id=cgYwDW13ILoC&printsec=frontcover&source=gbs\\_v2\\_summary\\_r&ad=0#v=onepage&q=&f=false](http://books.google.com/books?id=cgYwDW13ILoC&printsec=frontcover&source=gbs_v2_summary_r&ad=0#v=onepage&q=&f=false)

<sup>266</sup> *Managing Water Conflict: Asia, Africa, and the Middle East*. Swain, Ashok. “South Asia and Its Large Rivers: The Indus, the Makhali and With Special Emphasis on the Ganges [p. 51].” 2004. London: Routledge.

<http://books.google.com/books?id=E4TYQ3RDFC8C&pg=PA51&lpg=PA51&dq=Nepal+India+water+pro>

Most of Nepal's exports and imports either go to or come from India, and the remainder of Nepal's trade goods transit India on their way to or from Nepal. As a result, trade and transit agreements between Nepal and India are a major component of India-Nepal relations. Negotiations of these agreements in the past have led to some of the most serious disruptions in relations between the two countries. For example, stalled trade negotiations in 1989 triggered a clampdown by India on Nepal's ability to move goods in or out of the country. The severe economic repercussions in Nepal contributed to the collapse of Nepal's Panchayat regime the following year.<sup>267</sup>

### *China*

As with India, Nepal is very much the junior partner in its relations with China. It is dwarfed geographically, militarily, and economically by its behemoth northern neighbor. Unlike India, however, in modern times China has not played a major role in Nepalese trade (although Chinese exports to Nepal have been increasing in recent years). Cultural connections between the two countries extend only to Tibet, a sparsely inhabited land far from the centers of Chinese economic and political power in the east. China has been an important counter-balance, however, in Nepal's relations with India, and over the decades Kathmandu has carefully maintained close relations with China to weaken Indian influence.



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China and Nepal border

In recent years, Nepal's ties with China have strengthened, much to India's concern. Besides providing military aid to Nepal, China has also announced development plans to provide greater transportation infrastructure between Nepal and Tibet. This includes extending the recently completed high-altitude railway that now connects Lhasa with the rest of China to the Nepal border.<sup>268, 269, 270</sup> In response to the Chinese transportation aid, which could eventually threaten India's dominant position in Nepali trade, New Delhi

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3ODA&sa=X&oi=book\_result&ct=result&resnum=8&ved=0CCYQ6AEwBw#v=onepage&q=Nepal India water projects&f=false

<sup>267</sup> The Democratic Transition in Nepal. Parajulee, Ramjee P. "Chapter 5: The India Factor [pp. 194–196]." 2000. Lanham: Rowman & Littlefield.

<sup>268</sup> UPIAsia.com. Kittel, Robert. "India Trumps China in Aid to Nepal." 21 August 2009. [http://www.upiasia.com/Politics/2009/08/21/india\\_trumps\\_china\\_in\\_aid\\_to\\_nepal/3272/](http://www.upiasia.com/Politics/2009/08/21/india_trumps_china_in_aid_to_nepal/3272/)

<sup>269</sup> ThaIndian News. IANS. "China Announces Military Aid for Nepal." 27 September 2008. [http://www.thaindian.com/newsportal/uncategorized/china-announces-military-aid-for-nepal\\_100100820.html](http://www.thaindian.com/newsportal/uncategorized/china-announces-military-aid-for-nepal_100100820.html)

<sup>270</sup> Agence France-Presse. "China Begins Building Tibet-Nepal Rail Link: Official." 26 April 2008. <http://afp.google.com/article/ALeqM5hl-hUiaswJb7miUf2IMLhOTzFDdg>

announced its own USD 416 million infrastructure aid program to Nepal in August 2009.<sup>271</sup>

Nepal's close relations with China have resulted in repression of anti-Chinese protests by Tibetan refugees residing in Nepal. In May through July 2008, an estimated 8,350 Tibetan protesters were arrested at near-daily demonstrations in the proximity of Chinese government offices in Nepal. Reports of excessive force in carrying out some of these arrests were lodged by Human Rights Watch and other non-governmental operations.<sup>272</sup> The Nepali government also announced plans in October 2009 to form its first-ever northern Border Security Force to guard against anti-China activities by Tibetans in the Mustang region of the Nepal-China border.<sup>273</sup> This region was, during the period from 1960–1974, the base of raids against the Chinese People's Liberation Army carried out by the Khampas, an eastern Tibetan guerrilla force.<sup>274</sup>

### *Bhutan*

The two Himalayan nations of Bhutan and Nepal do not share a border, but they are separated only by the small Indian state of Sikkim. Relations between the two states have been strained since the early 1990s when a stream of Nepali-speaking refugees left Bhutan. At the end of 2008, over 100,000 of these Bhutanese refugees still lived in seven UN-administered camps in the eastern Tarai districts of Jhapa and Morang.<sup>275</sup>



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Capital of Sikkim, Gangtok

The refugees are descendants of the Lhotsampas, a group of Nepali-speaking people who moved to the southern Bhutan plains in the late 1800s in search of farmland. As the Lhotsampa population grew—demographically threatening to overwhelm the majority Buddhist population of Bhutan's hill region—a series of linguistic and cultural policies were put into place. The policies were designed to assimilate all citizens to a Bhutanese identity. Protests by the Lhotsampas led to sometimes violent clashes with the police. In 1990 government officials mandated that all Lhotsampas without proof of residency in

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<sup>271</sup> Agence France-Presse. "China Begins Building Tibet-Nepal Rail Link: Official." 26 April 2008. <http://afp.google.com/article/ALeqM5hl-hUiaswJb7miUf2IMLhOTzFDdg>

<sup>272</sup> Bureau of Democracy, Human Rights, and Labor, U.S. Department of State. *Country Reports on Human Rights Practices 2008*. "2008 Human Rights Report: Nepal." 25 February 2009. <http://www.state.gov/g/drl/rls/hrrpt/2008/sca/119138.htm>

<sup>273</sup> Thaiindian News. IANS. "Nepal to Tighten Tibet Border Area to Please China." 2 October 2009. [http://www.thaindian.com/newsportal/world-news/nepal-to-tighten-tibet-border-area-to-please-china\\_100255250.html](http://www.thaindian.com/newsportal/world-news/nepal-to-tighten-tibet-border-area-to-please-china_100255250.html)

<sup>274</sup> *The Tibetan Independence Movement: Political, Religious, and Gandhian Perspectives*. Ardley, Jane. "Chapter 2: Resistance in Tibet: Violence and Exile [pp. 37–39]." 2002. London: Routledge.

<sup>275</sup> United Nations High Commissioner for Refugees. 2008 *Global Trends*. "Annexes [Tab 5]." 16 June 2009. <http://www.unhcr.org/4a375c426.html>

Bhutan in 1958 (when Bhutan's Nationality Law went into effect) would be expelled, triggering their exodus.<sup>276</sup>

Since then, Nepal and Bhutan have been unable to agree on which of the Bhutanese refugees should be allowed to return to Nepal. In 2007, the U.S. and six other nations agreed to take in the refugees, with the United States willing to accept as many as 60,000. As of October 2009, 18,000 of the Bhutanese refugees have relocated to new homes in the U.S.<sup>277</sup> This "third-country resettlement" solution to the Bhutanese refugee crisis was opposed by the Communist Party of Bhutan (Marxist-Leninist-Maoist) CPB (MLM), a group that is believed to have formed in the UN camps in Nepal. The group has made threats against camp refugees in Nepal applying for third-country resettlement. The CPB (MLM) is also believed responsible for periodic bombings that occur in Bhutan.<sup>278</sup>

### *Bangladesh*

Nepal and Bangladesh have long enjoyed strong relations with few points of contention, although economic ties between the two nations remain relatively limited despite their close proximity. Only a 15 km (9 mi) wide corridor—popularly called the "chicken's neck"—separates the borders of Nepal and Bangladesh. But this short distance across the Indian state of West Bengal has persistently hampered trade between Nepal and Bangladesh.<sup>279, 280</sup> In particular, Bangladesh has long sought to establish a transit route through India to Nepal that would make the Bangladesh port of Mongla an alternative to Kolkata, India.<sup>281</sup> Bangladesh's most recent talks with India have involved proposals allowing India access to transit routes through Bangladesh in exchange for Bangladesh



© Wonderlane / flickr.com  
Mother and daughter, Kathmandu

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<sup>276</sup> COR Center. *Refugee Backgrounder*, No. 4. "Bhutanese Refugees in Nepal." October 2007.

[http://www.cal.org/co/pdf/files/backgrounder\\_bhutanese.pdf](http://www.cal.org/co/pdf/files/backgrounder_bhutanese.pdf)

<sup>277</sup> Colorado Springs Independent. Lane, Anthony. "Another Mountain to Climb." 15 October 2009.

<http://www.csindy.com/colorado/another-mountain-to-climb/Content?oid=1467665>

<sup>278</sup> South Asian Terrorism Portal. "Bhutan Assessment 2008." 2008.

<http://www.satp.org/satporgtp/countries/bhutan/index.html>

<sup>279</sup> Federal Research Division, Library of Congress. *Nepal: A Country Study*. "Chapter 2: Nepal: The Society and Its Environment: Geography, Nepal: The Land." September 1991. [http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCID+np0033\)](http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCID+np0033))

<sup>280</sup> Thaindian News. IANS. "Bangladesh Experts Debate Dhaka-Delhi Effort for Connectivity." 13 September 2009. [http://www.thaindian.com/newsportal/business/bangladesh-experts-debate-dhaka-delhi-effort-for-connectivity\\_100246759.html#](http://www.thaindian.com/newsportal/business/bangladesh-experts-debate-dhaka-delhi-effort-for-connectivity_100246759.html#)

<sup>281</sup> Thaindian News. IANS. "Dhaka Seeks Access to Nepal and Bhutan Through India." 8 October 2009. [http://www.thaindian.com/newsportal/business/dhaka-seeks-access-to-nepal-and-bhutan-through-india\\_100257715.html](http://www.thaindian.com/newsportal/business/dhaka-seeks-access-to-nepal-and-bhutan-through-india_100257715.html)

receiving access to such routes through India to both Nepal and Bhutan (another land-locked nation bordered by only India and China).<sup>282</sup>

## Terrorist Groups and Activity

As mentioned earlier, the UCPN-M is listed on two of the three U.S. Government lists of terrorist groups and individuals. They continue to carry out attacks on individuals and offices of rival political organizations, as well as businesses that defy UCPN-M calls for *bandhs*.<sup>283</sup> (A *bandh* is a common form of street protest in Nepal. A *bandh* can close down anything from a few city blocks to an entire region.)<sup>284</sup>



© Ingmar Zahorsky  
Maoist protests

Nepal's most violent activities are being carried out by a broad swath of organizations unified by their goal to achieve autonomy or independence for the Madhesh region (the Tarai).<sup>285</sup> These Madheshi groups carry out armed attacks, bombings, and kidnappings, nearly all within the Tarai. Pahadi (Parbatiya) settlers to the Tarai are often targeted.<sup>286</sup>

Perhaps the most visible of these Madheshi groups is *Janatantrik Tarai Mukti Morcha* (JTMM). Several factions of the JTMM have splintered since its founding in 2004 by Jaya Krishna Goit. The most active of these splinter organizations has been the Jwala Singh faction (JTMM-J), led by an ex-Maoist cadre.<sup>287</sup> Other groups carrying out periodic attacks, bombings, and kidnappings in the Tarai include the *Akhil Tarai Mukti Morcha* (ATMM), the new name for Jaya Krishna Goit's faction of the JTMM, and the *Madhesh Rastra Janatantrik Party* (MRJP). The Tarai groups are small and frequently merge or splinter, making it difficult to count the exact number of groups operating at any given time.

Small violent groups with their own separate political agendas have also been carrying out sporadic bombings and attacks in parts of Nepal. Among these are Hindu nationalist groups such as *Ranbir Sena* and the Hindu Defense Army, and ethnic Limbu armed

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<sup>282</sup> Thaindian News. IANS. "Dhaka Seeks Access to Nepal and Bhutan Through India." 8 October 2009. [http://www.thaindian.com/newsportal/business/dhaka-seeks-access-to-nepal-and-bhutan-through-india\\_100257715.html](http://www.thaindian.com/newsportal/business/dhaka-seeks-access-to-nepal-and-bhutan-through-india_100257715.html)

<sup>283</sup> NepalNews.com. "Maoists Attack UML Party Office, Cadres in Kalikot; Administration Imposes Curfew." 14 June 2009. <http://www.nepalnews.com/archive/2009/jun/jun14/news13.php>

<sup>284</sup> GlobalPost.com. Gross, Joshua. "Dark Side of Democracy: Chaos and Anarchy Set Loose in Post-Conflict Nepal." 20 October 2009. <http://www.globalpost.com/dispatch/study-abroad/091019/dark-side-democracy?page=0,0>

<sup>285</sup> National Counterterrorism Center. Worldwide Incidents Tracking System. "Nepal." 30 June 2009. <http://wits.nctc.gov/RunSearchCountry.do?countryId=22&confirmed=true>

<sup>286</sup> Nepali Times. Jha, Prashant. "Tarai Frontline." 4–10 January 2008. <http://www.nepalitimes.com.np/issue/381/Headline/14336>

<sup>287</sup> South Asia Terrorism Portal. "Janatantrik Terai Mukti Morcha – Jwala Singh (JTMM-J)." 2009. <http://www.satp.org/satporgtp/countries/nepal/terroristoutfits/jtmmj.html>

militias in the eastern districts who seek either autonomy or self-determination for Nepal's eastern districts.<sup>288,289</sup>

## Issues Affecting Stability

Nepal faces a whole slate of concerns that threaten the ongoing peace and reconciliation process. The Maoists agitate for a “correction” of what they see as the unconstitutional move by Nepal’s president to override then-Prime Minister Prachanda’s 2009 firing of the CoAS. The Maoists have boycotted or disrupted sessions of the nation’s Constituent Assembly ever since the crisis occurred, leaving the draft of the nation’s new constitution in doubt.<sup>290</sup> Even if a compromise can be found on the firing of the CoAS, other Maoist-related issues, such as the integration of their former fighters into Nepal’s military and the status of their violent youth wing (YCL), also remain unresolved.<sup>291, 292</sup>



© Ingmar Zahorsky  
Protests in Nepal by Maoist

The continuing violent acts carried out by Madheshi groups in the Tarai underscore another growing concern—the rise of identity-based politics. Such political movements, which arise from perceived ethnic or regional political marginalization, are prime targets for groups seeking more extreme goals such as separatism, often by violent means. Some proposals recommend a constitutional division of Nepal into a federal system of states defined by either ethnic or geographic affinities.<sup>293</sup> However, the population of Nepal is inextricably diverse. Thus, even regions with a strong ethnic or geographic self-identification often consist of numerous ethnic, linguistic, and religious minorities. This situation provokes fears that ethnically and/or geographically defined states could spark further ethnic conflicts. The result would be a spiraling devolution that would produce a weaker national state.<sup>294, 295</sup> A group of Tharus, an ethnic group who have long lived in

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<sup>288</sup> Republica.com. Koirala, Kosh Raj. “Church Blast Kills 2, Injures 14; Nepal Defense Army Owns Up.”

23 May 2009. [http://www.myrepublica.com/portal/index.php?action=news\\_details&news\\_id=5373](http://www.myrepublica.com/portal/index.php?action=news_details&news_id=5373)

<sup>289</sup> MySinchew.com. “Nepal: Small Blast Hits Kathmandu Shopping Center.” 1 January 2009.

<http://www.mysinchew.com/node/19724?tid=14>

<sup>290</sup> Republica.com. “Maoists Disrupt Parliament.” 27 October 2009.

[http://www.myrepublica.com/portal/index.php?action=news\\_details&news\\_id=11126](http://www.myrepublica.com/portal/index.php?action=news_details&news_id=11126)

<sup>291</sup> South Asia Analysis Group. Chandrasekharan. “Nepal: No Solution Yet on the ‘Civil Supremacy’

Problem: Update No. 208.” 23 October 2009. <http://www.southasiaanalysis.org/notes6/note549.html>

<sup>292</sup> Thaindian News. ANI. “YCL, YF Must Be Disbanded: Nepalese Home Minister.” 4 November 2008.

[http://www.thaindian.com/newsportal/india-news/ycl-yf-must-be-dissolved-nepalese-home-minister\\_100115084.html](http://www.thaindian.com/newsportal/india-news/ycl-yf-must-be-dissolved-nepalese-home-minister_100115084.html)

<sup>293</sup> OffNews.com. The Economist. “Nepal’s Political Crisis: How Fierce Will the Maoists Be Now?” 14

May 2009. <http://www.offnews.info/verArticulo.php?contenidoID=14881>

<sup>294</sup> Nepali Times. Gautam, Puskar. “Let’s Rethink This.” 9–15 January 2009.

<http://www.nepalitimes.com.np/issue/2009/01/09/GuestColumn/15547>

<sup>295</sup> Nepali Times. Dixit, Kunda. “A Shape of Things to Come.” 24–30 April 2009.

<http://www.nepalitimes.com.np/issue/2009/04/24/Nation/15889>

the Tarai region, have already protested their inclusion in any proposed Madheshi federal state and have demanded their own autonomous region in a future, federalized Nepal.<sup>296</sup>

### Looking Ahead

Nepal remains one of the world's poorest countries, with large pockets of the population at or near the poverty line. Only large quantities of foreign aid enable the government to carry out any sort of developmental assistance for its citizens. Attempts at extending the Nepali economy beyond its agricultural base have been halting and seriously undercut by the political instability that has continued even after the Comprehensive Peace Agreement was signed. The Tarai, Nepal's bread basket and center of the country's industrial development, has been particularly hurt by the recent violence unleashed by Madheshi separatist groups. *Bandhs* are called frequently, closing down businesses and marketplaces alike, and unemployment is high.<sup>297, 298</sup> In such an environment, the government has found it difficult to attract foreign businesses to invest in Nepal.



© Wonderlane / flickr.com  
Downtown Kathmandu

It is difficult to foresee any substantial improvement in Nepal's overall economic situation until the nation's political situation stabilizes. Until that time, the underlying conditions of poverty that so urgently need to be addressed will continue to fester and produce conditions favorable to further violent unrest in the countryside. Most Nepal observers see little chance for such political stability until a new constitution is passed by the democratically elected Constituent Assembly. A deadline for passing the new constitution has been set for May 2010. Since all articles of this constitution are required to be passed by a two-thirds majority of the Constituent Assembly, there is no chance that the constitutional task will be completed without the participation of the Maoists.<sup>299</sup>

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<sup>296</sup> OffNews.com. The Economist. "Nepal's Political Crisis: How Fierce Will the Maoists Be Now?" 14 May 2009. <http://www.offnews.info/verArticulo.php?contenidoID=14881>

<sup>297</sup> BBC News. "Q&A: Nepal's Future." 13 May 2009. [http://news.bbc.co.uk/2/hi/south\\_asia/2707107.stm](http://news.bbc.co.uk/2/hi/south_asia/2707107.stm)

<sup>298</sup> Nepali Times. Jha, Prashant. "Slow Burn in the Tarai." 8–14 August 2008. <http://www.nepalitimes.com.np/issue/2008/08/08/PlainSpeaking/15116>

<sup>299</sup> BBC News. "Q&A: Nepal's Future." 13 May 2009. [http://news.bbc.co.uk/2/hi/south\\_asia/2707107.stm](http://news.bbc.co.uk/2/hi/south_asia/2707107.stm)