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The Prime Minister

KATHMANDU
NEPAL

Message

I am pleased to know that Nepal Council of World Affairs (NCWA), an old and a distinguished think tank of the country established in 1947, is publishing its **Annual Journal 2023**. I take this opportunity to extend my best wishes to all its members and praise their role played in the creation and nurturing of NCWA as a premier foreign policy institution. Further, I am glad to learn that since its establishment, NCWA has played significant role in promoting mutual cooperation between Nepal and other nations of the world as well as discussing and disseminating information on current affairs of national and international importance.

The NCWA has even hosted prominent world leaders visiting Nepal and attracted interests and attention of concerned sectors and people by conducting highly pertinent foreign policy interactions in Nepal's foreign policy and security spectrum. I hope that NCWA would be able to carry forward this great tradition and demonstrate its relevance. I personally believe that the institutions like this should be promoted as a non-apolitical and independent Think-Tank. It must be able to rise above the partisan politics and conduct a fair, balanced and high-quality foreign policy discourse by hosting talks, seminars and conference as well as through in-depth research and publications on foreign policy issues.

As I know that NCWA has been publishing a journal on different themes for years. I find this year's theme "Nepal's Development Diplomacy" is highly relevant in our present context. I would like to congratulate NCWA executive body and in particular the editorial team for selecting this topic. Celebration of such anniversary would provide an occasion to celebrate the achievements as well as an opportunity for some reflection as to whether the organization has been able to live up with its founding objectives.

Finally, I wish every success for this 75th anniversary of the Nepal Council of World Affairs.

Thank you.

9 February, 2023

Pushpa Kamal Dahal 'Prachanda'



Hon. Bishnu Prasad Paudel
Deputy Prime Minister and Finance Minister

Government of Nepal
MINISTRY OF FINANCE

SINGHADURBAR
KATHMANDU, NEPAL

Message

I am happy to know that Nepal Council of World Affairs (NCWA) is going to publish the '**Annual Journal 2023**' on the auspicious occasion of its 75th Anniversary. I extend my warm greeting to all its members on this occasion.

I am happy to NCWA which is capable of providing high level of technical and advisory services relevant to enhancing international relations and socio-economic cooperation to the government and development partners in Nepal. Its membership encompasses high level political leaders, policy makers, professionals and business leaders.

Today, we are living in a competitive world which has become practically a global village with new development in science, technology, aviation and communication in particular. Nepal cannot remain a mere spectator without linking it to the globally connected modern world. International relations are very important to share knowledge, mobilize resources, transfer technology, and promote peace and prosperity.

In a democratic system, there are various ways of promoting leadership in concerned field which can play leading role in their respective areas together with government. NCWA is such an organization which can play a leading role in connecting Nepal with the outside world. As a leading organization of Nepal with long and illustrious history, I wish to see greater role in foreign policy deliberation and other key issues of global concerns.

Once again, I would like to congratulate NCWA members on this auspicious occasion of celebrating 75th anniversary and hope this journal will be a read worthy document to all the interested ones.

Magh 2079

Bishnu Prasad Paudel
Deputy Prime Minister and Finance Minister



Government of Nepal

Hon'ble Dr. Bimala Rai Paudyal
Minister for Foreign Affairs

Ministry of Foreign Affairs
Singha Durbar
Kathmandu, Nepal

Message

I am happy to learn that the Nepal Council of World Affairs (NCWA) is going to publish its Annual Journal 2023 on the important occasion of the 75th Anniversary of its founding.

Since its establishment in 1948, NCWA has served a premier think-tank institution that provides platform to deliberate on contemporary issues of international relations. It has brought various publications on thematic issues, thereby contributed to raising awareness through learned discussions on matters of foreign policy concern.

As a peace-loving nation, Nepal pursues its foreign policy based on the principles of *Panchasheel*, UN Charter, Non-alignment, and norms of world peace. Its international relations are guided by the spirit of 'amity with all, enmity with none'. With these fundamentals of foreign policy in place, Nepal has successfully steered its external engagements over the years.

The world today is going through profound changes in many aspects. The order and institutions that hitherto served the global community have been challenged and the new arrangements have not taken a definite shape. Amidst this uncertainty, the number and magnitude of the world's challenges have intensified, which include climate change, pandemic and cyber security, among many others. In this context, foreign policy and diplomacy have become all the more critical in helping us navigate through the crises as well as in fostering the environment for sustainable socio-economic development.

As a renowned think-tank, NCWA has contributed in policy debates too through its seminars and programmes by engaging the relevant stakeholders and agencies. It has worked to promote healthy discourses among the scholars, policymakers, and civil society on pertinent issues related to foreign policy and bring forth practical ideas and inputs from the discussions and consultations. Both government and non-government sectors as well as academicians have benefitted from these intellectual exercises.

I am confident that the Council will continue to conduct its good work and its contribution in generating ideas and shaping up perspectives on world affairs.

I once again appreciate the work of the Council to bring out this publication. I believe the Annual Journal 2023 will serve as a useful reference for readers of international relations, foreign policy and diplomacy.

I wish the Nepal Council of World Affairs and its forthcoming publication all success.

Dr. Bimala Rai Paudyal

14 February 2023

Message from the President of NCWA

It gives me immense pleasure to express my view that Nepal Council of World Affairs is publishing a journal to mark its 75th Anniversary. On behalf NCWA and myself, I wish to extend heartfelt congratulations and warm greetings to all esteemed members of NCWA and well wishers on this happy occasion.

Partnership for development is an agenda of development in the global arena. NCWA has continued to work in this area by offering useful and constructive suggestions and policy feedback to the government for the last seven decades and a half. I am pleased to inform our friends and well-wishers that NCWA is one of the leading independent national centres of excellence for research, interaction and advisory services to further strengthen international relations and promote socio-economic cooperation with the government and development partners in Nepal. NCWA is also committed to continue playing a significant role in promoting understanding between Nepal and other friendly countries across the world in the days to come.

The basic theme for this year's publication is focused on "**Nepal's Development Diplomacy**". Accordingly, the Council requested the writers to make valuable contribution on the subject mentioned above. However, as always the contributors have touched on many burning issues related to Nepal's Foreign policy, issues related to national interest, diplomacy and other pertinent issues. This issue, thus covers a wide variety of issues. Readers are expected to find time to go through the journal critically and send their feedback to the Council so that we could improve its quality in the years to come.

Let me express my thanks once again to all contributors for their precious thoughts and opinions.

Hemanta Kharel

President

Nepal Council of World Affairs

February, 2023

From the Editorial Board

Nepal Council of World Affairs (NCWA), the oldest think-tank of Nepal, has been publishing its journal regularly highlighting different dimensions of Nepal's foreign policy and diplomacy since its establishment.

This year NCWA is celebrating its 75th Anniversary with great enthusiasm. To mark the 75th Anniversary, NCWA Executive Committee decided on the theme "Nepal's Development Diplomacy" for its annual journal. The editorial board circulated suggested outlines for the article to NCWA members requesting them to contribute quality articles on the above-mentioned theme within a certain time frame. The board has decided to include the articles in this publication based on the theme, content and usefulness of topics. We hope that these articles would help our readers to understand the various dimensions of Nepal's development diplomacy.

The editorial board is thankful to the Rt. Hon'ble Prime Minister Mr. Pushpa Kamal Dahal 'Prachanda', Hon'ble Deputy Prime Minister and Minister of Finance Mr. Bishnu Prasad Paudel and Hon'ble Minister for Foreign Affairs Dr. Bimala Rai Paudyal for their valuable messages on this occasion.

The editorial board extends sincere thanks to all the contributors of articles.

Editorial Board

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Development Diplomacy

The Growing Importance of Development Diplomacy

Hemanta Kharel*

Abstract

In recent times, development diplomacy has received the highest priority in international relations. It is mostly conducted through multilateral activities on a global, regional, and bilateral level, including cooperation from the United Nations and its specialized agencies. There are both opportunities and risks in development diplomacy. Therefore, it should be conducted very cautiously and efficiently. Even despite collective efforts internally and externally, Nepal is still lagging to make notable progress in the development arena with an adverse effect on the living standard and welfare of the people. There is a common understanding and consensus among the experts that Nepal should act simultaneously to receive foreign assistance in national priority areas through proper development diplomacy and attract foreign direct investment to increase national production by focusing on export led-economy. For effective conduct of development diplomacy, basic elements such as proven competence, skillful negotiation, good quality of public communications, knowledge about cultural and social aspects, and ample experience to manage public affairs are required. The personnel working in Nepal's diplomatic missions abroad need to be professionally trained and intellectually equipped.

Keywords: *Development Diplomacy, Foreign Direct Investment, Hydropower, Nepal, Neighbors*

Introduction

Globally, each country's motto is to achieve desirable development for the well-being of its people. Each country adopts its policies and strategies to meet the desired development objectives. Internally, the efficient use and management of resources need no overemphasis. At the same time, external economic cooperation and goodwill are equally important and necessary, especially for underdeveloped and developing countries.

Development diplomacy and economic diplomacy are interrelated or interlinked. The conceptual clarity about such terms will help to underscore the importance of development diplomacy.

*Mr. Kharel is the President of Nepal Council of World Affairs (NCWA).

Development involves both quantitative and qualitative improvement in the use of available resources. Most development theories do not provide a comprehensive definition of 'development'. The term development is variously interpreted by different people and can be explained in different contexts. Sometimes development has been confused with economic growth as measured solely in terms of annual increases in per capita income or gross national product, regardless of its distribution and degree of people's participation in effective growth. The consensus about development is that it should take into account the question of whether there has been a reduction in poverty, unemployment, and inequality. Therefore, the real meaning of development is the process of improving the quality of all human lives and capabilities by raising people's level of living, self-esteem, and fundamental freedoms.

The term diplomacy is derived from the ancient Greek 'diploma' referring to the use of a folded document that contained privilege, later in the French version it came to be known as 'diplomat' denoting a person authorized to negotiate on behalf of a state. According to Wikipedia, "diplomacy is a major tool of foreign policy and international relations". It is the first line of defense and peaceful means of maintaining the state's sovereignty. Traditional diplomacy focuses on peace where as modern diplomacy emphasizes both peace and prosperity. Modern diplomacy is a combination of political, economic, and cultural diplomacy and priority is given to economic diplomacy. Economic diplomacy is the use of the full spectrum of economic tools of a state to achieve its national interest. The scope of economic diplomacy is broad as it encompasses all the main international activities of the state including but not limited to policy decisions desired to influence areas such as exports, imports, investments, loans, aid, and agreement on a free trade agreement."

Diplomacy today, often called 'public diplomacy', cannot be practiced without accepting the fact that the diplomatic field has changed basically in the twenty-first century by restricting the maneuverability of traditional diplomats on the one hand and the necessity of public engagement with the public on the other hand.

Under economic diplomacy, preference is given to economics over politics in state-to-state relations. The main purpose of economic diplomacy is to mobilize resources for development, to promote trade (basically export base) and attract Foreign Direct Investment (FDI) in national priority sectors and also tourism promotion to facilitate foreign employment and mobilize diaspora resources. Bergeijk (2009) has defined 'economic diplomacy' as "an interdisciplinary subject to the field of international economics, international political economy and international relations are receiving increasing attention in all three disciplines". Specifically, economic diplomacy is said to have several elements. "Bilateral economic activities between

nations, including the organization of the state and trade visits, use of investment and export promotion agencies and the export promotion activities of the diplomatic network" (Moons and Bergeijk, 2016).

"Development diplomacy is a specific form of public diplomacy that builds bilateral relations based on activities that are presented as promoting the development and well-being of developing countries" (Pamment, Zielinska, 2016). In today's world development diplomacy is the highest priority in international relations. Development diplomacy is conducted mostly through multilateral activities on a global, regional, and bilateral level and also with the cooperation of the United Nations and its specialized agencies. It also refers to the repurposing of aid in such a way that it claims to serve public diplomacy ambitions and aspirations while simultaneously achieving development goals. "Public diplomacy is the use of instruments by a sending country to influence perceptions, preferences, and actions of foreign citizens in a 'receiving country in favor of sending countries interests' (Custer et al., 2018). All countries, larger or small, possess the capacity for knowledge sharing. This gives all states the possibility of engagement in development diplomacy. Knowledge is the newly formed primary currency of all development cooperation providers, raising questions about donor capacity, skills acquired, and organizational configurations to best meet recipient demands and needs.

There are both opportunities and risks in development diplomacy. The main opportunity of development diplomacy is to cultivate goodwill and political capital between receiving and providing countries. It also allows donors to showcase their unique brand and reputation. The international community extends attractive economic cooperation to those countries having political values such as democracy, respect for rule of law, and good governance in good condition. The risk which has been observed is that sometimes donors are guided by their own deeply entrenched instincts to transmit their ideas, values, vision, and approaches through their development partnership which is against the idea of shared benefit, knowledge, values, and respect for territorial autonomy.

Nepal's Priority Areas of Development Diplomacy

Nepal undertook initial efforts towards development diplomacy from the beginning of the first five-year plan but it received priority attention following the restoration of parliamentary democracy in 1990. Nepal is receiving economic cooperation and assistance from both immediate neighbors India and China, as well as friendly countries like the United States, United Kingdom, Japan, South Korea, and European Union. These countries have provided hardware and software for the development of basic infrastructure (physical, health, education, water and sanitation, women's

development, etc.) for some years in the past but Nepal is still lagging to make notable progress in the development arena directly affecting the living standard and well being of the people.

Nepal's present situation of non-satisfactory performance on the economic front, rule of law, investment-friendly environment, and good governance needs to improve credibly. There is a common understanding and consensus among the experts that Nepal should act simultaneously to receive foreign assistance and to increase national production by focusing on an export-led economy. The main components of priority areas of development diplomacy should be discreetly identified so that efficient mechanisms, sound policy, and strategy and its effective implementation could be effectively and efficiently managed. Development diplomacy is easier said than done.

For effective conduct of development diplomacy, there are basic elements such as well-tested ability, good negotiating skills, quality of public communications, knowledge about culture and social aspects, and long experience to manage both internal and external affairs. The personnel functioning in Nepal's diplomatic missions abroad should be trained and equipped accordingly. Nepal's focused areas of development diplomacy include the mobilization of resources for development, promotion of trade and business, exploring the market for national products, attracting FDI in national priority areas, promotion of culture and tourism, facilitating foreign employment, and, last but not least, mobilization of diaspora resources.

Promote Trade and Business

Traditionally Nepal's foreign trade was limited only to Tibet and India. After 1950, Nepal gradually expanded its trade and business with other countries, besides India and China. At present Nepal's ever-widening trade deficit is going to pose a big challenge to the national economy. The slow export growth compared to robust growth in imports remains a major concern for Nepal to benefit from trade. The average growth of export was less than 5% in the last decade whereas growth in imports during the same period was more than 20%. The high cost of production and poor access to international markets are some major constraints to expanding Nepal's export base. Promoting export-oriented industries has long been a top priority of successive governments and over the period governments have adopted many policies aimed at enhancing exports. However, most of such policies have failed to achieve set targets due to a lack of basic industrial infrastructure and a business-friendly climate and environment.

Inward Investment promotion

An investment inside the country involves external or foreign entities either

investing in or purchasing the goods of the local economy. "A common type of inward investment is FDI. This occurs when one company purchases another business or establishes new operation for an existing business in a country different than of its origin" (Chen, 2018).

FDI plays a catalytic role in economic growth as it is a source of capital formation, enhances international trade integration, creates a competitive environment, and strengthens enterprises development "The common motives of FDI are: resource seeking, market seeking and efficiency seeking" (Dunning, 1993). FDI also seeks strategic assets in the local economy, brands new technology, or distribution channels.

The key factors for attracting FDI are political stability and a business-friendly regulatory environment as well as infrastructure development, access to land, low tax rates, and a transparent system for repatriation of investor profit.

Most investors in the world believe that agriculture and mining will produce the best returns around the world in the next 20-30 years. Nepal should encourage investors to invest in mining and organic farming in anticipation of rapid food increases around the world. Many believe that inward investments facilitate an inflow of wealth into a country and help diversify its base of resources, potentially generating additional tax revenue and offering new jobs and opportunities to build skills for its many residents.

Compared to other underdeveloped countries, FDI in Nepal has remained slow and near stagnant. The primary reasons for this are attributed to continuing unstable government policy, bad governance, high cost of business startup, lack of basic infrastructure, and weak enforcement of rule of law. In addition, insufficient and non-reliable power supply, and transport difficulties, including the bad condition of highways and the small base of the market are least conducive to investment. To overcome these challenges, the country needs to adopt a stable policy and improve infrastructure to support potential investors to do business with ease in Nepal.

Promote Hydropower Development

Globally, hydropower has been recognized as a sustainable source of energy with almost zero input cost. Its benefits are high because it is nonpolluting in the sense that it releases no heat or noxious gases. Additional attractions of hydropower are low operating and maintenance costs, reliable technology and flexible operations, negligible environmental impacts, and long life of the project.

Nepal is endowed with huge hydropower potential. Being a landlocked country it has abundant water resources. It is often quoted that technically feasible hydropower capacity is about 45000 MW in Nepal. To materialize this potentiality, realistic

and mutually beneficial cooperation has to take place with India, as it can become Nepal's important trading partner and largest market for electricity produced in Nepal. At the same time, there is a need to encourage China and Bangladesh to join hands with Nepal for the development of hydropower. We should invite and encourage multilateral agencies such as World Bank, and Asian Development Bank to invest in the development of water resources including hydropower. We should also create a friendly and trustworthy investment environment by engaging efficient technocrats and informed strategists.

Hydropower development in Nepal until 1990 was government-led and mostly internationally donor funded. The electricity act of 1992 and the subsequent change in tariff policy jumpstarted private sector investment in electricity generation. Currently, over a third of the electricity generation is from the private sector, with a huge pipeline of private sector projects in various stages of development. As of mid-April 2022, Nepal's total installed electricity generation capacity was 2191 MW. The consumption pattern of electricity is about 44% consumed by the residential sector, 37% by the industrial, 7% by commercial establishments, and the remaining surplus by agriculture and other sectors. From June 2022, Nepal's electricity export to India has increased sharply and is expected to be a significant percentage of Nepal's hydroelectric generation.

Political instability, with frequent changes in political leadership and mostly coalition form of government, has adversely impacted electricity development in Nepal because of unstable policies, delays in adopting appropriate new policies, and weak implementation of policies and reforms.

Promoting Tourism

In most countries of the world, tourism has become an important economic activity. In the Nepali context, it has been an important source of economy. This sector has significantly contributed to creating direct, indirect, and other explicit and implicit effects on the economy. Tourism is a key industry, given an increase in the number of international visitors. It has enormous potential to generate more income, foreign exchange, employment, and other benefits. The growth of tourism depends on several factors such as the development and improvement of infrastructure, information facilities, easy access, transportation options, safety and security, and branding of new spots and areas.

Nepal is known as an exotic destination in the Himalayan region with fascinating natural and cultural attractions. Nepal has continued to attract tourists from across

the globe. They come here to enjoy its natural beauty as well as centuries-old tangible and intangible cultural heritages. Over the years, it has made its presence felt in the international outbound market attracting several various segments: trekkers, adventure seekers, mountaineers, pilgrims (Hindu and Buddhist), wildlife enthusiasts, and others fond of rafting, bungee-jumping, and bio-diversity.

Challenges to promoting tourism in Nepal are posed by poor transportation and communication facilities, insufficient recreational facilities, unsatisfactory attention to the development of new tourist spots, and widespread pollution. New branding ideas, community-based tourism, and preservation of heritage and culture are some important factors to attract domestic and foreign tourists. The establishment of a 'spiritual resources center' based on Hinduism and Buddhism may help to attract and increase religious tourists from India, China, and other parts of the world. Effective marketing and management are required to promote and advertise Nepal. It is necessary for the Government and the private sector to work together to allure investors by creating a favorable environment for them. Nepal's diplomatic missions abroad and Nepal Tourism Board should work jointly to promote proper marketing and enhance images of Nepal as a tourist destination in the international arena.

Development Diplomacy of Immediate Neighbors

India

India's development diplomacy can be divided into three categories: global factors, India-specific factors, and donor's specific factors. Under the first factor, changing or shifting global politics is geared toward promoting their traditional donors and reassessing or reasserting their operational approaches. Under the India-specific factors, India's policy of economic liberalization and graduation from low-income country status to lower middle country (2007) helped its rapid economic growth. Under donor specific-factors, cooperation, financial and technical, from the US, UK, Japan, and France have contributed to the Indian economy in a significant way.

India's development diplomacy is focused on development as per the government's "neighborhood first" policy which is based on the philosophy of *Vasudhaiva Kutumbakam* (The world as one family). Indian development diplomacy is seen as the new frontier of India's foreign policy. It involves sustained and long-term cooperation in terms of humanitarian assistance, infrastructural projects, community-based development projects, and capacity-building programs. India is also keen to utilize development-oriented investments as diplomatic leverage to increase India's

influence in its neighborhood. In the 2023-024 union budget, the Indian government has allocated INR 15.2 billion as development assistance to countries like Nepal in India's neighborhood and Africa. Approximately INR 2.2 billion has been earmarked for Bhutan while development assistance for Nepal and Myanmar amounts to INR 5.5 billion and INR 4 million respectively. Development aid for Bangladesh and Sri Lanka amounts to INR 2 billion and 1.5 billion respectively. India's approach to Sri Lanka has been people-centric, unlike China's debt diplomacy. But India's investment in Nepal, Bangladesh, and Bhutan has been noteworthy.

China's Development Diplomacy

China is committed to developing friendly relations and cooperation with other countries based on the five principles of peaceful coexistence (mutual respect for sovereignty and territorial integrity, non-aggression and non-interference in internal affairs, equality, mutual benefit, and peaceful coexistence). With other countries, mostly western, China wants to strengthen strategic dialogue, enhance mutual trust, deepen cooperation, and properly handle differences to promote the long-term, stable and sound development of bilateral relations. China's policy is to maintain relations with developing countries through increased solidarity and cooperation. It is eager to cement traditional friendship, expand pragmatic cooperation, provide assistance to them within its means and resources, and uphold the legitimate demands and common interests of all developing countries. China's development diplomacy with its neighboring countries is focused on continued deep friendship and partnership based on good neighborly relations and pragmatic cooperation. Some critics, however, contend that like other big powers, China is seeking to utilize development-oriented investments as diplomatic leverage to increase its influence in the neighborhood.

China has been providing grant assistance to Nepal under its economic and technical cooperation program, to implement mutually accepted development projects, for several decades in the past. China has already announced a grant of Rs. 15 billion (800 Billion RMB) to be invested in projects selected by Nepal for the year 2022-023. This grant is in addition to the grant announced by Chinese President Xi Jinping during his visit to Nepal in 2019 Rs. 58 billion (3.5 billion RMB) grant to Nepal for two years. Nepal has yet to receive these grants as per the commitment of China and looks forward to the speedy disbursement of grant assistance already pledged.

Conclusion

Since the beginning of the first five-year plan, Nepal has made initial efforts toward development diplomacy. Immediate neighbors, superpowers, and other development partners have contributed in different ways to the development of Nepal. By increasing our ability and with trust and confidence, Nepal can receive further substantial support both from immediate neighbors and other development partners. Nepal should efficiently conduct its development diplomacy leading to tangible improvement on the economic front, and in other areas like rule of law, investment-friendly environment, and good governance. The government, the private sector, and civil society should sincerely and collectively work to promote trade and business by exploring the market for national products, creating a friendly environment to attract FDI, promoting soft power, culture, tourism, and hydropower, facilitating foreign employment and mobilize resources from Nepali diaspora living in different parts of the world.

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Nepal's Development Diplomacy: Road to Prosperity

Mohan P. Lohani*

Abstract

Development diplomacy is crucial to the land-locked and least developed Nepal's progress and prosperity. It has been more than seven decades since Nepal liberated itself from 104-year-old family autocracy and ushered in democratic rule. Ever since Nepal was admitted to the United Nations in 1955, land-locked Nepal has been categorized as one of the least developed among developing countries (LDCs). Hopefully, Nepal will graduate from LDC status by 2026. The country, faced with numerous development challenges, is effortful in overcoming them through internal policies and programs as well as international cooperation for development. Development diplomacy received priority attention following the restoration of parliamentary democracy in 1990. While the country's land-locked ness, a geographical disadvantage, cannot be wished away, several task forces set up to recommend measures for the effective and efficient conduct of development diplomacy have identified trade, investment, tourism, foreign employment, and water resource development as major components of such diplomacy. The paper emphasizes the need for Nepal's diplomatic missions abroad to be actively involved in promoting the country's economic interests and facilitating all-round development through coordination and regular communication with the government's line ministries including the Ministry of Foreign Affairs (MoFA), National Planning Commission, and the private sector.

Keywords: *land-locked ness, least developed status, coordination, line ministries.*

Introduction

It is common knowledge that Nepal entered a new era of democratic rule characterized by modernization, development, and opening up to a global community after the overthrow of a century-old family autocracy in 1951. Nepal was admitted to the United Nations in 1955 and has actively participated, since then, in all activities, particularly related to problems of land-locked developing countries (LLDCs) and the least developed countries (LDCs). Nepal, one of the founder members of

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the Movement of Nonalignment (NAM) has pursued a nonaligned foreign policy reinforced by principles and objectives enshrined in the UN Charter, *Panchsheel* (five principles of peaceful co-existence), adherence to international law, and contribution to world peace. For a country geo-strategically situated between China and India, the two most populous neighbors with different political and social systems, maintaining balanced relations with both is one of the cornerstones of Nepal's foreign policy. Nonaligned Nepal has been able to earn the goodwill of the international community and received cooperation and assistance from friendly countries like China, India, Japan, South Korea, the European Union, the United Kingdom, and the United States in infrastructure building and other development projects.

Following the political change of 1990, the elected government headed by Girija Prasad Koirala sought to reorient the MoFA by laying more emphasis on economic (development) diplomacy. This resulted in the setting up of some mechanisms, namely, the Institute of Foreign Affairs (IFA) and the Policy Planning and Economic Analysis Unit within the Ministry. They remained defunct as they were not adequately funded and properly staffed. Moreover, their relationship with other units in the MoFA was not also defined (Lohani, 1998). Doyen of Nepal's foreign policy, the late Yadu Nath Khanal observes: 'While countries with fewer comparative advantages have done better in raising the quality of life of their people, Nepal continues to struggle at the bottom of the ladder' (Khanal, 1995).

According to Phanindra Subba, a foreign policy expert, economic (development) diplomacy 'has been an important component of Nepal's total foreign policy ever since her emergence as a modern state more than two centuries ago. During the eighteenth and nineteenth centuries, Nepal pursued an activist trade policy and her foreign policy was focused on her trading interests (Subba, 1997). As India came under British colonial domination, Nepal found it difficult to withstand the onslaught of the developed economy of her southern neighbor. Even after India gained independence in 1947, Nepal's total dependence on India continued with the result that for more than a decade and a half in the fifties and sixties, Nepal made no attempt to diversify her foreign trade and attract foreign direct investment (FDI) as India remained the principal source of support and assistance as well as the only partner for the country's progress and development. Besides, India has remained since long a transit country for Nepal's access to the sea. At the same time, India continues to be a major trading and development partner of Nepal (Lohani, 1998).

Landlocked and LDC Status of Nepal

Development diplomacy for Nepal is crucial as the country is hamstrung not only by

its landlocked ness but is also characterized by the UN as one of the least developed among developing countries (LDCs). Membership in the UN enabled Nepal to play an active role to champion the cause and concerns of the least developed and land-locked developing countries. Nepal played an active role in the long-drawn-out Law of the Sea Conference from 1973 to 1982. It was due to Nepal's untiring efforts supported by other land-locked countries that the Law of the Sea Convention adopted in 1982 could incorporate the right of free access to and from the sea and recognize the principle of the high seas as a common heritage of mankind. Credit goes to Ambassador Shailendra K. Upadhyaya, permanent representative of Nepal to the UN (1972-1978) for his active role in the negotiations leading to the successful conclusion of an agreement benefiting the least developed land-locked countries and their interests (Shrestha, 2021).

Apart from being a land-locked developing country (LLDC), Nepal, as stated earlier, has had to stay with the stigma of being an LDC for more than six decades of its association with the UN. It is heartening to note that two years ago, in 2021, the UN General Assembly endorsed the decision of ECOSOC to graduate Nepal from the LDC status. Experts like Gyan Chandra Acharya, former UN Under-Secretary-General in charge of LDCs, view it as recognition of sustained progress Nepal has achieved over the years, in particular in the last decade, in human development indicators as well as in the economic and some other defined vulnerability indicators specific to the LDCs (Acharya, 2021).

It is now necessary for Nepal to make the transition process 'smooth, irreversible, transformative and sustainable'. International support for LDCs is an investment in global peace and sustainable prosperity. Taking this opportunity of graduation, Nepal should develop a coherent transition and graduation strategy with a special focus on key transformative sectors that can drive the economy, people, and country to a new era of ever more accelerated and inclusive progress and prosperity. This is possible only if we summon our collective will and work together with all the stakeholders, especially the private sector and sub-national governments in a more coordinated and effective manner. Development diplomacy requires Nepal to deploy all its diplomatic skills and also effectively coordinate the home front and the external front. Acharya warns us that Nepal cannot afford to miss this opportunity 'for lack of initiatives, commitment, strategy or resources' (Acharya, 2021).

Emerging Consensus

There is an emerging consensus that for development diplomacy to become effective, Nepal can no longer depend on foreign aid, although demanding and receiving such aid has hitherto remained the country's success in conventional diplomacy. One

of the imperatives for Nepal is to focus on the export-led economy, and as such demonstrate her skill in the following components, e.g. trade, tourism, FDI, foreign employment for Nepali migrant workers, and the development of water resources to boost the national economy.

Trade

In the post-cold war scenario, trade, not aid, is the prevailing motto for many developing countries. Nepal believes in and pursues trade diversification by reducing its dependence on a single country. But the country's export items are limited. The export sector for many years relied on the sustainability of such industries as carpets and garments. The quota fixed for the LDCs will be withdrawn as Nepal prepares itself for graduation by 2026. It needs, however, no over-emphasis to state that LDCs like Nepal, owing to their competitive weakness and other constraints of a structural nature, cannot do without special concessions and preferential treatment till such time as their capacity to enter into global competition improves considerably in both qualitative and quantitative terms.

Tourism

The tourism potential in the Nepali economy is widely recognized. It is not long since tourism has been recognized as an industry in Nepal. This led to the preparation of a tourism master plan followed by several short-term studies. As usual, the availability of funds has remained a major constraint. According to an estimate by the Tourism Department, 5,233 rooms will be added to 35 five-star hotels within a year and a half. What is, however, important is the creation of a mechanism to collect the necessary data related to the tourism sector. Equally important is to increase the attractiveness and quality of service in tourist destinations, provide a good experience for tourists and give them a lifetime memory of Nepal (Aiyer, 2023). Tourism suffered a setback when the Covid-19 pandemic badly affected all parts of the world, including Nepal during the last 3 years. Although the pandemic is not fully under control, tourist inflow is likely to increase now that two international airports, in addition to Tribhuvan International Airport (TIA), have become recently operational at Bhairahawa and Pokhara in the western region.

With coordination and cooperation between the government and the private sector, the tourism industry in Nepal can face real competition from countries that are in a position to promote and develop their products. Professional experts in the tourism sector at times wonder whether we have a well-thought-out plan of action. There is no doubt that the Asia and Pacific region, which has already proved to be a dominant market for both trade and tourism in the global context, can be tapped if we plan well.

Foreign Direct Investment (FDI)

Due to the reduced volume and uncertainty in the availability of foreign aid, many developing countries including China and India are scrambling to attract FDI. China, as we all know, has witnessed rapid growth in foreign investment inflows. Attracting FDI in the country presupposes the existence of improved infrastructures such as energy, transport, and communications as well as liberal investment laws. Besides, foreign investors look for a convenient and peaceful investment climate, political stability, and a coherent long-term government policy. More than two decades ago, an eminent Nepali economist suggested that Nepal must prepare a favorable climate for investment not only by building infrastructures for energy, transport, and telecommunications but also enhancing the quality of services to attract both indigenous private capital as well as foreign investment. He added that Nepal must simplify and approve the investment procedures as well as facilitate its operation and implementation (Pant, 1997). The economist's suggestion is relevant and valid even today. It is equally important for our diplomatic missions stationed abroad to not only explain our new investment laws and regulations to the aspiring investors but also to feedback to the headquarters of the host country's areas of interest where investments are both productive and profitable.

Foreign Employment

It is assumed that the exercise of development diplomacy can generate foreign employment for Nepali migrant workers. Malaysia, South Korea, and a number of Gulf countries have absorbed, over the years, in large numbers, Nepali migrant workers in their job markets. But their living conditions in the host country are far from satisfactory. According to a former Nepali ambassador to Malaysia, 'there have been many cases of abuse faced by migrant workers, committed by recruitment agencies and employers, ranging from excessive recruitment fees to serious violations of the terms and conditions of employment, among others. He further adds: 'the sorrowful plight of foreign employees is not due to lack of laws. It is due to a lack of the proper attitude and perception toward these people (Adhikari, 2018). It is true that clandestine manpower companies have, in defiance of restrictions and conditions imposed by the Labor Ministry, duped the country's gullible manpower easily lured away by the green pastures of the distant land into selling their meager land and ancestral property. While the country finds the remittance economy quite attractive, we cannot overlook the fact that the international labor market is facing stiff competition from skilled and professionally more competent job seekers from different parts of the world. This necessitates revamping of our education system which should train more skilled

manpower in specified areas. Of course, this should not dissuade our diplomats abroad from exploring job opportunities in foreign countries for our unemployed nationals.

Development of Water Resources

Water is Nepal's main asset or a lucrative commodity as some have described it. The country's water resource potential is one of the highest in the world. The potential does not remain fully exploited, while the country struggles to extricate itself from poverty. Pashupati SJB Rana, then minister for water resources, while addressing the Nepal Council of World Affairs, made the following pertinent observation: 'Unless the rivers of Nepal are harnessed, controlled and utilized in a sustainable manner, to augment food supply through extensive irrigation, to generate abundant cheap and clean energy for domestic, industrial, transport and export purposes, to navigate navigational transport and to effect flood control, the existing poverty and destitution, with irreversible environmental damages, is likely to accelerate with catastrophic consequences' (Rana, 1996).

Rana's argument that the water resources of Nepal cannot be developed unless there is an export market available, primarily the market for the enormous power that would be generated if the major rivers of the country were harnessed cannot be disputed. While India has already started buying some surplus energy from Nepal, Bangladesh has also entered into a power trade agreement with Nepal as its target is to import over 12,000 MW of hydroelectricity from this country by 2040. Foreign investors are sure to be attracted if they find attractive the rate of return on their investment. While Indian investors like GMR are already associated with some major power projects, Bangladesh has also shown a willingness to invest in Nepal's power sector. Official circles are confident that the supply of private capital is far larger and more elastic than capital available from multilateral lending or funding institutions. India has yet to finalize the DPR of Pancheshwor, but in view of India's insatiable hunger for power and the availability of private funds, there is no doubt that both Pancheshwor and Karnali projects are viable and can be implemented with Indian cooperation and investment.

Former Minister for Foreign Affairs Pradeep Kumar Gyawali, in his keynote address at a seminar on 'Development Strategy for the Water Resources Management in Nepal', emphasized the need for a focused strategy and a comprehensive national water policy. He observed: 'We have vast hydropower potential with about 43,000 MW considered to be economically viable to harness. This definitely provides us an opportunity to fulfill our needs as well as that of our neighbors. Major investments

from the public, private, and cooperative sectors will be utilized in the generation of hydropower. Foreign investment and resources from the development partners will also be mobilized in this sector (Gyawali, 2018).

Promoting Development Diplomacy at the Operational Level

The Institute of Foreign Affairs set up in 2008 a 5-member task force of which this writer too was a member, with the late Prof. Madan Kumar Dahal as convener, to prepare a ‘Generic Guideline for Development through Economic Diplomacy’. The report contains a number of practical guidelines and emphasizes the need for MoFA to play a key role in such areas as ‘selling’. Nepal, identifying long-term business opportunities through its missions and creating of a new image for Nepal as a peaceful, hospitable, safe, and stable society. Sahana Pradhan, the then Minister for Foreign Affairs, appreciated the practical guidelines contained in the Handbook and emphasized the need for adequate resources to make economic (development) diplomacy ‘viable, effective, productive and sustainable’ (Pradhan, 2008).

As development diplomacy aims at enhancing Nepal’s comparative and competitive advantages in the global economy and maximizing the benefits from globalization, liberalization, and privatization so as to ensure and expedite the country’s all-round development, our diplomatic missions abroad, while focusing on and giving priority to economic (development) diplomacy by consolidating foreign economic relations with all friendly countries, including major powers and neighboring countries, are expected to play a proactive role in exploring the economic opportunities for Nepal’s all-round national development. Task force recommendations place a high premium on coordination with all line ministries, two-way communication and feedback between the Center and Missions abroad, and, last but not the least, adequate budgetary support and allocation for the effective and efficient conduct of economic (development) diplomacy.

Conclusion

After the promulgation of a more inclusive, progressive, and democratic constitution in September 2015, it is believed that Nepal has better prospects for pursuing the policy of development diplomacy to promote the country’s development-related national interests in bilateral, regional, and global markets. Nepal’s diplomatic missions abroad have greater responsibility, in the changing context, to mobilize international cooperation, promote trade and investment through FDI in joint ventures, facilitate the private sector’s export promotion with comparative and competitive advantages, promote foreign employment and hard-won remittances ensuring safety and welfare of Nepal’s migrant workers, exploit the tourism potential at regional and global level and propagate the message of Nepal focused on its

willingness and commitment to collectively work for attaining and contributing to international peace and security as well as international cooperation for development, the twin goals of the United Nations.

Finally, needless to say, diplomacy is the art or skill with which a country seeks to promote national interests through the development of bilateral and multilateral relationships between states or governments. The success of development diplomacy depends, to a large extent, on our ability to win the trust and confidence of our friends and neighbors. There is little doubt that only as a reliable friend of our development partners Nepal can assert its national interests on the basis of sovereign equality and mutual benefit without challenging the vital and legitimate interests of our neighbors and other partners in our development efforts.

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Diplomacy for Development: Key to Sustaining Democratic Transformation

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Abstract

Foreign policy has a great bearing on a country's sovereign and independent status as well as overall development. For a country like Nepal sitting in a highly sensitive geopolitical location between China and India that are becoming major global powers, a whole of government approach integrating into itself a coherent, consistent, and credible economic policy alone produces a sovereign and independent foreign policy. No policy works in isolation. Correct communication, coordination, and collaboration between government departments and ministries are essential for any policy to succeed and be effective at home and abroad. The strength of the country abroad comes from strength at home. For a country like Nepal diplomacy stands as its tool of first and last resort. Economic strength is the key to national strength and comprehensive national power. The following paragraphs discuss the close connection between socio-economic transformation and political transformation, and past efforts made to promote economic diplomacy. The moment there appears a disconnect between managing geopolitics and speeding the process of economic transformation, the country becomes a fertile ground for geopolitical play. The write-up towards the end puts up some suggestions to make diplomacy for developing effective and result oriented for the country's development.

Background

After seven decades of incessant democratic struggle, the elected Constituent Assembly had an inclusive democratic constitution written by the people's representatives that was promulgated on September 20, 2015. The constitution of Nepal 2015 in its preamble speaks of ensuring an equitable economy, prosperity, and social justice. National interest is defined in Article 5 which mentions economic progress and prosperity as one the fundamental subjects of national interests. Article 51 (d) provides "policy relating to economy, industry, and commerce, to diversify and expand markets for goods and services" and Schedule-5 clearly states that "foreign and diplomatic affairs, and international trade, export, port, and quarantine" come under the jurisdiction of the federal government.

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The main objective of foreign policy is to preserve national independence, protect the sovereignty and territorial integrity, promote economic interests, ensure national security, and promote national prestige. Article 51 (m) of the Constitution of Nepal 2015 states that the State policy is “to conduct an independent foreign policy based on the Charter of the United Nations, non-alignment, the principles of *Panchsheel*, international law and the norms of world peace.

Diplomacy is a tool to implement foreign policy. It is a technique of communicating, presenting arguments, and persuading with logic to win over to own side. Sir Ernest Satow called diplomacy “the conduct of business between states by peaceful means.” He calls diplomacy as the “application of intelligence and tact to the conduct of official relations between the governments of independent states.” The concept of sovereignty and territorial integrity is basic to traditional diplomacy including the acceptance of the principle of non-interference in the internal affairs of sovereign states. The concept came to be enlarged to include trade, commerce, and investment.

Economic diplomacy constitutes an important component of foreign policy. It is a tool to strengthen international relations. Such a tool helps create a level playing field for all countries. The index of national strength has come to be identified with economic power in the post-Cold War period. Then came the primacy of geoeconomics in the conduct of foreign policy. As the look for markets expanded, trade, aid, investment, finances, services, and technology transfer came to occupy the driver’s seat of foreign policy and rapidly shifting geopolitics.

After the end of World War II, forty-four nations came together to create the Bretton Woods institutions and the General Agreement on Tariffs and Trade (GATT) to promote economic stability and peace. As the principal architect of the Bretton Woods system, Harry Dexter White, put it, “The absence of a high degree of economic collaboration among the leading nations will... inevitably result in economic warfare that will be but the prelude and instigator of military warfare on an even vaster scale.” This statement underlines the importance of economic collaboration and the central role of economic institutions to back up the political transformation. Thus, economic development becomes the key to the institutionalization of democratic transformation.

Though the term ‘economic diplomacy’ became more pronounced after the restoration of parliamentary democracy in 1990 in Nepal, economic diplomacy was at work in various forms in foreign relations. Kathmandu was considered to be an *entrepot* for trans-Himalayan trade long before the coining of the word: economic diplomacy. Development assistance has been the part and parcel of Nepal’s foreign relations. Nepal has been receiving economic assistance from neighbors, major powers, and other countries. This aimed at expediting the process of economic

transformation. Nepal's efforts to expand trade and commerce and steps taken to ensure the effective utilization of foreign assistance show past exercises in economic diplomacy. Development diplomacy, or diplomacy for development, economic diplomacy, and development through diplomacy began to be used interchangeably.

In 1990, the elected government of Girija Prasad Koirala underlined the importance of economic diplomacy and pursued a policy of attracting foreign capital and technology, giving priority to national investment.' Policies adopted thereafter aimed to deepen the interface between foreign policy and international economic relations. The identified areas for economic diplomacy included development cooperation, foreign direct investment, promotion of tourism, promotion of export trade, and foreign employment. Now in addition to trade, investment, and finance, technology, and environmental diplomacy has come to constitute the contents of economic diplomacy. The then Koirala government introduced comprehensive economic reforms and adopted open market economy policies aimed at the integration of the Nepali economy into the global economy. It envisaged an Institute of Foreign Affairs to act as a focal point for economic diplomacy.

Efforts at Promoting Diplomacy for Development

For the first time in the diplomatic history of Nepal, a *High-Level Task Force (HLTF)* was constituted under the convenorship of a sitting member of Parliament in 1996. The HLTF was tasked to make economic diplomacy functional within the institutional framework of the Ministry of Foreign Affairs. It was also mandated to recommend how to strengthen Nepali diplomatic missions abroad for economic diplomacy. The Task Force identified human resource as the critical element and shortcoming in their performance was attributed to the lack of job orientation. It saw the foreign ministry just as a post office. The Task Force attributed weaknesses in the Ministry and missions abroad to the shortage of human resources, lack of training, and proper orientation, evaluation, and assessment system. The absence of a separate Foreign Service was cited as a major impediment to the effectiveness of performance. The HLTF emphasized economic diplomacy for the government given the changed context of international relations and national priorities. Its focus was on forging a workable and meaningful partnership with the private sector for the promotion of trade, tourism, employment generation, water resources, technical and economic cooperation, and private sector investment in the country.

In 2002, the Institute of Foreign Affairs created the *Policy Study Group (PSG)* on Nepal's economic diplomacy. PSG was composed of eminent personalities in Nepal from various fields to look at Nepal's economic diplomacy as a follow-up to the recommendations made by the HLTF and prescribe viable mechanisms to promote Nepal's economic interests. If economic diplomacy is to succeed, the

PSG emphasized the importance of attitudinal changes among Nepali diplomats. It recommended that the Institute of Foreign Affairs take the lead role in training and intensive orientation programs for serving diplomats and also new appointees for missions abroad. The group recommended taking all necessary measures to make economic diplomacy effective and meaningful.

After the People's Movement of April 2006, a *High-Level Foreign Policy Task Force* was constituted to 'recast its foreign policy and make it consistent with the emerging political climate to achieve Nepal's foreign policy objectives. This task force also identified training as a necessary component to improve the overall performance of the Ministry. It recommended the creation of a 'separate professional foreign service so that it could stipulate specific and relevant qualifications including language skills and competencies, that would help improve the efficiency and effectiveness of MoFA and the missions under it.' One of the recommendations made included providing at least 6-month entry-level training through the IFA on history, geography, politics, economics, international relations and diplomacy, social issues, protocol, and consular matters and languages.

In 2009, the Association of Former Career Ambassadors of Nepal (AFCAN) brought out a publication entitled '*Pursuit of Economic Diplomacy: Prospects and Problems*.' This publication focused on trade, investments, tourism, and foreign employment as the core contents of economic diplomacy. The Parliamentary Committee on International Relations and Human Rights Committee of the Legislative Parliament produced a report on '*Nepal's foreign policy in the changed context*', in 2010-11. The part III of the report is devoted to economic diplomacy. The report identifies possible areas for conducting economic diplomacy that include foreign employment, trade, industry, investment, tourism, water resources, service sector, and agricultural and forestry. It also identified some possible areas for foreign investment in construction, industry, and trade in services.

In 2017, the Government constituted yet another 'High-Level Task Force' on '*Reorienting Nepal's Foreign Policy in a Rapidly Changing World*', which submitted its report to the Prime Minister in January 2018. Though the task force was asked to submit its recommendations to the Government of Nepal for "immediate implementation after having consultations with relevant stakeholders," the successive government chose to permanently shelve the report. It is a sad story in Nepal that objective, realistic, and pragmatic thought process gets subordinated to partisanship and preference for personal legacy and imprint. This deprives the foreign policy of consistent, coherent, and consensual messages even on issues of national importance.

Diplomacy at Bilateral, Regional, and Multilateral Levels

Diplomacy for development is practiced at various levels- bilateral, regional, and multilateral. A strong, sound, sustainable domestic base is the fountainhead of successful economic diplomacy. A strong national base provides a strong footing for strong and sound economic diplomacy. The strength of any nation abroad comes from strength at home.

Efforts made in economic diplomacy have focused on gaining access to foreign markets for Nepali products, projecting Nepal's unmatched tourism potential to explore and adventure, an attractive destination for investment, developing hydropotential, and Nepal as a safe tourist destination country. Safeguarding the interests of Nepali migrant workers abroad, ensuring dignified employment, repatriation of remittances and channelizing them to productive sectors, and bringing in technology are also a part of economic diplomacy.

Economic relationships with India and China carry huge importance for Nepal. The top five export destinations of Nepal include India, the USA, Germany, China, and Turkey. India, China, USA, Canada, and Indonesia stand as the top five sources of import for Nepal. Among the top five tourist-contributing countries to Nepal include India, China, the USA, Sri Lanka, and the UK. About 65% of Nepal's trade is with India. Nepal-India cooperation on operating the Motihari-Amlekgunj petroleum pipeline is the first of its kind in the region of South Asia. Indo-Nepal rail services from Jayanagar in India to Kurtha in Nepal cover a stretch of 34.5 km. in Nepal. Integrated Check posts at the Nepal-India border are to facilitate the smooth flow of trade between the two countries. However, the trade deficit is ballooning by leaps and bounds as Nepal's economic base is extremely weak and excessively depends on imports.

Nepal remains engaged with China in various sectors. There have been increased flows of Chinese aid, trade, tourism, and investment in Nepal in recent years. Chinese president pledged to make Nepal a land-linked country during his visit to Nepal in October 2019. China has promised to build a trans-Himalayan multidimensional connectivity network with a view 'to significantly contributing to Nepal's development agenda that includes graduating from the LDC (Least Developed Country), making Nepal a middle-income country by 2030 and realizing the Sustainable Development Goals (SDGs) by the same date.'

China's foreign policy is a mix of economic engagement and diplomacy. China launched Belt and Road Initiative (BRI) for improving global infrastructures before the outbreak of the coronavirus pandemic. Nepal signed a Memorandum of Understanding with China on Belt and Road Initiative (BRI) to develop Nepal's

infrastructure connectivity network in 2017. The two countries have agreed ‘to intensify the implementation of the Memorandum of Understanding on Cooperation under the Belt and Road Initiative to enhance connectivity, encompassing such vital components as ports, roads, railways, aviation and communications within the overarching framework of trans-Himalayan Multi-Dimensional Connectivity Network.’ MoU was signed between the two countries on 21 June 2018 on Cooperation in Railway Project, agreed to conduct the feasibility study which, if implemented, ‘will play an important foundation to launching the construction of the Cross-Border Railway.’

On December 20, 2021, the State Councilor and Minister for Foreign Affairs of the People’s Republic of China speaking at the symposium on the International Situation and China’s foreign relations in 2021, said, *“China has focused on development as the solution to all problems and made dedicated efforts towards more robust, green, and balanced global development.”* Chinese President Xi Jinping told the General Debate of the 76th Session of the UN General Assembly that, “the world needs to work together to address the immediate challenges threatening the delivery of the Sustainable Development Goals (SDGs) while promoting more balanced and inclusive multilateral collaboration.” GDI was seen as Chinese intention to lead “what it hopes is a new era in development—not only by investing money but also by leading the conversation.”

Nepal maintains economic relations with other countries. Accordingly, it has signed several bilateral trade agreements with several countries including Bangladesh, Sri Lanka, Pakistan, the UK, the USA, Japan, Australia, the Republic of Korea, and Egypt. Economic engagements with many European countries particularly Germany, France, Switzerland, Denmark, Norway, and Finland are a part of Nepal’s foreign policy. Tourists from European countries constitute a significant number of arrivals. Nepal remains constructively engaged with developed countries (Organization for Economic Cooperation and Development). OECD countries are important development partners for Nepal. It is encouraging to note that people-to-people contacts are emerging dynamics in bilateral relations with these countries and provide a strong bond with Nepal.

The USA is Nepal’s long-standing friend and development partner. It is among the top five bilateral development partners, others being the UK, India, China, and Japan. Its contributions to the socio-economic transformation starting from the malaria eradication in the 1950s and 60s are significant. There are various areas of cooperation between the two countries. The USA has extended a bilateral grant of US\$ 500 million under the Millennium Challenge Corporation (MCC). It is in line with the priorities fixed by the government of Nepal namely the construction

of a cross-border transmission line and the improvement of road infrastructure and connectivity. Nepal is projected to have surplus power in a few years and will need a cross-border transmission line for exporting surplus power to third countries.

At the regional level, Nepal remains engaged to promote regional cooperation. Nepal is a founding member of the South Asian Association for Regional Cooperation (SAARC) and has been working with SAARC member states by using complementarities within the region. There are several initiatives on trade, investment, energy cooperation, infrastructures, and other sectors of economic cooperation in the region, though very little progress has been made at the regional level within the SAARC framework as SAARC remains completely sidelined due to political differences between two leading members of SAARC – India and Pakistan. Nepal is a member of the Bay of Bengal Initiative for Multi-sectoral, Technical and Economic Cooperation (BIMSTEC), and Asian Cooperation Dialogue (ACD), and remains engaged with these organizations for regional connectivity, infrastructure building, and development. Nepal is an observer in Shanghai Cooperation Organization (SCO).

At the global level, Nepal remains deeply engaged at multilateral forums like the UN both in New York and Geneva, including the World Bank (WB), International Monetary Fund (IMF), World Trade Organization (WTO), International Labor Organization (ILO), International Organization for Migration (IOM), World Health Organization (WHO), United Nations Conference on Trade and Development (UNCTAD), United Nations Industrial Development Organization (UNIDO), World Intellectual Property Organization (WIPO), and Food and Agricultural Organization (FAO). Nepal pursues active diplomacy at the international level for realizing the 2030 Agenda for Sustainable Development Goals (SDGs) and promotes the cause of Least Developed Countries (LDC), Land-locked Developing Countries (LLDCs), and Climate Change among others, thus contributing to international affairs and multilateralism towards “promoting social progress and a better standard of life in larger freedom,” as mentioned in the preamble of the UN Charter. Nepal has mainstreamed SDGs in its periodic national plans. United Nations is among the top five multilateral development partners of Nepal, others being the World Bank, Asian Development Bank, and European Union.

Migration remains one of the defining attributes of the 21st-century globalized world. Over 6-7 million, Nepali nationals live and work abroad. The top five destinations for overseas employment include Saudi Arabia, Malaysia, Qatar, United Arab Emirates (UAE), and Kuwait. We have to put in place mechanisms and measures to ensure their safety, and security and keep their employees productive and dignified. The share of remittances to the national GDP is 22.6%, according to the World

Bank (Migration and Remittance). The repatriation of remittances and channelizing into productive sectors are also part of economic diplomacy. Organizing awareness programs about employment opportunities, dos, and don'ts in labor destination countries, identification of new sources of employment, rescuing and repatriating Nepali nationals who are facing difficulties abroad, and claiming compensation for the death of migrant workers become a part of economic diplomacy.

Non-Resident Nepalese (NRN) and Nepali diasporas are other components of economic diplomacy. Nepali diplomatic missions' abroad work in close collaboration with NRNs and the diaspora, their networks have expanded to over 77 countries. They are vital to realizing the objectives of economic diplomacy. Acting as a bridge, they can carry the message from Nepal to the entire world to project Nepal as a safe destination for investment in health, education, tourism, hydropower, and infrastructures, and projecting tourists' attractions of Nepal, exploring, and expanding markets for Nepali products abroad. Nepal needs technology, and skills for its development. NRNs and diaspora stand as strategic assets and can be instrumental in bridging the gaps and uplifting the quality of life of the Nepali people.

Challenges and Suggestions

Economic strength is the key to national strength and comprehensive national power. The strength abroad comes from domestic strength and competitiveness. This makes economic statecraft the catchword, which comes combined with national security, diplomacy, development, and defense. Cash, aid, and diplomacy are needed not only to keep the peace but also to improve governance and bring economic development. Challenges have never been greater than they are now, because of the pandemic that has created havoc, slowed down the economy, affected supply chain disruptions, rising energy costs and labor shortages, and accelerated shifts in geopolitical trends.

Economic diplomacy is to engage development partners and mobilize their goodwill, support, and cooperation to raise the standard of living of the people. Nepal cannot achieve its targeted goals by itself alone. Support from friendly countries and multilateral agencies for promoting tourism, trade, investment, and technology transfer, is vital in attaining the fixed development targets.

Good economics demands good politics. They are mutually reinforcing. A sound domestic base is the foundation of every success. Without good politics, strong and inclusive economic institutions, and connectivity networks of sound infrastructures, talking about increasing trade and attracting investment is like creating a roof without a foundation.

Nepal's neighbors have reached the top table of global politics and economics.

This has brought unprecedented opportunities and challenges to Nepal's doorsteps. This demands that Nepal tread carefully between these two neighbors emerging as global powers and at the same time remain constructively engaged with the wider international community to advance its national interests. Located in an extremely geostrategic sensitive location, Nepal needs to maintain an independent and balanced foreign policy to reap benefits from economic dynamism in the neighborhood and beyond.

Suggestions for Effective Conduct of Economic Diplomacy

- Put the internal house in order and forge a national consensus on issues of vital importance. Separate vital from the vivid and develop clarity, and priority in policies and maintain consistency for credibility. The policy has to be coherent and consistent for safeguarding the national interests, irrespective of the changes in government. Double speaking in foreign policy is dangerous as it sends confusing signals and loses credibility.
- Restructure the Ministry of Foreign Affairs (MoFA) and other related government ministries to ensure effective coordination at intra and inter-ministerial levels. Recognize the lead role of the Foreign Ministry. Anything *foreign* has to be routed through the Ministry of Foreign Affairs. This is important for national interests. MoFA lacks critical support for its efforts. Most crucial is MoFA needs its intelligence agency. This will help identify a crisis before it strikes like the outbreak of the coronavirus pandemic. Good and timely intelligence could have been useful to stop the covid19 outbreak when it had not reached pandemic proportion. Intelligence and Analysis (OIA) within the MoFA is needed as a part of the national intelligence community. MoFA cannot be expected to play a more fulsome role in the national economy if the organization is not fully aware of strategic goals and related information.
- Ministry of Finance is the front line of national economic challenges. Ministries of Commerce and Finance play a critical role in economic diplomacy. Ensure close coordination between them and with MoFA. Coordination is also needed with the Parliament to ensure the timely identification of emerging threats and challenges that the nation needs to tackle.
- Prepare briefing handbooks on economic diplomacy for quick reference, and ensure clear, consistent, and precise directives to diplomatic missions abroad. Integrate economic diplomacy into foreign policy.
- Speak from the same script at all levels. Share the country's position persuasively at bilateral, regional, and international forums. Coordinate to

ensure that all participants including the representatives of the private sector attending meetings use the same talking points in different forums.

- Build a good network of nationwide institutional and regulatory infrastructures related to all areas of economic diplomacy including trade, tourism, water resources, investment, technology, foreign employment, and trade in goods and services.
- Work in close coordination to make the best use of Nepal's comparative advantages. Focus on sectors that have high export potential. Conduct in-house policy dialogues at regular intervals.
- Focus on building capacity and enhancing competitiveness to be able to deal with domestic, regional, and global issues effectively and efficiently.
- Equip Nepali diplomatic missions abroad with human and financial resources. The missions' staff are expected to be fully versed in the economic challenges confronting the country. It is only the human capital that gives life to any organization, unlocks the dormant potentials in the country, and converts words and plans into actions and results. Invest in human resources development. Give the training to upgrade their skills and develop persuasive power of foreign policy establishment.
- Work for a rule-based, fair, equitable, inclusive, transparent, and non-discriminatory multilateral global trading policy.
- Use Artificial Intelligence (AI) that provides the most accurate insight for national policymaking. We live in an interdependent and interconnected world where internal politics and national policies in any country can affect its relations with other countries. AI plays important role in improving policy-making in any country's international diplomacy. AI has emerged as the perfect tool to facilitate digital diplomacy in the current landscape.
- UN Economic and Social Commission for Asia and the Pacific (UNESCAP) uses Trade Intelligence and Negotiation Adviser (TINA) to assist policymakers in member countries to help make better trade decisions backed by necessary information, finance, and other options. TINA was designed to assist ESCAP member states in the negotiation of trade agreements with the ultimate objective of enhancing trade in support of the 2030 Agenda for Sustainable Development. Bangladesh is reportedly using TINA which provides valuable trade insights to negotiate free trade agreements with bigger nations such as India and Pakistan.
- Make multiyear plans and put them into implementation with single-minded determination. There are no magic bullets, work hard and be ready to deal with complexities.

- Encourage public-private partnership, and engage closely and comprehensively with economic and commercial entities including the Federation of Nepalese Chamber of Commerce and Industries (FNCCI), Confederation of Nepalese Industries (CNI), Nepal Chamber of Commerce and Nepal Tourism Board and the private sector.
- Work in close coordination with relevant organizations to ensure the safety, security, and dignity of Nepalese migrant workers. Remain closely engaged with the International Labor Organization (ILO), International Organization for Migration (IOM), and other relevant international organizations.
- Launch awareness campaigns at various levels for prospective workers seeking foreign employment throughout the country to ensure their safety, security, and dignity. Regulate strictly relevant recruitment agencies and enforce their compliance with legal channels.
- Establish partnerships among the countries to pave the way for constructive cooperation between countries of origin, transit, and destinations.
- Conclude labor agreements to ensure the safety, security, and dignity of migrant workers.
- Work for the transfer of technology to create the technological infrastructure for economic development and speeding up the process of socio-economic transformation. Today's diplomacy is increasingly driven by technology. This will help facilitate foreign trade.
- Work in close collaboration with NRNs and Nepali diasporas to explore new avenues of cooperation.
- There exists a glaring gap between rhetoric and reality in the country. Reorient governing style and get rid of corrupt practices. No governance sustains when faced with what WFP has called "an avalanche of hunger and destitution." Realize there is no magic executive button to lift the life of the people with empty promises and sloganeering. Also, realize a human being needs more than a piece of bread. They need dignity, they need hope. Think out of the box for innovation.

Nepal has tremendous goodwill across the globe. Leadership must come out with a visionary strategy to use this precious asset for utilizing the enormous potential the country possesses. A coherent, consistent, and credible foreign policy will go a long way in attracting investments for the country's development. What is needed is to develop national capacity and build national credibility. We must think outside of the box to transform our diplomatic institutions, mindsets, and attitudes to address the challenges of change. Continued confusion and uncertain political instability

are not congenial to promoting economic diplomacy. Business as usual is not the way to think and innovate.

Democracy has become a way of life in Nepal. People are not prepared to accept less than full-fledged democracy. Change of government is normal in a democracy. What is more important is consistency in national policy. Democracy is indispensable for development. We pursue economic diplomacy within an overall framework of a democratic polity. Any diplomacy devoid of this perspective is not in tune with the ground realities in Nepal. No nation can be strong in its foreign policy unless it is backed by a strong domestic economy. Since political issues have been settled within a democratic framework, it is time to work to make the Nepali economy sound and strong. Inequality, the first elected Prime Minister of Nepal B.P. Koirala addressing the 15th UN General Assembly on September 29, 1960, said, is a cause for friction and tensions- both within nations and among nations. This is equally relevant today as it was then. The inequality between the wealthiest countries and the poorest ones is widening. The central point of promoting diplomacy for development is to reduce inequality between and within countries. Once we figure out ways to address inequality then energies and resources can be channelized to confront other equally pressing issues such as climate change, pandemics, and terrorism. Conflicts have appeared in several parts of the globe, because of growing inequality, discrimination, and concentration of wealth in the hands of a few. The majority of the victims have been in resource-rich but poor countries. As the index of national strength has come to be identified with economic power, it is time to get serious and get down to work sincerely to raise the quality of life of the people by making diplomacy effective for development.

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Role of Economic Diplomacy for Development

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Abstract

This paper discusses the role of economic diplomacy in the development of Nepal with special reference to its neighboring countries and other developed countries. An underdeveloped country like Nepal, should aspire for comprehensive and progressive growth and development to enhance its international image and promote its specific identity for becoming a self-reliant country. Implementable and good national policies led by wise political leadership and efficient bureaucratic set-up are highly needed. Good understanding and appropriate evaluation of the existing ambiance of the national demands and needs must be taken into account by the national leadership for conducting economic diplomacy. The writer has used information from various secondary data sources including books, journals, periodicals, and online media in the process of writing this paper.

Introduction

Development is the target that each country tries to meet through its policies of various dimensions. The world today is much connected and interlinked through the networks of global diplomatic initiatives and actions. Currently, the global networks of socio-economic, technological, and scientific connectivity are extensively spread over various continents. No country, whether big and powerful, could remain in the autarkic status. Smaller and weaker countries are more dependent on the prevailing global trend of interdependence. They have, whether willingly or unwillingly, become part of the international cobweb. Essentially what is required is national policies that can serve the national objective to navigate its external policy in the complex and ebbing regional and global situations. There is thus a need for well-founded and well-knit diplomatic conduct to meet challenges of external threats originating from the conflict of national interests, especially of super and major powers.

Nepal faces myriad hampers and obstructions to safely handling its diplomatic businesses. It has hardly any options and choices to make in the conduct of diplomatic affairs. Geography, socio-economic constraints, internal socio-economic structure, and long-pursued external policy have made Nepal a prisoner

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of its status and external interferences, both seen and unseen. Thanks go to the past and present executors of Nepal's diplomatic activities, Nepal has, up to now, been able to maintain its independent posture. However, Nepal is still lagging far behind to make notable progress in the development arena to lift the country out of the socioeconomic status of a less-developed fate. That has hampered the steady progress of the living standards of the Nepali people at large.

Nepal in the last three decades has witnessed political upheavals of various nuances and dimensions. However, any substantial economic progress could be noted during these times. Long-existing socio-economic stagnation fed on by political instability resulting in the non-satisfactory performance on the economic front is more to be noted as an affront to the steady development of Nepali society. If such a situation runs through for decades, Nepal will be dammed to the economic hell from which it could hardly recover from the malaise of economic conditions. It is unfortunate to say that the current generation of Nepali society would certainly be blamed for the destitute condition of economic stagnation.

Consequently, Nepal genuinely needs international cooperation to get out of the trap of economic misery and trouble. Observers think that diplomacy, more attuned to development, needs to be geared up for external assistance and cooperation from friendly countries and neighbors. Nepal must be prepared to craft diplomatic initiatives and appropriate planning in the right way. Nepal has indeed been working through bilateral and international diplomatic activities since the country has been opened up to the external world in the early 1950s. However, the current need and demand have become apparent to get through successfully in the pathway of skillfully crafted diplomatic strategies for development, which have now become an utmost need for the country and its deserved progress towards transforming the Nepali society. The Sooner the steps in the right direction are initiated, the better will be its outcome. Diplomacy of Nepal must be framed for the progressive development of the country with necessary mechanisms put in place and required human skills trained as soon as possible.

The apparent need for equitable development

Nepal is still stained with the under-developed status even in the current third decade of the 21st century. It is painfully chilling to note that the country is damned to that low status because of the turbulent political situation and geographical constraint, even though other less developed countries of the region such as Bhutan, Bangladesh, and the Maldives got liberalized from the grip of that unfortunate status. Stepped-up actions and situation-deserved economic planning supported by well-lubricated mechanisms are essentially required to boost socio-economic development.

The Committee on Development Policy (CDP) of the Socio-Economic Council of the United Nations in its latest triennial review in 2021 has granted Nepal a grace period up to December 2026 for graduation to the developing country status, keeping in view the economic downturn experienced by the country following the unfortunate onslaught of the Covid-19. In its triennial review done in 2018, Nepal has almost reached all three thresholds for graduation to the developing country status. It has achieved the necessary conditions in the Human Asset Index (HAI) and Economic and Environmental Vulnerability Index (EVI) and is also near the threshold of the GNI per-capita income in 2019. However, the unexpected onslaught of the pandemic from 2020 to 2022 pushed aside Nepal's national economy downward, which has denied Nepal earning the status of a developing economy.

Nepal is most likely to achieve the required GNI per capita (in US dollars) by December 2026. Economic experts and planners believe that Nepal could reach the target of the UN agency's projected amount by December 2026 unless some unfortunate and unseen events occur during that period. However, the developing status alone would not be enough to lift out of the level of poverty remaining at around 17.5 percent in 2019. According to economic experts, the level of poverty must be less than 5 percent of the total population. Only then a country can be described as a no poverty-grilled country. Whether or not poverty exists in the country, development diplomacy assumes a crucial role in diplomatic business dealings with countries and establishments as well as international organizations.

Circumstances for Propelling Nepal to Adopt Effective Development Diplomacy

Nepal is an under-developed economy to date and even after graduation to the developing status, all required gears and mechanisms must be well prepared for development diplomacy. The current situation of globalization has created a global status of interdependence for big and small countries alike. The rapid information and communication expansion and the quick transportation facilities, whether through air services or trans-shipment transactions have empowered executors and businesses, and have made available tremendous advantages around the globe. That has also enabled development diplomacy to be conducted efficiently and quickly. All those facilities have provided the necessary tools for development diplomacy to move on in an unrestricted way. Development diplomacy has now come to claim an inalienable space in the overall national activities about external dealings. It is the highest priority of international relations. This is mostly performed through multilateral activities on a global and regional scale. It refers to the repurposing of aid in such a way that it claims to service public diplomacy, ambitions, and aspirations while simultaneously achieving development goals. It is a specific form of public diplomacy that builds bilateral relations based on activities that are presented as

economic diplomacy. In no way, development diplomacy can be separated from the execution of economic diplomacy. In a sense, development diplomacy assumes less significance if it does not make an integrated approach with economic diplomacy that claims to be its core ingredient. Development diplomacy becomes amputated if separated from the primary need for enhancing economic and technical cooperation from its activities.

Nepal belongs to the Global South (previously Third World), which needs to receive the required resources, (financial, economic, and social included) and technological transformation to further the development process within its territory. Without tangible advances on the development front, the country can hardly meet the challenges of a fast-moving global economic environment. It may be noted that the official development assistance (ODA) offered to Nepal by advanced countries some decades ago has been drastically cut down by them. That has made Nepal depend on various sorts of loans offered by global financial institutions like the IMF, World Bank, and ADB as well as by advanced countries. That has added the burdens of loan servicing each passing year. Despite all that, Nepal has to get along with the efforts for its development with its internal resources and other external resources which are made available to its government. Once Nepal achieves the developing status by 2026, Nepal will not be able to receive ODA as it has been receiving now and lose trading and customs facilities as have been receiving now.

The crucial time has come that Nepal makes its efforts by dint of its strategic hard work. One of the requisite efforts to make the country stand on its own and self-reliance is the adoption of development diplomacy which will enable to equip the country with an important tool to make external contacts well-maintained as well as move forward to get mutual benefits from the understanding and cooperation with friendly countries and international organizations as well. However, this sort of diplomacy is distinctly different from conventional diplomacy practiced in the world. It needs separate concepts and practice to make it worth serving in the economically and technologically intricate world. In particular, developing and less developed countries are now required to navigate this diplomacy to make their economies self-standing as well as get them interwoven with globalization which has put the world on interdependence and interconnected networks. To tackle the complexity surfacing now in the global environment, must a less developed country like Nepal embrace the art and technique of development diplomacy from the intricacy of which the country need not make any escape if it is to withstand and grapple with the emerging trend on hand.

Nepal has indeed planned to adopt economic diplomacy as part of its national efforts to achieve development objectives since 1993 when the Ministry of Foreign

Affairs was restructured to meet several challenges arising out of the practice of the free and fair market around the world. At present, the Ministry has the set-up up the Policy Planning, Development Diplomacy and Overseas Nepalese Citizens Affairs Division. The division has been tasked to conduct and oversee development diplomacy abroad. The division has also installed a development diplomacy section to conduct diplomacy concerned with development businesses with foreign missions based in Kathmandu and foreign countries through Nepal's missions abroad. Experts believe that only a section of development diplomacy would not be enough to handle all businesses and relevant activities of development diplomacy which are now considered an indispensable activity as part of the external efforts for economic cooperation with foreign countries. For Nepal not to just handle diplomacy but for economic survival in the complex economic situation, a broadly organized mechanism equipped with highly trained diplomats with knowledge and skills need to be put in place.

Important functions of development diplomacy are as follows:

- The primary function of development diplomacy is to promote and extend economic and technical cooperation with foreign governments and other foreign entities as well.
- The function of contacting and cultivating with international organizations like the United Nations and international financial institutions like the World Bank Asian Development Bank, IMF, AIIB, WTO, etc. bears its main responsibility.
- The function of furnishing necessary information about the home country's economic and development status to foreigners becomes part of official duty as is required to be discharged timely.
- The functions of providing important information about the host country to the home government is also a necessarily desired duty, in particular about their economic health and other areas with which the home government can work together for mutual benefits
- The functions of developing mutual contacts with the economic and technical entities of the host country with the possibility of cooperation for mutual advantages has its bearings.
- The function of exploring possible collaboration with technical and research institutes of the host country and the home country forms a part of Nepali envoys abroad
- Engaging with the appropriate institutions and groups of individuals who

are interested in Nepal's economic welfare should be the duty of Nepali diplomats assigned abroad

- Initiating a process for promoting people-to-people contacts should be envisioned as part of development diplomacy to promote economic linkages at the grassroots level.
- Propitiating necessary actions that can encourage entrepreneurs of the host countries to invest in various fields of the national economy of Nepal
- Last but not least, engaging with the private sectors and corporate houses of the host country needs to be taken up as their unavoidable function in the present perspective

Conclusion

The performing of development diplomacy is easier said than done in action. The performers of development diplomacy need to be, without a doubt, knowledgeable and skilled in handling its complex function. This sort of diplomacy demands a good ability to conduct public diplomacy. In reality, development diplomacy is an offspring of public diplomacy in action. In its term, the conduct of public diplomacy naturally calls for the quality and ability of public communications. Knowledge and acquaintance with various fabrics of local situations are required to conduct public communications, for which language efficiency, most preferably local language proficiency, remains a great need for the effective performance of public diplomacy.

It may be noted that due orientation and appropriate training with good attention paid to the country/countries of assignment properly imparted could do a good justice for envoys and diplomats, both senior and junior included for their productive performance abroad. Additionally, their good knowledge about the country of assignment in its various fabrics, in particular about the political culture, economic status, and social and cultural aspects will be an essential qualification as an asset for effective diplomatic performance. More so, the possession of crucial knowledge about the diplomatic culture and its recent practice which will endow and equip Nepal's diplomats with essential and qualitative skills indeed proves to be their valued diplomatic capital.

Far more preferable is the well-managed mechanism in the Ministry of Foreign Affairs staffed with highly knowledgeable and skilled diplomats and stuffed with all requisite information and diplomatic literature of recent origin which would invariably serve the purpose of strategically advancing development diplomacy to fulfill the aspirations of most desired development for the country and its teeming millions of people.

The current structure of diplomatic mechanisms dealing with development diplomacy placed under the Ministry looks very small to cope with the demand for development diplomacy to be visibly successful. If development diplomacy is to be effectively promoted, a separate division for the conduct of development diplomacy needs to be put in place. The division needs to be headed by a senior diplomat with wider knowledge as well as experience with the process of managing necessary affairs. Meanwhile, the division should be manned with well-trained and duly oriented personnel to move on with the relevant businesses and activities to put development diplomacy on the right track. Better now than later in accentuating the process for improvement and advancement.

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International Relations and Diplomacy

No, the World is not Destined for War

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War is not a destiny; it is a human creation, a failure of politics, economics, diplomacy, and security policy. International Relations (IR) is the study of great power relations and how they affect the world. Understanding and conduct of contemporary IR based on old assumptions can be as erroneous and risky as concluding the inevitability of war between two 21st Century great powers based on what a scholar reminds us of the "Thucydides' Trap", history of two warring Greek city-states because they could not accommodate each other's national interests. What is Graham Ellison of Harvard's Kennedy School, arguably one of the greatest global institutions of higher learning and powerhouses of ideas, trying to convey by characterizing 21st-century America-China relations by 5th Century BC Greek city-states? Do scholars and practitioners of IR realize the irony?

History without Lessons

Works of Chanakya, Machiavelli, Sun Tzu, Thucydides, and much more present great wisdom on statecraft, governance, art, or science of war of their times. However, how should they be understood and applied by scholarship and leadership in the digital age of artificial intelligence, killer robots, and hypersonic weapons of mass destruction capable of destroying the world many times? Reflecting on this is vital as technology has transformed human enterprise so fundamentally that old theories can neither explain nor be used to resolve most problems of today.

That may be the reason humanity keeps repeating again and again what it keeps vowing "never again. Preventing US-China competition from turning into confrontation is critical in the study and conduct of contemporary IR and its implications are profoundly significant not just for them but the whole world (Simkhada, 2021).

Rise of the United States of America

In the march of history, the rise of the United States, on the strength of its European intellectual history but different favorable location, large size, rich natural endowment, politics of individual liberty contributing to innovative and advancing technology and attraction, co-option and assimilation of global talent and manpower is one of the most significant megatrends shaping the current world.

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Its visionary founding fathers established institutions able to combine local autonomy with a central authority, and individual liberty contributing to collective prosperity and security giving the US advantage over many other great powers built around narrower fundamentals of national power. Consequently, in the post-World Wars, and even more so in the post-Cold War era, the US emerged as the unchallenged global superpower influential in all fields of human endeavor, intellectual, ideological, economic, technological, and military, like no other one country in world history. In the book *What If?* some of the world's foremost historians provide fascinating accounts of how the world would have been very different if certain events had gone differently or if certain major powerful actors had behaved differently at different periods of history. But there is no denying that as a society/country, the US is unparalleled in its ability to assimilate peoples of the world, of cultures, religions, races, and beliefs (Munroe, 2014).

This US rise is significant in many ways, most notably in its appetite for asserting the superiority of its political, economic, social, and strategic model on the "power of its liberal-democratic example" as far as possible but with the most illiberal use of its national and allied military power when Washington feels necessary. US President John F. Kennedy's famous inaugural speech, Samuel Huntington's argument "The West's universalist pretensions increasingly bring it into conflict with other civilizations, most seriously with Islam and China" and the so-called Hegemonic Stability Theory of IR suggesting that the international system is more likely to be stable when a single nation-state (hegemon) remains the dominant power has come under scrutiny in many ways best articulated in the University of Chicago Professor John J. Mearsheimer in his Theory of Offensive Realism and the Rise of China as well as his many other articles and lectures abundantly substantiate this reality.

The duality in dealing with what America sees as an adversary in values (ideology and religion), interests (national and sometimes even personal), combined with national "exceptionalism" is reinforced by its all-powerful military-industrial complexes and their widespread and enduring hold on domestic political-economy, national and global security, and vision of IR.

The foundation of individual liberty combined with a passion for "winning" and open to use force for it in today's world of technologically empowered individuals and nation-states makes the US a society and global superpower of contrasts. One America is liberal-progressive, tolerant, open, generous, dynamic, united, inspiring, resilient, globalist, and confident. Is there any other better example of the integration of people of all races, religions, cultures, and backgrounds from

anywhere in the world into the fabric of its society than the US? This America is sometimes shadowed by the impression of the other looking fundamentalist, selfish, divided, divisive, vindictive, violent, isolationist, suspicious, and belligerent.

Such internal paradoxes, (socio-economic disparity, gun violence, drug addiction, treatment of minorities (Black lives matter), extreme internal political polarization, global policeman's role, and never-ending wars create serious political stress and economic distress for itself and others.

Social media and TV networks, often beaming only bad news as new in front of global audiences make the US call for a united front against authoritarianism and in defense of democracy, HR, rule of law less convincing, unlike the cheers it used to receive when evoking those messages in the past. As if echoing that, President Biden pointed out in his latest State of the Union Address, "Our strength is not just the example of our power, but the power of our example. Let's remember the world is watching".

The duality in Western political thought and behavior is not new. The Magna-Carta evolved to guide British politics as the birthplace of Parliamentary (Westminster) Democracy but would not apply to the Colonies. *Liberté, égalité, and fraternité*, the founding principles of the French Revolution, would not apply to the Colonies, and Life, Liberty, and Pursuit of Happiness were not meant for the blacks in the US for a long time. Christian values of kindness, honesty, and charity were important in shaping Western social and political order, but Samuel P. Huntington and Paul Kennedy are quite candid that Western power and not culture or values were the instruments of their global power projection.

Huntington (2016) writes, "The West won the world not by the superiority of its ideas or values or religion, but rather by its superiority in applying organized violence". Talking about the enormous Chinese naval power of the past and their official overseas expeditions compared to the behavior of their Western counterparts Kennedy writes, "The Chinese never plundered and murdered - unlike the Portuguese, Dutch, and other European invaders of the Indian Ocean". This difference in domestic political values and their application towards what the West saw as the "Other", always existed in the West. The anti-globalist ultra-nationalism and populism best represented by the Donald Trump Presidency and the Capitol insurrection glaringly exposed the dangers of this duality to the West itself and also to the rest of the world.

Rise of China

Modern China's socio-economic transformation under the firm guidance of the Communist Party (CPC), now celebrating 100 years of its founding, has been the other most spectacular and consequential mega trend with intellectual, ideological, economic, and strategic implications not just for China but the whole world. China's rise is particularly significant because some Western scholars were calling the collapse of Communism in Eastern Europe and the fall of the former Soviet Union End of History (Fukuyama, 1992). As this debate was going on elsewhere Mao's Communist China was transforming with Deng's "Socialism with Chinese Characteristics" leading to where China is today, poised to be the largest economy of the world and determined to reject any external hegemony by Xi Jinping's Rejuvenation of the Chinese Nations. With a display of its spectacular economic rise and military modernization, both the posture and speech of the General Secretary of the CPC and President of the People's Republic of China (PRC) Xi Jinping during the recent centenary celebrations of the CPC and projections for the centenary of the PRC signal China's rise so far and ambitions for the future, primarily the targets for the centenary of the PRC in 2049.

Shaking Intellectual Pedestal

Globally, tremendous developments in information technology have skyrocketed popular demands for a more equitable sharing of political power and economic benefits within and across societies. But the *winners take all* mindsets at the top making the management of politics and economics more complex everywhere, leading to the current crisis in the global political economy. But new ideas to bridge the governance deficit are in short supply, with growing uncertainties of how the mid-21st Century world manages the internal political economy, long-festered energy, environment, food, and finance (2E2F crisis), now manifest in the serious Climate, Covid, and Conflicts (3 Cs crises) profoundly affecting global society and IR.

Amidst such crises, talking of the intellectual dilemmas facing the world today, in the Foreword of the book *Commonwealth* by Jeffery Sachs, Edward O. Wilson, writes "We (mankind) exist in a bizarre combination of stone age emotions, medieval beliefs (and institutions) but Godlike technology. This is how we have lurched into (what we call) the 21st Century" (Sachs, 2008). If this is how thinkers in societies regarded as most advanced, from which, one way or the other, all are impressed and influenced, think, and write, one can imagine the state of societies at the *tail end of the spectrum of intellect* content in what an Indian scholar-diplomat calls "the tragedy of mimicry".

In this global paradigm flux, the Chinese model of the State fulfilling the needs of party and state elite for a decent living but severe punishment for corruption and anti-party/state activities may not be so different from the meritocracy Lee Kuan Yew's Singapore adopted to transform itself from the Third to the First World. If the CPC rule can fulfill the growing needs of the Chinese people and avoid a major external crisis China's rise could continue.

In that case, the global Democracy debate may bring not just the Chinese experiment of successful socio-economic transformation under the strict political control of the CPC but also the shaking intellectual pedestal on which monuments of peaceful and prosperous democracies are built and sustained elsewhere also into the spotlight. Not least because China is moving away from a rural, agricultural society and the world's factory producing low-cost consumer goods to a high-tech and advanced knowledge economy. As some of China's earlier partners in progress come under pressure of "decoupling" making China their biggest technological-economic competitor and ideological-security threat, all sides in the global ideological divide may face the challenge of innovation not just in technology and economics but also in the management of political-economies, security, governance, and IR. Despite serious polarization in domestic US politics, the notable convergence in China is a clear signal of US intent to pursue the China Threat Theory and try to build a global alliance of liberal democracies against Communism. Recent G7, NATO, and Biden EU Summit also give some signals.

Converge or Clash

In this state of flux, the inability to move beyond the old *hegemonic and conflictual polarity* as the only paradigm of great power relations will inevitably lead the world toward the title of the book "Destined For War". Should this then mean, 21st Century human mind, with unlimited access to information and knowledge, is unable to learn the lessons of history and think of *a new paradigm of cooperative and managed competitive plurality* for the conduct of IR for the 21st Century and beyond? Must the world keep repeating again and again what it vows "Never Again"? Is it politics or economics that guides the process of socio-economic transformation internally or determines the course of inter-state relations? The debate is old and intense, but what is obvious is disconnect between these two vital aspects of human enterprise and the paradoxes they have created in the world of our times (Simkhada, 2018).

That is the real reason for preventing US-China competition turn into conflict, seeking convergence between Oriental wisdom of *Basudhaiba Kutumbhakam* or win-win IR with Western caution of *Si Vis Pacem Para Bellum*. Only with such a transformative IR, we can safely say "No, the world is not Destined For War".

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Nepal's Water Diplomacy: Relationship with her Neighbours

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Abstract

Water is the most important natural resource of Nepal. Its importance and demand have been increasing over time, not only in Nepal but also in all of the South Asia region. The Ganges River Basin is the most populous region in the world. People living in and around the Basin rely mainly on the Ganges River to meet their growing water requirements. However, the Ganges River is mostly fed by the rivers that originate in Nepal and Tibet Autonomous Region of China. This paper explores the possibility of Nepal using water as a driver for the development of the region as part of its regional diplomacy.

Context

Fundamental or guiding principles Nepal's foreign policy/ diplomacy have been to enhance the dignity of the nation in the world community 'based on sovereign equality while safeguarding the freedom, sovereignty, territorial integrity and independence, and national interest of Nepal (Constitution of Nepal, 2015, Article 50.4). Furthermore, as per State Policy enshrined in the Constitution of Nepal, 2015 the foreign policy of the country would be conducted on the based charter of the United Nations, non-alignment, principles of *Panchsheel*, international law, and the norms of world peace, taking into consideration of the overall interest of the nation, while remaining active in safeguarding the sovereignty, territorial integrity, independence and national interest of Nepal' (Ibid. Article 51: Ta). Based on these constitutional provisions, the then Government of Nepal adopted a new Foreign Policy of Nepal, 2077 on October 20, 2020.

The policy aims at promoting and strengthening bilateral ties with the neighboring and all other countries based on sovereign equality, mutual benefits, and respect, promotion of national interests by increasing Nepal's identity and representation in the international and regional forums...' (Bhandary, 2020). It also has 'emphasized a constructive and active role in regional and sub-regional forums... like SAARC and BIMSTEC and...to take advantage of the both by making South Asia and

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Southeast Asia *economically and socially connected* (Ibid). The inclusion of these elements in managing the foreign policy of the country means that the country wants to pursue economic/ development diplomacy in the days to come. In other words, the policy emphasizes the pursuit of economic diplomacy. Expecting that the current government (government of the day in 2023) headed by Pushpa Kamal Dahal 'Prachanda' would give continuity to the foreign policy adopted by the last government, especially its emphasis on the economic / development diplomacy in the international forum and regional forums, such as South Asian Association for Regional Cooperation (SAARC), The Bangladesh, Bhutan, India, Nepal Initiative (BBIN) and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC).

Water is the most important natural resource that possesses. Its importance is increasing day by day as it is increasingly becoming a scarce resource. Although stated in a different context, the current US Vice President Kamala Harris is correct in her statement that *war for water is looming*. To quote her: 'For years there were wars fought over oil; in a short time, there will be wars fought over water ... We must address inequities in access to clean water, at local, state federal levels' (Vice President Kamala Harris Warns Of Looming 'Wars Fought Over Water' - CBS San Francisco (cbsnews.com)).

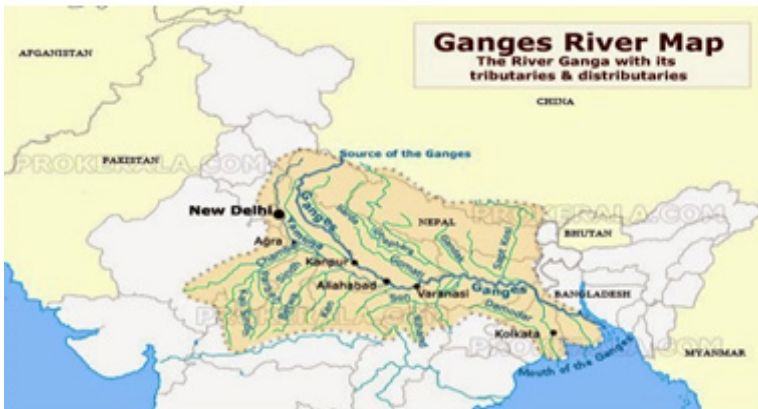
In light of the growing importance of water in the days to come and it is the most important natural resource of the country, its efficient and optimal use would not only improve the livelihood of the people of Nepal 'but also substantially contribute to the growing water requirements of the countries in the Ganga basin...' (Dhungel and Pun, 2009, p.ix). Therefore, water has to be or going to be a major element of Nepal's economic/ development diplomacy, especially about her South Asian neighbors and beyond as she is also a member of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC).

In this paper, I intend to deal primarily with Nepal's economic/development diplomacy in the context of her water resource relationship with her neighbors, especially the countries of the Ganga Basin. Also, in the context of her membership to the BIMSTEC, matters related to the Brahmaputra and Meghna River basins would be touched upon.

Ganga Basin and Contribution of Water flowing from Nepal to the Mighty Ganga River

The Ganga Basin forms part of the greater Ganges-Brahmaputra-Meghna basins. Four countries, the Tibetan Autonomous Region of the People's Republic of China (TAR/PRC), Nepal, India, and Bangladesh belong to the Ganga Basin countries. This

mighty River is fed by some rivers that originate in the Tibetan Autonomous Region of the People's Republic of China (TAR/PRC), rivers of Nepal, and some Indian rivers. 'The most widely accepted length of the Ganges River is 1,569 miles (2,525 km), and its drainage basin is estimated to be about 416,990 square miles (1,080,000 sq. km)' (<https://www.thoughtco.com/ganges-river-and-geography-1434474>) (Map). The Ganges River basin is home to more than 655 million people (The World Bank, 2014, p.1), excluding the population of the TAR/PRC. It is the most populous river basin in the world (<https://www.britannica.com/place/Ganges-River>). People living in the basin rely on the Ganges for their daily needs such as drinking water supplies and food as well as for irrigation and manufacturing. The main branch of the river flows down to the Bay of Bengal through Bangladesh. As such, it is a transboundary river between India and Bangladesh.



Note. The map of Nepal shown in this Ganges River Map does not tally with the new map published by the Government of Nepal in 2020

Source: <https://educationworldscan.blogspot.com/2014/06/holy-river-ganges.html>

Nepal is endowed with more than 6,000 rivers with a combined run-off of about 220 billion cubic meters with an average annual precipitation of 1530 mm (WECS, 2002, p.8). In addition, she also has 'extensive groundwater resources' (Ibid), mainly in the Tarai area (southern part of the country) and in some mid-hill valleys like Kathmandu and Dang. The Ganges is the natural drainage of all the rivers originating within or flowing through Nepal. The overall contribution of the rivers of Nepal is 47 percent of its flow and it is as high as 75 percent during the dry months (February/March/April) of the Ganges flows at Farakka (Pun 2004, P.7). As a contributor to its waters, Nepal is, thus, linked to Bangladesh through this mighty river.

Regional Context of Nepal's Major River Basins



Note: This map is the older version and does not tally with the new map published by the Government of Nepal in 2020

Source: His Majesty's Government of Nepal, Water and Energy Commission Secretariat (WECS). Water Resources Strategy, 2002

Nepal's Offer for Regional Cooperation and Responses

In addition to her vast water resources, Nepal has suitable sites for large storage projects capable of holding seventy-seven (77) billion cubic meters of water, constituting about 68 percent of the total monsoon flow, which, as per Nepal's water resource expert Som Nath Poudel, if ever implemented, will a very effective role in meeting riparian irrigation demands, partially mitigating floods, generating a colossal quantity of hydro-electricity, and connecting inland river navigation with the sea' (Poudel 2009, P.109).

Since the 1970s, Nepal has been proposing the promotion of regional-level cooperation in the water sector in different fora and also at the Track II level meetings and discussions.

Nepal, for the first time, during the 26th Colombo Plan Consultative Meeting held in Kathmandu in 1977 and at the first summit of the Heads of State or Government of Association of South Asian Association for Regional Cooperation (SAARC) held in Dhaka in 1985, had floated the idea and emphasized the need for regional cooperation in the field of water resource (Lohani, 2013). It was the late King Birendra who had proposed regional cooperation in this sector (water sector) at both these events (IFA, 2010). Responding to the proposal of Birendra, the Prime Minister of India, (Rajiv Gandhi) had said that 'we have not sought to melt our

bilateral relationship into a common regional identity, but rather to fit South Asian cooperation in our respective foreign policies as an additional dimension' (quoted in Upadhyay 2013, p. 256). Whereas Bangladesh had supported 'the offer of Nepal and mentioned it as a positive move' (Ibid), interestingly, support coming from Bangladesh was considered or seen as a 'ganging up by Nepal and Bangladesh against India' by an influential former Indian diplomat, Maharaja Krishna Rasgotra (ORF, 2004, p. 169).

The World Bank initiated a study on the *Ganges Strategic Basin Assessment* states that 'all countries in the basin benefit from the Ganges and suffer from its extremes; all could benefit more and suffer less. Benefits from potential hydropower development and agricultural modernization remain untapped, while flood and drought management systems are inadequate to protect lives and livelihoods. To better manage the Ganges – to sustain the river ecosystem, capture its potential benefits, and mitigate its mounting costs – requires enhanced regional knowledge and cooperation' (The World Bank, 2014, p. XIII). But the issue as per the study report is that 'currently, most development in the basin is through incremental, project-by-project activities within each of the riparian countries. There has been surprisingly little systematic regional research on the basin's development options and challenges using modern analytical tools that go beyond sector, country, or state analysis to examine the system-wide strategic questions that the basin faces' (The World Bank, 2014, p. XIII).

So the report suggests that 'four areas stand out as opportunities for action - (1) development of cooperative basin-wide information systems and institutions; (2) flood management using both hard and soft techniques; (3) hydropower development and trade; and (4) groundwater development for irrigation' (The World Bank, 2014).

Ever since Bangladesh supported Nepal's proposal for cooperation in the water sector at the regional level, she has been pursuing a consistent policy about water relationships with the neighboring countries. Her National Water Policy of 1999 emphasized the need for entering 'into agreements with co-riparian countries for sharing the waters of international rivers, data exchange, resource planning and long-term management of water resources under normal and emergency conditions of flood, drought and water pollution' (p.4). Also, among other things, it further emphasizes the need for working jointly 'with co-riparian countries to harness, develop, and share the water resources of the international rivers to mitigate floods and augment flows of water during the dry season' (p.5).

The Water Resources Strategy of Nepal (2002) and the National Water Plan of Nepal 2005 have also talked about the importance of regional cooperation among

the Ganga basin countries in the water resources sector. Nepal's *National Water Resources Policy*, 2077 BS, also talks about the international rivers, it states that the country would deal with and manage the international dimension of water resources to gain optimum benefit (p.4).

Of the Ganga-basin countries, India is a major player. In other words, the type of policy she adopts has greater implications for the water relationship among the Ganga basin countries. She has been pursuing a policy of bilateralism. In other words, about her water resources relationship with neighboring countries on transboundary rivers India's National Water Policy of 2012, as she is yet to come up with a new water policy, clearly states that India would enter into 'international agreements with neighboring countries on a bilateral basis for the exchange of hydrological data of international rivers on near real-time basis' (pp.11-12). Also, she would negotiate on a bilateral basis 'sharing and management of water of international rivers...keeping paramount the national interest' (Government of India, 2012, p.12). But lately, India seems to be changing her thinking on the water-related issue with her neighbors, i.e. moving towards cooperating with the neighbors at the river basin level.

From the South Asian Association for Regional Cooperation (SAARC) to the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) via South Asian Growth Quadrangle (BBIN)

The South Asian Association for Regional Cooperation (SAARC) was established on 8th December 1985 with such objectives as, among other things, promoting the welfare of the peoples of South Asia, contributing mutual trust, and promoting collaboration and mutual assistance in the economic, social, cultural, technical, and scientific fields. One of the areas identified by the member countries for cooperation related to water is Energy, which has been lumped under the heading - Energy, Transport, Science, and Technology (http://saarc-sec.org/areas_of_cooperation/area_detail/energy-transport-science-and-technology/click-for-details_10). Also, there exists a SAARC Framework Agreement on Energy Cooperation (Electricity), 2014. This framework provides the basis for the SAARC countries to engage in energy (electricity) cooperation. But, first of all, the framework is yet to come into force as only four of the eight countries - Bangladesh, Bhutan, India, and Nepal – have so far ratified it (Ibid). Secondly, its success largely depends upon the relationship between the two large member countries – India and Pakistan. The mainly obvious reason, i.e., the strained relationship between India and Pakistan, the SAARC framework on energy has remained on paper only.

The relationship between the two countries has not only impacted the implementation

of the framework on energy, but also the success of the SAARC itself. Thus, based on the state of the relationship that exists between India and Pakistan, it is clear that the South Asian countries have to travel a long way in having fruitful cooperation among themselves in all sectors including water and energy. And so long as the relationship between these two countries remains strained, the SAARC in general, and its framework on energy, in particular, are not going to bear fruits. Furthermore, the SAARC has become almost dysfunctional, although one could argue it (SAARC) has not yet lost its significance.

In the meantime, the idea of Sub-regional cooperation has also got developed and a framework has been created. The idea of sub-regional level grouping and cooperation in the form of the 'growth triangle within South Asia, to remind the readers, was first discussed and agreed upon in May 1996 during the meeting of the SAARC Council of Ministers in New Delhi. A follow-up, in December 1996, Nepal formally proposed to form a South Asian Growth Quadrangle (SAGQ) consisting of Bangladesh, Bhutan, India, and Nepal [BBIN]...during the SAARC Foreign Ministers' Conference. The proposal got instantly approved by all the concerned countries (Sukla, 2019, p. 2). And it was finally approved at the Ninth SAARC Summit held in May 1997 in Male, Maldives (Karim and Balaji, 2016, p.5).

The South Asia Growth Quadrangle/BBIN was launched, with a view to, among other goals to be achieved, 'create an enabling environment for accelerating economic growth' among the member countries (<https://aric.adb.org/initiative/south-asia-growth-quadrangle> and <https://aric.adb.org/initiative/south-asia-subregional-economic-cooperation-initiative>). But it had not been able to make any headway due to many reasons. One of the most important reasons is fear, on the part of the member countries of being dominated by India. But most importantly, regarding the water resources relationship, India was more interested to pursue the policy of bilateralism with her neighbors. Trying to provide the rationale for the adoption of such a policy by India, Karim and Balaji have written (2016) that 'it was important that there should first exist at least three sets of strong and good bilateral relations between contiguously located neighboring states. While excellent bilateral relations existed between Bangladesh and Bhutan and between Bhutan and India, relations between Bangladesh and India in the years before 2008 had hit a new nadir.

Getting bilateral relations right between these two countries, therefore, assumed critical importance. Both countries set about in real earnest to reset and reconfigure their bilateral relations. Between 2010-2011 Prime Ministers of the two countries exchanged visits to each other's countries; the long-festering (since 1974) land boundary agreement and its protocol that would operationalize it was signed as a

game-changing Framework Agreement for Cooperation and Development (FACD) in September 2011' (pp. 5-6) The latter actioned on both countries to take initiatives together to promote regional and sub-regional cooperation by drawing other countries of the region into collaborative engagements in various sectors, most importantly important activity, investment, energy, and water basin management sectors' (Ibid). Only after the signing of the FACD in 2011, as Karim and Balaji think the importance of BBIN was being emphasized.

Also, based on the contents of the joint statement issued at the end of the state visit of Sheikh Hasina, Prime Minister of the People's Republic of Bangladesh to India in 2017, one could argue that India has shifted its policy on water resources relationship with her neighboring countries. Although she has yet to come up with a new water policy, what caused India to change her policy of bilateralism to work through the BBIN in the water sector, needed to be explored. The South-North Water Transfer Project of China and her decision to go ahead with the construction of a new run of river-type hydropower projects on the Brahmaputra River (known as Yarlung Zangbo in the TAR/PRC) under the new energy development plan of 2015 (*The Times of India*, Jan. 30, 2013, and *Business Line*, the *Hindu*, March 28, 2013), seemed to have hastened or compelled India to change her water relation policy with neighboring countries, especially with Nepal and Bangladesh. The signal of the policy shift had been indicated by the *Hindu* daily in its April 15, 2013 issue. From this perspective, one could argue that India now wants to join hands with her neighboring countries through BBIN to improve her bargaining power with China about the waters of Brahmaputra.

The BBIN operates 'through inter-governmental Joint Working Groups (JWG) comprising senior officials of respective governments, under the aegis of their respective foreign affairs ministries but drawing in representatives of other concerned ministries/agencies of the government. Two such JWGs were set up, one on Trade, Connectivity, and Transit, the other on Water Resources Management, and Power/hydropower trade and Grid Connectivity' (Karim and Balaji, 2016, P.6). The third meeting of its JWGs, including that of the water resources, was held in Dhaka between 19 and 20, 2016. The JWG on water resources had decided that 'an Experts Group (EG) would be constituted for exchanging best practices in water resources management and on specifics of the identified projects, power trade, inter grid connectivity, flood forecasting and other areas of possible cooperation (BBIN 3rd JWG meeting on Sub-Regional Cooperation held in Dhaka (Press Release) - nepalforeignaffairs.com) and BBIN cooperation on water, power, connectivity carried forward | Business Standard News (business-standard.com)).

Since 2016, there has been neither meeting of JWG on water resources nor any information about the formation of its expert group (EG) available. Thus, from the point of view of water resources and energy cooperation among its member countries, it (BBIN) is in a state of limbo. However, some studies on energy cooperation in this region have been undertaken by some institutions. For example *Centre for International Trade, Economics & Environment (CUTS CITEE)*'s study entitled *Energy Cooperation in the BBIN Region of 2022* (Energy Cooperation in the BBIN Region | Welcome to CUTS CITEE (cuts-citee.org)). Similarly Integrated Research and Action for Development (IRADe)'s study on Cross Border Electricity trade with specific reference to India and its neighbors, namely, Bhutan, Bangladesh, and Nepal under the South Asia Regional Initiative for Energy Integration [SARI/EI] (Cross Border Electricity Trade | USAID SARI/Energy Integration (sari-energy.org)) could also be cited as another example.

On the one hand, energy cooperation at the BBIN level, except for some studies, is yet to take off the ground; on the other hand, Nepal, during Prime Minister Sher Bahadur Deuba's visit to India in April 2022, through a joint press briefing along with PM Narendra Modi, announced a vision statement. As per this statement both sides have agreed to work on '(a) joint development of power generation projects in Nepal, (b) development of cross-border transmission infrastructure, (c) bi-directional power trade with appropriate access to electricity markets in both countries based on mutual benefits, market demand and applicable domestic regulations of each country, (d) coordinated operation of the national grids and (e) institutional cooperation in sharing latest operational information, technology, and know-how'. (MEA | Statements: Bilateral/Multilateral Documents and India-Nepal Joint Vision Statement on Power Sector Cooperation (Narendra Modi. in). In addition, they agreed 'to include their partner countries under the BBIN framework (<https://tkpo.st/3wVeN6g>).

In addition, during the secretary-level Joint Steering Committee (JSC) meeting on energy cooperation between Nepal and Bangladesh held at Kathmandu in August 2022, the Nepal Electricity Authority and the Bangladesh Power Development Board decided to request India's NTPC Vidyut Vyapar Nigam (NVVN) *for a trilateral energy sales and purchase agreement*. They planned to trade power using the Baharampur-Bheramara cross-border power transmission line, which links India and Bangladesh. It was also decided to request India to allow Nepal to export 40-50 MW of electricity to Bangladesh in the initial phase. In line with the decision made in Kathmandu, Bangladesh raised the issue at the highest level in New Delhi during the last week of September 2022 (Tripartite deal needed to import power to BD from Nepal via India observerbd.com and Power Corridor: A New Dimension

Of India-Bangladesh Relations And Energy Security – OpEd – Eurasia Review). In other words, during her visit to India from 05-08 September 2022, Prime Minister Sheikh Hasina of Bangladesh requested India to allow its infrastructure to import power from Nepal and Bhutan. ‘The Indian side informed that the guidelines for the same are already in place in India’ (India - Bangladesh Joint Statement during the State Visit of Prime Minister of Bangladesh to India (mea.gov.in)). Indeed, *India’s Guidelines for Import/Export (Cross Border) of Electricity, 2018* contains a provision that makes it possible for Bangladesh to import power from Nepal through the use of Indian infrastructure, for which there has to be a tripartite agreement amongst them, which has to have the approval of the Government of India. To implement the provisions of the guidelines, an operational procedure has been approved by the Government of India in February 2021. The procedure has a restrictive provision, i.e. Section 8.2 (b), based on which the Government of India could use discretionary power while deciding whether or not to allow the use of the Indian infrastructure for the export of power from Nepal to Bangladesh by taking into account the source of funds that is invested to generate power from a hydropower project. In other words, it would not be easy for Nepal to export power to Bangladesh from those hydropower generating stations in which there is an investment of the third party, especially those of the Chinese government/firms.

While BBIN, on the one hand, is in a state of limbo and the 2021 procedure approved by the Government of India has some restrictive provisions, India, on the other hand, has shown its interest to look toward the east and, for this purpose, to use the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) as another vehicle for regional cooperation.

BIMSTEC is a sector-driven grouping organization. Energy is one of the areas in which BIMSTEC has focused its attention (History – Home-The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)) and this sector, from among its member countries, is led by Myanmar. Its energy center is to be established in Bengaluru in India. In addition, the Memorandum of Understanding (MoU) for the establishment of the BIMSTEC Grid Interconnection had been signed on 31 August 2018 at the Fourth BIMSTEC Summit held in Kathmandu, Nepal (Salient Facts on BIMSTEC Energy Cooperation – Home-The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)).

At the end of the third BIMSTEC Energy Ministers’ virtual meeting, which was coordinated by Nepal on 20th April 2022, Ministers, among other things, directed the ‘Expert Group on Energy to develop a Comprehensive Plan for Energy Cooperation

on how the energy trade should be conducted among the BIMSTEC Member States. The meeting also directed the preparation for the establishment of the BIMSTEC Energy Centre (BEC) to act as a center of excellence in research and sharing of experience to strengthen cooperation in the energy sector among BIMSTEC Member States. Regarding the MOU on Grid Interconnection 2018, ministers approved the establishment of the BIMSTEC Grid Interconnection Coordination Committee (BGICC); its Terms of Reference (ToR) to get the MoU provisions implemented; and directed the BGICC to conclude the BIMSTEC Grid Interconnection Master Plan Study with the support of Asian Development Bank at the earliest (BIMSTEC Energy Ministers adopt Joint Statement calling for accelerating Energy Cooperation in the region – Home-The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)).

The success of BIMSTEC's effort in the energy sector, especially the interest of Bangladesh to work with Nepal in this sector, largely depends upon the attitude of India. Regarding the attitude of India toward electrical power trading with and among neighboring countries, procedures approved by the Government of India in September 2021 may look liberal (India introduces a procedure that will allow Nepal to export power to it (kathmandupost.com [18th October 2022]), but, as already indicated above, it is restrictive. If not, the provision related to verifying ownership of the electrical power generating station would not have been included in the procedure 2021.

Whether or not India will do away with restrictive provisions from the 2018 and 2021 documents time will tell. Therefore, we will have to wait for some years to judge whether or not BIMSTEC would also be a useful mechanism for promoting electrical power trade among BIMSTEC countries, including the export of hydropower from Nepal to Bangladesh through India.

Tibetan Autonomous Region of Peoples the Republic of China as a part of Ganga- Brahmaputra Basins

Normally we forget China during the Ganga-Brahmaputra basin-related discussions. Some even doubt if there was a need for including the People's Republic of China (PRC) on board in the discussions on Ganga basin-related matters. But I think its inclusion in the discussions is essential. Because, firstly the Tibet Autonomous Region (TAR) of the PRC forms part of the basin, as 3.08 percent of its territory falls under the Ganga Basin (Table 1). Secondly, India herself has raised concerns about developments in the Brahmaputra River and China's basin transfer schemes. She is worried about possible 'devastation in India's north-eastern...either with floods or reduced water flow' (<https://economictimes.indiatimes.com/news/politics-and->

nation/why-india-is-worried-about-chinas-dam-projects-on-the-brahmaputra-river/articleshow/54691589.cms). In other words, India and another lower riparian country, Bangladesh, rely on Brahmaputra's water for agriculture purposes (Neeraj Manhas and Hari Yadav G, 2022: Relooking India-China Water Relations: A Major Concern? | The Financial Express). In such a context, both India and Bangladesh would be badly affected if China goes on building dams 'across the region and water division plans along the Brahmaputra region' (Ibid). It would also create 'tension if Beijing diverts stormwater in times of political crisis' (Ibid). In this regard, India's Strategic Affairs Expert, Brahma Chellaney, thinks that 'the issue between India and China is that there is no understanding, no agreements on international rivers (Quoted in Manhas and Yadav, 2022)

It may be added that there exists hydrological data sharing MoU as well as the Expert Level Mechanism (ELM) between India and China to share the hydrological data of Brahmaputra River (Yarlong Zangbo) and Sutlej River (Langqen Zangbo) during the flood seasons (China to resume sharing hydrological data with India on Brahmaputra | India.com). But such an arrangement, experts think, is not sufficient there is a need for some sort of agreement or joint declaration between the two countries on international rivers (Neeraj Singh Manhas and Hari Yadav G, 2022: Relooking India-China Water Relations: A Major Concern? | The Financial Express).

In addition to the call for some sort of agreement with the PRC on Brahmaputra, former Water Resources Secretary of India, Ramaswamy R. Iyer draws our attention towards India's inconsistent policy about its thinking about rivers. On the one hand, according to him, India is concerned with the Chinese interventions on the Brahmaputra and, on the other, she is herself 'constructing many projects in its territory, giving rise to domestic protest movements' (Ramaswamy R. Iyer: Neighborhood Tensions: India's Trans-Boundary Water Relations > Articles | (globalasia.org). Its interventions in the Brahmaputra would cause alarm in Bangladesh. 'If it is all right for India to go on a project-building spree on the Brahmaputra, with what moral justification can India object to China doing so?' (Ibid). Therefore, 'it is clear that India needs to reconsider its thinking about rivers, and achieve a degree of consistency between what it does internally and what it expects its neighbors to do, and between its behavior toward its downstream neighbors and the behavior that it expects from China' (Ibid).

Way Forward

From the above narratives, it should be clear that the water and energy relationship among Ganga-Brahmaputra basin countries, except for India-Bhutan relations is not congenial. (Ibid). So first of all, the basin countries have to make the optimum use

of existing institutional mechanisms and implementation of bilateral agreements in their letter and spirit. SAARC may have become a dysfunctional organization for, as already indicated elsewhere, obvious reasons. Similarly, from the point of view of actions or implementation of decisions made, both BBIN and BIMSTEC may not have proved to be effective institutions in improving the water and energy relationship among the member countries. But since the countries of the Ganga – Brahmaputra basins are the members of these organizations, these organizations should be made more effective through the pursuit of a regional approach in the real sense in cooperating in the water and energy sector the by basin member countries and, the decisions of made by the BBIN and BIMSTEC should be implemented earnestly by the concerned countries.

The other important facts are that the TAR/PRC, Nepal, India, and Bangladesh are connected by the Ganga River. Likewise, the Brahmaputra River connects TRC/PRC, India, Bhutan, and Bangladesh. Therefore, in the context of growing water scarcity to meet increasing water demand in all the countries falling under the Ganga-Brahmaputra Basins, their attention should be on the water, as hydroelectricity is only its product. What is needed is that they should realize its importance and ensure the optimum use of the water available without comprising the right of the future generation over this valuable resource. For this, they should get seriously engaged in the discussion on how best they could cooperate in the water sector so that all the basin countries would be able to be in a win-win situation. In addition, there is also no need for any country from the Ganges/ Ganga and Brahmaputra basins to feel shy to engage and involve PRC in the exercise undertaken by BBIN and BIMSTEC about water resources sector/ cooperation among the Ganga and Brahmaputra River basins.

In addition, what is also needed is the initiation of a series of sensitization programs, such as round table conferences, dialogue, talk shows, etc. for different stakeholders (policymakers, press media, academia, and researchers) of the Ganga-Brahmaputra basin countries about the benefits of cooperation in the water sector. Such sensitization programs could be organized by the academic/research/think tank institutions of the countries falling under the basins or by institutions such Mekong River Commission.

Conclusion

To conclude, TAR/PRC, Nepal, India, Bhutan, and Bangladesh are linked to each other by the two important rivers – the Ganges and the Brahmaputra Rivers. Therefore, it would be desirable for these countries to work closely for the optimum use of the waters of these rivers for the benefit of their people. Since the Meghna

River is also a transboundary river and flows down the sea through Bangladesh, this river should also form the part of water discourse among the Ganga-Brahmaputra River basin countries (TAR/PRC, Nepal, India, Bangladesh, and Bhutan).

As China is an upper riparian country in both the Ganga and Brahmaputra River basins and India is a main player in the Ganga Basin countries, the attitudes of these two countries would play a very important role in the discussion on the water-related issues among the basin countries of Ganga - Brahmaputra – Meghna River basins. Sooner the better if they change their attitude and do away with the historical legacy for fruitful cooperation in the water sector among the BBIN and BIMSTEC countries falling within the Ganga - Brahmaputra – Meghna River basins.

Nepal as part of the Ganga Basin and as it is also a member of both the BBIN and BIMSTEC, in the exercise of her economic/development diplomacy, could contribute to bringing these two countries together to improve the livelihood of millions of people living in the Ganga-Brahmaputra-Meghna River Basins.

Table 1: Ganga Basin Area Distribution

S.N	Country	Basin Area km2	Percentage of Total Area
1	China (TAR)	33,520	3.08
2	Nepal	147,480	13.56
3	India	860,000	79.10
4	Bangladesh	46,300	4.26
	Total	1,087,300	100

Source: Hari Man Shrestha and Lekh M. Singh, The Ganges-Brahmaputra System: A Nepalese Perspective in the Context of Regional Cooperation, Asian International Waters 1996 (Quoted in Iswor R Onta, Harnessing the Himalayan Waters of Nepal: A Case for Partnership for the Ganges Basin: An Invited Paper for Ganges Forum, Sponsored by IWRA and UN University, Tokyo, March 18-20, 1998, Calcutta).

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Making Foreign Aid Effective Nepal's Success Stories Underscore the Criticality of Empowerment at the Grassroots

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Abstract

The rationale supporting foreign aid has been that it enhances the investment capabilities of poor countries to achieve accelerated national development. But Nepal's experiences suggest that there is more to it than that. Foreign aid can be effectively delivered only if sufficient institutional preconditions are put in place in the country.

Background

Foreign aid made its debut in Nepal in the form of the then Point Four Program Agreement with the United States some three-quarter centuries ago in January 1951 during the dying days of the Rana rule (Pandey, 2017). While it has been a subject of sustained controversy and criticism ever since its inception, it is also credited with the ability it conferred on post-Rana governments in the country to project their benign image to the people. The point was made by a US Aid Advisor John Cool in a report to the then minister for development in Nepal that the US-funded Village Development Service was the very first initiative in the country to project its "non-taxing, non-repressive, non-punitive manifestation of the national government in large areas of the country" (Cool, John, 1962). As things stand today, just about every single field of administration and development both in the government and non-government sectors has come under its sway. Foreign aid was seen as a necessary complement to domestic resource capabilities to promote accelerated national development in underdeveloped parts of the world. Given such a rationale foreign aid had a major role in Nepal's development planning since its very inception, periodic development plans mostly depended on it. For instance, while the total development outlay of Rs. 383 million of Nepal's First Five Year Plan (1956-61) was wholly (100%) met by foreign aid, it accounted for 77.8% in the Second Plan (1962-65), 56.1% in the Third Plan (1965-70), 45.0% in the Fourth Plan (1970-75), 48.1% in the Fifth Plan (1975-80) and 61.0% of the total planned

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outlay of Rs.13260 million of the Sixth Plan (1980-85) (Panday, D.R. 1983:275). This dependence continues unabated in the country.

Foreign aid has also been historically crucial for Nepal for keeping its balance of payments in the black, particularly during the decades when remittance, unlike today, did not figure prominently in the economy. Nepal's import bill has always exceeded its export earnings by a wide margin and it was this structural compulsion that made it necessary for Nepal to welcome foreign aid in any form. It was, however, a paradox of sorts. While the donor agencies were interested in the possible development outcomes from their aid dollars, Nepal, for its part, was more intent on those greenbacks. As a result, during the days of the Seventies in particular, when project negotiations were held between teams of donors and Nepal government officials in connection with various rural development projects, the finance ministry representative in the Nepali team always tried to make sure that the discussion did not get protracted causing possible delay to the flow of aid dollars. It then seemed that the de facto motto of our foreign aid division was that foreign aid money coming into Nepal in any form could not be good for the country.

Landmark Review of Foreign aid in 1983 and Scandalous Takeaways

By the early Eighties of the last century, foreign aid had become a subject of immense controversy in Nepal as much as internationally. In 1983, the then-academic non-profit, Integrated Development Systems (IDS), then under Dr. Devendra Raj Panday, a former finance secretary (also head of the foreign aid division for many years previously) organized a landmark seminar to examine the relationship between foreign aid and development in Nepal, introducing the intent of the seminar it lamented that "development defined in terms of increase in productivity, as one must for a country as poor as Nepal, continues to be elusive. While there has been significant progress in infrastructure, the quality of life judged in terms of social indicators e.g., adult literacy, infant mortality, and so on is far from satisfactory." The seminar was thus intended "to influence the machination and mechanics of international aid to Nepal in a manner which makes them more responsive to the socio-economic reality of the country" (Panday, 1983).

The takeaway from the seminar was largely the scathing of foreign aid in Nepal. In course of delivering his concluding overview of the seminar, Dr. Panday had gone on to paint a dismal picture of the performance of foreign aid in Nepal. While observing that foreign aid to Nepal was "for the socio-economic upliftment of its people" its poor performance made it seem like "only an instrument of collusion between the urban elites and their rural counterparts and the country's ruling class and the donors." He had then gone on to his bombshell conclusion that "from the

point of view of the needs and the problems of the Nepali people, such aid might as well be stopped altogether." (Ibid:303-4).

What was particularly ironic then was that this negative prescription had come from a professional who had worked almost his entire career in the government managing foreign aid. This position was later repudiated by someone anonymous claiming to be a "'silent' participant' in the seminar, most possibly an expatriate. In a post-seminar letter to Dr. Panday, he had written that "Your plea demanding that foreign assistance to Nepal should be stopped for at least some time...had a stunning effect on the participants of the seminar, I fear, and most participants may have tried to comfort themselves by dismissing it as an unreal and impractical proposition. Your plea, in its true implications, is tantamount to a call for revolution couched in the technical language of economics and foreign aid" (Silentparticipant", 1983).

Similarly, another subject examined in the seminar was the possible impact of foreign technical assistance--that invariably accompanied foreign-aided projects--on the growth of administrative capability in Nepal. In this regard, it was observed that most donor officials felt that "their Nepalese counterparts' and other officials' understanding (of the subject matter), commitment, and diligence leave much to be desired. Most donors react to this situation by having their people take control (or try to take control) of the project and do the things that Nepalese should have been doing. In bilateral aid programs, it is still worse. A large contingent of 'advisors' representing a whole range of important sectors, including management and accounting is brought in to help a project, with the consequence that because of their superior training and experience and effective control over the flow of funds, they virtually tend to take over the project and run it as an enclave administration." (Shrestha, 1983, pp. 214-5).

Given such a state of foreign aid in Nepal, it has, by and large, failed to make a significant dent in the lives of the people over the decades. While some countries galloped to prosperity (e.g. South Korea, Malaysia, etc.) during the time, Nepal continued to remain "least developed" in international ranking and one of the poorest in the world.

Nepal's Search for Solution: Empowering the users at the Grassroots

However, during the Seventies when King Birendra had been routinely traveling in the countryside, there was a compulsion generating in the country to make rural development more effective, and the pressure was more so on donor-funded projects due to the vast sums of resources involved. The WB-funded IRD project in Rasuwa and Nuwakot districts, in some sense, played a catalytic role in this regard. Like elsewhere, the benefits from this high-value project were not getting

to the villages. There was a clear need to empower the people themselves at the grassroots to manage their development programs and to demand accountability and delivery from the generally corrupt and non-performing government bureaucracy and elected political officialdom and the insular donor management system. It was obvious that the intended beneficiaries of the project at the grassroots should be empowered so that they could demand accountability from those project officials in the two districts. The idea was to organize those intended beneficiaries into formally empowered User Groups.

The idea of user groups itself came from an ethnographic study of 1971 that had hit upon a perfectly functioning hundreds of years old traditional irrigation system called *JachauriKulo*--or the canal that belonged to the local Thakuris of Jachauri clan-- in the HaadSinja village of Jumla district. The canal was managed by the local landowners themselves with every drop of water put to proper use and its locally recruited operators were compensated by the landowners in post-harvest grain based on the size of the land owned. There was no external support of any kind, no government or donor grants, or external technical support of any kind. For all practical purposes, the canal was a relic of the ancient Karnali civilization and a testimony to its capacity for creativity and ingenuity as well as for organizing itself for collective survival and prosperity.

In a way, it was an accident of history that the ethnographer who studied the village happened to be a government official too who went on to take charge of the local development component of the RasuwaNuwakot Rural Development Project in 1976 and introduced the learning from the *JachauriKulo* into the policy regime governing the project. The new policy required that project-specific user groups, composed exclusively of the direct user of the proposed project, should be organized in advance and that the project funds must flow exclusively through such groups only. While it bypassed the corrupt bureaucracy and politicians, this newfound power at the grassroots also put the former into a position of having to respond to the demands emanating from the grassroots.

Once it became evident that this was a more effective way to bring developmental benefits to the villages, it became a sustained agenda on the part of the anthropologist-official to integrate it with the larger policy regime of the state. Following the announcement of the national referendum by King Birendra in 1979, a new Local Development Ministry came into being the same year, and the anthropologist-official, by now a Joint Secretary, took charge of writing its mandate for cabinet approval that included the institution of user groups as the institutional vehicle for local development nationwide.

But inter-agency rivalry and intolerance between various development ministries stood in the way of the local user groups being recognized as the universal institutional mechanism for development at the grassroots. Therefore, to overcome this inter-ministerial hostility towards this user-owned and user-managed institution at the grassroots, it became necessary that the institution be made legally mandatory through legislative statute.

After some dogged effort, that opportunity too came to pass. Using the routine royal address to the nation on Poush 1, the Constitution Day in 2038 BS in which King Birendra had referred to the need for devolving authority down to the village communities, the anthropologist official was able to persuade the newly formed high-powered Panchayat *Niti Janchbujh Samiti* (Panchayat Policy and Investigation Committee), the putative politburo of the Panchayat System and chaired by the Speaker of the then legislature, the Rashtriya Panchayat, to undertake a field study for devolution of authority as exhorted by the King. And the anthropologist-official found himself appointed as the member-secretary of the new Decentralization Subcommittee constituted under a former foreign minister and composed of Panchayat politicians with known inclinations for decentralization. It was the report of this Sub-Committee that had led to the enactment of the Decentralization Act of 1982 by the Rastriya Panchayat that incorporated the institution of User Groups, or *Upabhokta Samuhain Nepali*, as the legally mandatory institutional mainstay for local development in the communities (Ministry of Panchayat and Local Development, 2039 BS). Following the formulation of Implementation Bylaws, the Act was formally promulgated across the country. The fact that today all government and non-government agencies almost habitually go on to form *Upabhokta Samuhas* for executing any local development project all over Nepal owes its origin to the Decentralization Act of 1982.

Two Immense Success Stories in which Multiple Donors Played Coordinated and Crucial Roles

While Nepal remains an unflattering example of corruption, impoverishment, and backwardness on the world stage, the country has made a great name for itself when it comes to its achievements in community forestry and mother and child health. Both these successes come from the empowerment of the users themselves at the grassroots, the forest user groups (FUG) in the case of community forestry and the mothers' groups (MG), and their own female community health volunteers (FCHV) in local healthcare. They now number around 22,000 and 52,000 respectively and saturate the country.

Nepal's forests had come under severe stress after its nationalization in 1957 which led to its sustained destruction over the decades that followed. While the World Bank had come to Nepal's aid in 1978 with its multimillion-dollar Community Forest Project, it did not achieve much because the locally elected politicians, *Panchas* were put in charge of managing what was then called *Panchayat forests* and *Panchayat-protected forests*, and not the real users themselves. For the corrupt forestry organization of the government, it was business as usual. Even after the promulgation of the Decentralization Act should have forced them to go for FUGs. But they had dithered and evaded it under the alibi that they had their own Forestry Act and Forestry Rules that allowed them to control the forests down to the villages. However, in around 1987, there was a godsend World Bank mission for Structural Adjustment Loan in town, and the anthropologist-official, now in the National Planning Commission, I was able to persuade it to use the introduction of FUGs in forestry as one conditionality for the proposed massive loan. It clicked. Once the Finance Ministry went after the Forest Ministry, they relented and the amended Forestry Rules inducted the FUGs in April 1988.

The impact was dramatic. While it had taken some three decades for Nepal to near destroy its forest following the 1957 nationalization, it took Nepal only about a decade to rejuvenate its forest wealth, because all the users all across the country had taken to protecting and conserving them. While Nepal benefitted strategically from the World Bank intervention in one of its biggest success stories, the comical irony was that it did not cost the Bank even one American cent. It should give the Bank a pause for thought on how to help its borrowers more effectively and cost-effectively.

Nepal's forestry success has been widely applauded around the world. For instance, while the World Future Council based in Hamburg, Germany recognized Nepal's forest policy as "one of the best in the world" in 2011, the Nepal government itself had officially offered to "share its successful experience and expertise in community forest management" with the rest of the countries in South Asia in the 2016 Mini SAARC Summit held in Nepal (Giri and Sharma, 2016). Today, the FUGs have established themselves as also rich local institutions that fund many local development activities including those for poverty reduction in their communities.

Similar has been the success of Mothers' Groups, the health sector version of User Groups, and their FCHVs in mother and child health. While Nepal's health indicators had been one of the worst in the world up until the mid-Eighties, the situation was completely transformed following the introduction in 1988 of the Mothers' Groups at the grassroots including the assignment of one of their members as Female Community Health Volunteer (FCHV). They are trained by the government health system to equip them with some basic health skills and are vested with the authority

to access health services from the government health post in their locality. The advent of the MGs and FCHV on the scene ensured the expanded access of village women and children to necessary health services. Following these institutional reforms, the country's health indicators improved dramatically. The infant mortality rate that had stood at 111 per 1000 live births in 1988 has since declined to 23 deaths per 1000 live births in 2023. The Under-5 mortality rate too plunged from 180 per 1000 live births in 1980 to just 29 (male) and 26 (female) in 2023.

In December 2009, four donor agencies namely, UNICEF, Save the Children, WHO, and Australian Aid put out a joint media statement to compliment Nepal for its health achievements. It said, "In an international partners' forum meeting convened in Hanoi on 18-20 November 2009 Nepal and Vietnam were the only two among the seventy-two developing countries to receive awards for the significant progress made in the area of child survival. In Nepal, infant mortality has declined by 41% over the past 15 years, and under-five mortality has declined by 48%. Nepal is only one of the seven developing countries on track to achieve MDG 4 and the only country that is ahead of schedule for meeting its target before 2015" (Kantipur, 2009). Again, it bears mentioning that it was the same anthropologist-official who in 1988 was an Additional Secretary in charge of the Primary Healthcare Program in the Ministry of Health who had spearheaded this initiative based on the principle of user empowerment.

Conclusion

The first conclusion of this analysis is that left to themselves the foreign aid projects--that are invariably designed by expatriate experts--would most likely fail to relate with the socio-economic realities of the host system and would eventually dissipate with little positive effect left behind. However, as shown by the success stories in forestry and healthcare, foreign aid can be made very meaningful and effective if it were to be dovetailed with necessary policy and institutional reforms in the host system. For instance, there were some eight different bilateral, multilateral, and INGO donors involved in the primary healthcare sector in 1988, each of them doing their bidding in mutually separate compartments even as the health indicators of the host nation remained dismal. The same has been the story with forestry too in which many major bilateral and multilateral donor agencies were engaged.

Second, amidst widespread corruptibility and lack of sense of accountability among political leaders and government officials in Nepal, the only method that delivers would be to tie up the donors with the empowered users at the grassroots who get to manage their affairs even as the donor and government officials are structurally required to be responsive to the former. In sum, the supremacy of the beneficiaries must be the catchword.

Third, change-making in a system that is still feudalistic in character as in Nepal is a difficult proposition. A person must remain alert all the time on the lookout for opportunities to make a difference at the first possible instance and try to institute the intended change that makes professional sense. Professionalism, therefore, remains a crucial element for change-making in government and society but is most often in very short supply in the government as well as in society. Building professional competencies in the government must be one of the priority donor concerns in Nepal. They must help the government institute personnel policies that place a high premium on professional capabilities on the part of government officials.

Finally, there must be a strong congruence between donor and host system priorities in Nepal. In both the success stories of forestry and healthcare discussed above, empowerment of users at the grassroots through devolution of necessary authority has been a subject of priority for the concerned donors as well as for the intended beneficiaries of a given development project and not the corrupt politicians and bureaucrats at higher levels. For instance, the concerned donors never objected to the policy of forming and empowering user groups at the grassroots. In other words, the donor community and the professionals in the host system must constantly work together to make sure that their projects deliver.

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The Relationship between Nepal and Japan: Diplomacy and Development

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Abstract

After learning that Japan had developed and made marvelous progress because of education development, the then reformist Rana Prime Minister Dev Shumsher decided to send eight Nepalese students with the spirit of "Let's learn from the East". Later, the students sent to Japan during the Chandra Shumsher era became beneficial and effective not only for the transfer of knowledge, skills, and technologies; it has also helped to bud the relationship between Nepal and Japan. Later the diplomatic relation was established on September 1, 1965. Furthermore, the relationship between both nations has been strengthening through high-level exchange visits, people-to-people relationships, and development diplomacy. Japan has been helping Nepal in key sectors such as human resource development, health, agriculture development, infrastructure development, environment protection, culture, etc. through grants, loans and technical support. This has made a great contribution to the socioeconomic development of Nepal. Nepal and Japan's relationship is without any problems since the establishment of the relation between the two countries and put similar views on the international agenda in the United Nations (UN) and international platform based on the principles of peaceful coexistence, sovereign equality of the states, and non-alignment. In this context, this paper tries to advocate for the promotion and integration of science diplomacy to deepen ties between Nepal and Japan in the era of science and technology so that more long-term benefits could be achieved from Japan for the sustainable development of Nepal.

Keywords: Development Diplomacy, Foreign Policy, Official Development Assistance (ODA), People-to-People Relations, Science Diplomacy.

Introduction

Nepal's foreign policy's primary goal is to uphold the dignity of the country by preserving independence, sovereignty, and territorial integrity while fostering Nepal's economic wellness and prosperity, and promoting security, harmony, and peace on a worldwide scale (GoN-MoFA, 2021). Based on this primary goal, Nepal is extending its foreign relation with various countries of the world. On this background, the relationship between Nepal and Japan seem to be started when Buddhist monk Ekai Kawaguchi 1898 visited Nepal on the way to Tibet. It is

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considered to be the reason to sprout the relationship between Nepal and Japan. After learning from monk Kawaguchi that the reason behind the development of Japan is the development of the education and the patriotism of the citizens, according to the plan of Dev Shumsher, the then Prime Minister Chandra Shumsher sent eight Nepali students to Japan on April 29, 1902 for pursuing higher education in between 1902-1905 (GoN- MoFA, 2023). After the return of the Nepali students, it seems that they have contributed to improving Nepal-Japan relations by communicating the education, language, culture, and customs learned from Japan in Nepali society. While King Mahendra was willing to expand foreign relationships of Nepal with others to reduce over-dependency on neighbors, his coronation ceremony in 1955 became a good opportunity to prepare a background for the establishment of diplomatic relations with Japan. Japanese people faced weak morale due to the hardships suffered from the Japanese in the Second World War and the atomic bombings of Hiroshima and Nagasaki, on May 9, 1956. In the meantime, Japanese citizen Toshima Imanisi and Nepali citizen Galen Norbu Sherpa successfully climbed the world's seventh highest snow peak, Manaslu Mountain (8163 m.) in Gorkha, Nepal. This exciting event has also helped to play an important role in establishing diplomatic relations between Nepal and Japan. The relationship became formal with the establishment of diplomatic relations between Nepal and Japan was established on September 1, 1956 (GoN- MoFA, 2023). Japan was the 7th country to establish such relations with Nepal. Both countries Nepal and Japan established an embassy in Tokyo and Kathmandu respectively in 1965 and 1967. In Osaka, Nepal has Honorary Consulate. The relations between Nepal and Japan are marked by close, cordial, and cooperative. The friendly relationship has already passed 66 years. On the occasion of the sixty anniversary of the establishment of their diplomatic relations in 2016, both countries made a grand celebration by organizing many programs.

Japan is a popular tourist destination because Nepal has an abundance of the Himalayas, a cultural legacy, and Lumbini, the birthplace of Buddha. Two significant UNESCO World Heritage Sites, Lumbini in Nepal and Koyasan in Japan, have been sister cities since 2015 (GoN- MoFA, 2023). Japan and Nepal have strong business and investment ties. Some of Nepal's major exports to Japan include pashmina products, ready-to-wear, woolen goods, carpets, handicrafts, Nepali paper and paper products, leather goods, silverware, and jewelry. Among Nepal's major imports from Japan are vehicles and spare parts, electronics, machinery, equipment, iron and steel products, photographic goods, medical supplies, and textiles (GoN- MoFA, 2023). Japan is a large source of foreign direct investment (FDI) into Nepal in addition to being a big trading partner.

Japan has been an important development partner and contributing to the socio-economic development of Nepal since 1954. The friendly relationship between Nepal and Japan has been upgraded with the exchange of high-level visits. The

strong social-cultural bond between the two countries historically has been easing to establish people-to-people relations. The number of Nepali living in Japan has reached more than 87,000 (GoN- MoFA, 2023). Among the foreign communities in Japan, the community of Nepali is 7th largest (GoN- MoFA, 2023). For Nepali students, Japan is the second most preferred destination to study abroad. Looking at the number of Nepali who goes to Japan for higher education and language studies in the number of thousands every year, it seems that the relationship established about a hundred and twenty years ago has made the socio-economic relationship acceptable and strong at the people's level.

Diplomacy and Development

Development diplomacy is a special type of public diplomacy that establishes bilateral ties through actions that promote the welfare of developing nations. Development diplomacy not only serves as a tool for developing soft power but also exclusively uses soft power assets to achieve its public diplomacy objectives (Gulrajani et al., 2022). During the reign of King Mahendra, Nepal and Japan established diplomatic relations. The Japanese Ambassador in New Delhi was concurrently named ambassador to Nepal before the inauguration of the embassy chancelleries in Kathmandu and Tokyo. Similarly, the Nepalese envoy to New Delhi also served as ambassador to Japan at the same time. Their Excellencies Mr. Seijiro Yoshizawa and Mr. Daman Shumsher Rana were subsequently appointed as their respective nations' first ambassadors. (Embassy of Japan in Nepal, 2022) King Mahendra had given the relationship with Japan top priority. In addition to visiting Japan, he hosted a visit of a Japanese prince and princess to Nepal. He also sent the crown prince Birendra, to Tokyo University to study (Embassy of Japan in Nepal, 2022). Being monarchies in both nations at the time, it was important and also easy for the mutual relationship to be strengthened. Later, King Birendra kept giving the relationship with Japan top attention. He traveled to Japan. During his coronation ceremony in 1975, King Birendra proposed a Zone of Peace (ZoP) for Nepal (Malla, 2014). Japan provided its full support to this proposal. The relationship between Nepal and Japan gained continuous priority even after the country adopted a democratic system. To strengthen bilateral ties between the two nations, Prime Minister G.P. Koirala visited Japan while Japanese Prime Minister Mori visited Nepal. Following then, high-level visits and exchanges continue, which has helped to strengthen the ties between Nepal and Japan. Minister of Foreign Affairs Taro Kono of Japan made a recent high-level visit in January 2019 (GoN- MoFA, 2023). During his visit, the foreign ministers of the two nations held a bilateral discussion at the delegation level.

Since the beginning of diplomatic relations, there have never been any issues in the two countries relationship. Both nations are fully committed to the principles of peaceful coexistence, sovereign equality of the states, and non-alignment. They

have faith in the United Nations (UN) and share common political ambitions in many areas. The foundation of their relationships is mutual understanding and respect for each other's ambitions, as well as the five ideas of *Panchsheel* ideas. Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka are the eight member states of the South Asian Association for Regional Cooperation (SAARC), which was founded in 1985. Since April 2007, Japan has been a SAARC observer and has contributed to the implementation of numerous initiatives through the SAARC-Japan Special Fund (SJSF) (GoN- MoFA, 2023). In the multilateral forums, such as the United Nations, Nepal, and Japan have been closely collaborating on issues of shared interest and supporting one another as best they are able.

Japan has been a key player in Nepal's numerous development initiatives by providing Nepal with technical assistance and financial support. The Japan International Cooperation Agency (JICA) office was established in 1978 and has since contributed to Nepal's social and economic development (Malla, 2014). Japan Overseas Volunteers (JOCVs) have been offering services under Technical Cooperation in a variety of disciplines since 1969 when loans and grants from Japan to Nepal began (GoN- MoFA, 2023). Similar to this, the two nations inked a bilateral agreement on technical cooperation to expand their economic and technological ties and further enhance their relations with Nepal and Japan. The two nations also made an air service agreement in Kathmandu in 2003 during the visit of the Japanese foreign minister. Because of the 2003 Memorandum of Understanding (MoU) between the Ministry of Labour and Transport, the Government of Nepal, and the Japan International Training Cooperation Organization (JITCO), Nepali Industrial Workers now have more opportunities for training in Japan. Additionally, Japan's Government has included Nepal as one of the source countries for its labor market in the country's updated immigration law (GoN- MoFA, 2023).

Nepal has been getting support in the form of grants, loans and technical assistance from Japan in major areas- human resource development, health, agriculture development, infrastructure development, environment protection, culture, etc. Some important ongoing projects are getting a concessional loan from Japan for the infrastructure development projects like Tanahun Hydro, Nagdhunga tunnel, and Improvement of Water Supply Improvement projects (Embassy of Japan in Nepal, 2022).

The Japanese Government extended support in the aftermath of 2015 announcing to provision NRs 26 billion grant for reconstruction works in Nepal (Embassy of Japan in Nepal, 2022). Some of the important projects under Japanese assistance which were already completed are the Kathmandu Valley Power Distribution System, Teaching Hospital, Kanti Children's Hospital, Construction of Food Storage, National Tuberculosis Centre, Expansion of Radio Broadcasting Network, Construction of

Bridges in Kathmandu Valley, Kathmandu Bus Terminal, Improvement of Transport Capacity, Water-Induced Disaster Preventing Centre, Kathmandu Water Supply Facility and Thapathali Bridge (HMG, MoFA, Sept. 1996, p. 12 adopted from Malla, 2014). Japan's aid with the grant in Nepal for the extension of transportation and communication networks, modernization of Tribhuvan International Airport (TIA), etc. has an important contribution to the socio-economical development of Nepal. Nepal has also received Japan's Official Development Assistance (ODA) support in some important hydroelectric projects like Kaligandaki A and Kulekhani (Malla, 2014).

In human resource development, the Government of Japan started providing technical training to Nepali students under Colombo Plan with Japan's involvement in 1954. Japan Overseas Cooperation Volunteers (JOCV) and Senior Volunteers to Nepal under JICA Volunteer Program have been supporting various fields including agriculture, waste management, and education since 1970 (Malla, 2014). Annually, Government officials of Nepal are getting the opportunity for capacity development in various fields under the Japan Development Scholarship (JDS) scheme since 2016 (GoN- MoFA, 2023).

Science Diplomacy for Strengthening Relationship

Science has no boundaries. In a globalized context, science diplomacy can be extremely useful in identifying opportunities for scientific collaboration, technology transfer, research and development, capacity building, and data sharing to address both international and domestic issues (Shrestha, 2018). Infrastructure projects like building new roads, bridges, buildings, or hospitals are typically prioritized in bilateral or multilateral international discussions for development partnerships. It is high time for Nepal to seek scientific cooperation by considering Science Diplomacy as an important strategy to promote Science, Technology and Innovation (STI) in the country (Shrestha, 2023). For the sake of sustainable development, emerging nations like Nepal must concentrate on research and innovation. This necessitates a change in the development partner's policy to place more emphasis on creating scientific capacity and encouraging research and innovation for sustainability and efficient resource management. To encourage research, innovation, and the commercialization of cutting-edge technologies, there is a need of promoting scientific diplomacy as a crucial component of foreign policy. Positions like Scientific Advisor to the President, Prime Minister, Foreign Minister, and Education, Science, and Technology Minister are crucial for enhancing science diplomacy (Shrestha et. al., 2022). There are many areas of cooperation in science and technology that can boost the relationship between two countries based on mutual benefits. Japan appears to be slightly more powerful than before in the world community in terms of science and technology. As a result, Japan is prioritizing the advancement of science diplomacy. Japan's science diplomacy is heading in

the direction of sharing its technology and expertise with other nations through "brain circulation." In connection with Science Diplomacy, based on its science and technological advancement, Japan has been sharing its knowledge, technology, and expertise with several developing nations and expresses a desire to do so.

Japan has provided significant assistance to Nepal in the areas of economic, social, and infrastructure development after the two countries' diplomatic ties were established more than 66 years ago. Japan is gaining prominence among the donor nations that support Nepal. The development of infrastructure and economic diplomacy has been the main focus of Nepal's diplomacy, although strengthening and incorporating technology transfer is mentioned as a goal in the Foreign Policy of Nepal, 2077, very few actual attempts have been made to bring this about (Shrestha, et. al., 2022). The amount of grants and other financial assistance that Nepal has received from international donor organizations is important for the socio-economic development of Nepal, but there is huge potential that has not been yet utilized for knowledge, skill, and technology transfer from Japan to Nepal. The abilities that science diplomacy should develop or the function that it should play in the age of science and technology are still lacking, regardless of whether the diplomats are from Japan to Nepal or Nepali diplomats who have given the responsibility to Japan (Shrestha, 2020b). Therefore, promoting and integrating science diplomacy into the foreign policy of Nepal can provide a much better benefit for the sustainable development of Nepal from friendly countries including Japan.

There are areas where Nepal-Japan relations can be strengthened and where the socioeconomic situation could improve if science diplomacy can take place in the two countries relationship. Let's take an example of the benefit received by Nepal to enter into the space age and Nepali human resource development in the field of space technology with scientific cooperation with Japan. The 17th of June 2019 has earned significant historical significance for Nepal's science and technology sector. The Joint Multinational World's Satellite Project (BIRDS) for nations with their satellites aims to construct satellites as part of a capacity development project run by the United Nations. It is being carried out by the Nepal Academy of Science and Technology and the Kyushu Institute of Technology. Dr. Sunil Babu Shrestha, the vice chancellor of Nepal Academy of Science and Technology (NAST) and Prof. Dr. Ojie, the president of University celebrated the development of a 1,300-gram cube satellite with a press conference at Kyutech University on February 15, 2019 (Shrestha, 20220a). On June 17, 2019, Nepali Satellite-1, a satellite that was launched into space as part of the Earth Satellite Birds-3 project after spending roughly two months within the International Space Station, became a momentous day for Nepal and the Nepali people. The Honorable Girirajmani Pokharel, Minister of Education, Science, and Technology of Nepal, and Dr. Sunil Babu Shrestha, Vice Chancellor of NAST, attended the major ceremony held on the grounds of JAXA

(Shrestha, 2020a). NAST at its office organized a public viewing event for the general audience. Mr. Kawari Samamaki, Director of the Space Education Center, and Mr. Yumiko Ashakuma, the head of JICA, attended this occasion on behalf of Mr. Masamiki Saigo, the Ambassador of Nepal to Japan, and the ceremony was joyfully concluded. Now Nepal is trying its best to work in satellite development with backup from the human resource developed from the program. The nation will have long term gain from this. Similar to this, Nepal can have much such scientific cooperation from Japan that helps for the utilization resources more effectively for the sustainable development. For this, it is necessary to promote and further strengthening science diplomacy.

To further advance science diplomacy, each diplomatic mission abroad including Japan needs to have a scientific attaché or counselor. This will provide Nepali scientists and technologists additional chances to work in diplomacy and make a different kind of contribution to the nation. Let's hope that both countries would prioritize scientific diplomacy in the days to come to support and empower the scientists and technologists and promote scientific cooperation which can lead to a sustainable future. There is no doubt that through science diplomacy, the friendly ties between Japan and Nepal will continue to grow and reach new heights in the days to come.

Conclusion and A Way Forward

The sprouting relationship established between Nepal and Japan by the Nepali students' visit to Japan was later converted into diplomatic relations that flourished in both monarchy and democratic regimes. The relationship is not only limited to diplomatic relations there also exists people-to-people relations. Public relations, diplomatic relations, and people-to-people relations between Nepal and Japan have been useful for the development of a developing country like Nepal and need to be explored more opportunities for flourishing development diplomacy. Being the cordial relationship between the two countries without any problem from history, there is a great opportunity to further strengthen the relationship between the two nations during the "Reiwa" time. When he was the Crown Prince of Japan, King Naruhito traveled to Nepal, and it's said he had a unique connection with Nepal (Shrestha, 2020a). Let's hope that throughout the "Reiwa" era, Nepal and Japan's development cooperation and collaboration became much closer and will continue to improve with better diplomatic relations based on science diplomacy. Nepal's development will be much more visible through more scientific collaboration and cooperation from Japan to Nepal.

Nepal's infrastructure development can be benefitted from Japan's cooperation in the construction of earthquake-resistant building technologies, rail transit, tunnels, and the development of water resources, particularly reservoirs constructed by Japan, a

country prone to earthquakes. Japan has similarly proven to be a leader in cutting-edge technology. In this regard, Japan can significantly support Nepal's sustainable prosperity through development cooperation in areas such as border security, climate change and weather forecasting, robotic intelligence, satellite mapping, and environmental monitoring (Shrestha, 2020a). For this, science diplomacy can be a crucial factor to be considered in fostering the relationship between Nepal and Japan.

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Redefining Nepal's Foreign Policy on the Basis of Its Soft-Power Assets

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Abstract

This paper examines the bilateral and multilateral relations of Nepal with soft power superpowers. It discusses the proper identification of soft power resources and instruments on their ground and mobilization of those to the targeted country using formal, public, and economic diplomacy with an aim of uplifting soft power ranks and indices. The homilies and diplomatic activities of Nepal have been examined using the soft power theory and the small state lens. In addition, it also aims to analyze Nepal's complex involvement in international affairs at the levels of governments, think tanks, research institutions, and academia. This paper has been prepared primarily based on desk research, mainly utilizing secondary data sources.

Keywords: soft power superpower, foreign policy, diplomacy, small state, Nepal

Introduction

International relations are determined by the politics of great powers who prominently strive their influence to achieve their national interests. Even after attaining the highest level of development, every nation has to rely to some extent on other nations to serve their interests. In today's world, no nation can remain isolated. So, interdependence in foreign relations is a common phenomenon for all countries. Interdependence in world politics refers to situations characterized by reciprocal effects among countries or actors in different countries (Keohane & Nye, 1977). However, the dependence and interdependence status of foreign relations is determined by power intrinsic within the given state.

Power has many different meanings and manifestations that have evolved. In essence, the manifestations of power include scientific prowess, political sway, economic might, and military might. To exert more political, economic, military, or other types of influence over others, the participants in international relations use their powers in a variety of ways. Actors in global politics and international relations

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use eight distinct and fundamental types of power (soft, hard, smart, relational, structural, compulsory, institutional, and productive) to protect their sovereignty, independence, and security, and pursue national goals (Sotirovic, 2020). Many governments today prioritize soft power as a key foreign policy goal (Singh and Macdonald, 2017).

The appeal of a state's culture, political principles, and foreign policy make up its soft power which is a specific force of attraction (Nye 2008, 2004). In this sense, formulating foreign policy is an essential function of the modern state connected to the soft power of a certain nation. Therefore, to advance its own interests in relation to other countries, each state establishes diplomatic, economic, trade, educational, cultural, and political relations with those countries. These relations also compel each state to maintain relationships with other states, as well as with international organizations and non-governmental actors. Therefore, a state's soft power assets play a crucial role in pursuing its own inter, achieving its foreign policy goals, and upholding its international ties. This also applies to Nepal's international affairs.

Nepal's International Relations

Nepal's foreign policy, with its immediate neighbors, China and India, as well as other distantly positioned powers, is not distinctly independent but rather mutually interconnected. Nepal is geo-strategically located between China and India, two of the most economically and politically strong countries in Asia. Nepal first established diplomatic ties with the UK in 1816 and most recently with Sierra Leone on June 29, 2021 (MOFA, 2021). Nepal currently maintains diplomatic ties with 171 countries. The guiding concepts, policies, and duties of the Nepali regarding about its foreign policy are laid out in the 2015 Nepali Constitution. As stated in the directive principles (Article 51), international relations policies must conduct an independent foreign policy based on the United Nations Charter, non-alignment, *Panchsheel* principles, international law, and norms of world peace, while actively defending Nepal's sovereignty, territorial integrity, independence, and national interest.

Nepal has stated nine major foreign policy objectives, which are as follows: (1) to strengthen bilateral relations with all countries, including neighbors, based on sovereign equality, mutual benefit, and respect; (2) to advance national interest by strengthening Nepal's national identity and representation in international and regional fora; and (3) to play an effective role in multilateral fora for world peace (4)to cooperate in establishing a just, inclusive, and fair system of international law; to advance regional cooperation, peace, and collaboration; and (6) to aid in the socioeconomic change of the nation by engaging in economic diplomacy in areas like promoting investment, export, and tourism as well as mobilizing development cooperation. (7) to assist in achieving the goal of a prosperous country and its citizens

(8) to safeguard the interests of Nepali people as well as legitimate foreign business, labor, and employment entities; and (9) to advance soft power by highlighting the nation's exceptional natural beauty, native civilization, lifestyle, diversity, arts, languages, literature, and sports. These goals set forth a broad range of requirements for diplomatic missions and foreign policy actions. The brief comment on foreign policy goals suggests that soft power assets are required to attain them. However, there is still more research to be done on how diplomatic practices and the use of soft power resources can advance goals.

Long-standing bilateral relations between Nepal and the countries with which it has bilateral ties have resulted in the establishment of 30 residential embassies, 3 permanent missions to the United Nations and other international organizations, and 6 consulate generals (MOFA, 2021). These countries are spread across the African, American, Asian, European, and Oceanian continents. Additionally, Nepal maintains diplomatic relations with numerous international, regional, and multilateral organizations, including the United Nations (UN), World Health Organization (WHO), World Trade Organization (WTO), South Asian Association for Regional Cooperation (SAARC), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Asian Cooperation Dialogue (ACD), Shanghai Cooperation Organization (SCO), and others.

Nepal also participates in and signs multilateral agreements. Nepal has ratified 27 international treaties and is a party to 165 other similar multilateral agreements. Such participations in international forums (bilateral, regional, and multilateral) aid Nepal in promoting soft power. Such interactions are components of Nepal's soft power. In light of the shifting situation, Nepal should try to expand its soft power promotion missions to other nations.

Nepal's use of soft power in its foreign policy and international relations has resulted in significant cooperation with foreign entities. However, scholarly studies, as to whether Nepal's soft powers have been effectively used in her relations with other countries to attain foreign policy goals, are lacking.

Additionally, Nepal's soft power will benefit from its dedication to human rights and the domestication of international human rights rules. By domesticating human rights accords, Nepal is a country that respects human rights. The fact that numerous human rights treaties have been ratified without any reservations logically justifies Nepal's increased internalization of international human rights legislation (Pathak, 2018, p. 12). Even though Nepal has maintained substantial bilateral and multilateral ties with several nations, analysts and academics contend that Nepal's foreign policy currently places the most focus on upholding mutual trust and confidence with China and India. Thus, it is natural that the majority of studies focus primarily on these two nations, thereby reflecting on Nepal's geopolitical reality, although

it is still unclear whether Nepal's foreign policy is focused on its neighbors. This explains why Nepal has not improved or built good connections with far-off nations with soft power superpower status countries such as Japan, Germany, Australia, Canada, Brazil, South Africa, and the United Arab Emirates. Regarding relations with nations outside of its region, Nepal's foreign policy appears to be underdeveloped.

Nepal has long-standing bilateral and multilateral relationships with several actors and soft power superpowers in the world. The question as to how well Nepal's diplomatic ties with soft power giants have served to protect national interests and advance foreign policy goals is therefore a pressing one.

Concept of Soft Power Super Powers

“Soft power” is an iconic word among political scientists, political leaders, policymakers, scholars, academia, researchers, and other stakeholders in international relations discourses. The concept of “Soft Power” exists discretely in the discourse formally after Harvard University Professor Joseph Nye used the term in his book 'Bound to Lead' published in 1990. Soft power is a specific power of attraction to a state based on the appeal of its culture, political values, and foreign policies (Nye Jr, 2004, p. 11, 2008, p. 96). Further, Nye explains that soft power is a nation's ability to influence the preferences and behaviors of various actors in the international arena through attraction or persuasion rather than coercion. Nye specifies that, ‘The soft power of a country rests primarily on three resources: its culture (in places where it is attractive to others), its political values (when it lives up to them at home and abroad), and its foreign policies (when they are seen as legitimate and having moral authority’ (Nye, 2004, p.11).

In this connection, Ohnesorge (2020, p. 85-205) has recently made comprehensive discourses about soft power resources (culture, values, policies, and personalities), instruments (public and personal diplomacy), receptions (attractions, apathy, and repulsion), and outcomes (compliance, neutrality, and opposition). Further, he attempted to concise the taxonomy of soft power in a separate chapter entitled ‘A Taxonomy of Soft Power: Introducing a New Conceptual Paradigm’. The taxonomy of soft power in four sub-units with their respective indicators are:

- (1) Indicators of resources are; (a) Culture: Pervasiveness of (high and popular) culture, (b) Values: values represented, consistency of values with political action, commitment to multilateralism, (c) Policies: grand strategy, relation to hard and soft power, the primacy of national interest vs. common good, adherence to international law, credibility and legitimacy, prevalent domestic policies and issues, and (d) Personalities: character and charisma of decision-makers, a team of cabinet members and advisors, and relationships between decision-makers.

- (2) Indicators of soft power instruments are; (a) Public Diplomacy: overall organizational structure, personnel (leading positions and staff), budget, and particular programs and initiatives, (b) Personal Diplomacy: number, duration, and quality of foreign travels, speeches and public remarks, symbolic acts, and influential networks.
- (3) Indicators of soft power reception: public opinion polls, contemporary statements and subsequent reminiscences of decision-makers and elites, media and content analysis. And,
- (4) Indicators of soft power outcomes: compliance record in international organizations, voting patterns in the UN General Assembly, compliance in foreign policy decisions, and number and character of treaties concluded/joined (Ohnesorge, 2020. p. 204).

Thus, soft power measurement, observation, and evaluation is a very comprehensive procedure and urges in-depth discourses. At present, the concept of soft power has undergone a critical analysis by a wide range of academics, foreign policy analysts, think tanks, politicians, diplomats, and researchers.

In light of the increasing relevance of soft power in international politics, the measurement and evaluation of soft power inherited within a particular state is a prime concern among the stakeholders. As such, soft power has undergone an 'evaluative turn' and three major institutions have emerged to develop indices and set indicators to it. These are The Global 30 by Portland, the Global Soft Power Index by Brand Finance, and China National Image Global Survey (GNIGS) by the Academy of Contemporary China and World Study (ACCWS) and Kantar group (Zhang, 2019). The GNIGS and The Soft Power 30 are not comprehensive as GNIGS focuses on China's soft power through had included up to 22 states and 11000 respondents and The Portland's Soft Power 30 only focuses on 30 states, including poll in 25 countries with 12,500 respondents (McClory, 2019) and are largely Western countries. Brand Finance's Global Soft Power Index 2021 (Brand Finance, 2021) provides a more comprehensive list of soft power countries and indicators. It highlights the soft power of 105 based on 75,000 respondents and features countries from—Asia, Europe, Latin America and the Caribbean, the Middle East and North Africa, North America, Oceania and Sub-Saharan Africa and ranked 100 countries. Besides, Portland's Soft Power 30 relies on six indicators, namely, Culture, Education, Engagement, Digital, Enterprise, and Government; Brand Finance's Global Soft Power Index 2021 has eleven broader indicators including:

It is difficult to identify soft power superpowers on the battlefield of soft power, however, top rank states by geographical sectors in Global Soft Power Index 2021, are assumed as soft power superpowers in this research. They are Germany, Japan, Canada, Australia, UAE, Brazil, and South Africa. Table 1 reveals the global

and geographical sector ranks of the states that are at the top of the list of the abovementioned indicators in terms of soft power.

Table 1

S.N.	Name of the State	Geographical Sector	Global Rank	Geographical Sector Rank	Remarks
1.	Germany	Europe	1 st	1	
2.	Japan	Asia	2 nd	1	
3.	Canada	North America	4 th	1	
4.	Australia	Oceania	10 th	1	
5.	UAE	Middle East and North Africa	17 th	1	
6.	Brazil	Latin America and Caribbean	35 th	1	
7.	South Africa	Sub-Saharan Africa	37 th	1	

Fortunately, Nepal has continued to maintain diplomatic and bilateral ties with all of these superpowers through soft power. What attraction and influence does Nepal have on these soft power superpowers to continue bilateral, diplomatic, and international ties? Now is the right time for Nepal to consider how to position itself in a brand-new environment and what soft power tools it might use to succeed as a player on the global stage. It is asserted, however, that Nepal has been undermining its previously earned soft power credentials by eroding self-identity as a result of acculturation and marginalizing personal values.

The attraction of soft power superpowers towards Nepal may be ensured by the soft powers, and Nepal can defend sovereignty, promote independence beyond interdependence, reveal national priorities, and defend national interests. Therefore, identifying Nepali soft power at this time is a hot topic. The question of why different players are eager to participate in bilateral relations with Nepal and how soft power resources should be utilized to advance goals of shared interest must also be addressed.

In this context, one of the main goals of this article is to find a response to the question, "What are Nepal's soft powers that draw soft power superpowers to her in international affairs?" Why have Nepal and variously situated soft power superpowers been working together to sustain cordial Diplomatic relations? How can Nepal use soft power elements in international relations to defend its interests, promote mutual gain, and strengthen friendly ties with all soft power superpowers? In this context, the researcher examines Nepal's soft power and its role in international relations with soft power superpowers by emphasizing key areas of interaction between Nepal and both sides of these superpowers.

Nepal and Soft Power Superpowers

Formal diplomacy is considered to be the primary peacemaking tool of a state's

foreign policy (Mapendere, 2005). Formal diplomacy is government-to-government diplomacy – also called Track-I Diplomacy – that goes through formal, traditional channels of communication to communicate with foreign governments (written documents, meetings, summits, diplomatic visits, etc.). This type of diplomacy is conducted by diplomats of one nation with diplomats and other officials of another nation or international organization. Formal Diplomacy can use political power to influence the direction of negotiations and outcomes (Sanders, 1991). This power might include using the threat of military force if a party decides to go against international treaties. It can access material and financial resources that give high leverage and flexibility in negotiations (Bercovitch and Houston, 2000), and employ in-depth knowledge about the parties' interests because of the use of various intelligence sources (Stein and Lewis, 1996). In this regard, the study of the formal diplomacy of Nepal to soft power superpowers is another dimension of discourse to implement the foreign policies of Nepal. Diplomatic engagement, diplomatic missions, bilateral exchange, bilateral agreements, political visits, summits, and diplomatic visits between Nepal and soft power superpowers and their impacts on the achievement of foreign policy objectives carries great significance.

Skills in diplomatic relations for a small country like Nepal is the most important mean of achieving its foreign policy goals, objectives, and strategies (Malla, 2018). Nepal has to adopt appropriate diplomatic techniques and successful regulations with soft power superpowers of the world adopting proper give-and-take policy and promoting economic diplomacy and making it people and country friendly. The appointment of appropriate and qualified persons with adequate knowledge of international relations, diplomacy, politics, economics, and history, as diplomats, enhances the status of Nepal and promotes national interests in international affairs. In this regard, the diplomatic engagement and formal diplomacy of Nepal to the world community is an opportunity to enhance her development and safeguard national interest through foreign policy objectives attainment. The formal diplomacy of a soft power superpower indicates that the wider diplomatic engagement and formal diplomacy volume of particular countries have wider soft power potentialities and soft power mobilization. So, Nepal's diplomatic relations with soft power superpowers also have a strong link with soft power utilization of her

Nepal has been engaging with soft power superpowers with the establishment of diplomatic relations with Japan-September 1, 1956, Germany-April 4, 1958, Australia-February 15, 1960, Canada-January 18, 1965, Brazil-February 7, 1976, UAE- January 22, 1977, and South Africa-July 28, 1994 (MOFA, 2021). Furthermore, as an active member of the UN, she has been continuously contributing to and benefiting from it in all its major achievements, activities and programs (Acharya, 2019) ranging from peace and security, development, human rights,

international law and humanitarian issues. As scholar Yadu Nath Khanal writes to describe the role of Nepal in the UN: “Nepal has always sought to be vigilant about international problems and has never thought of escaping from them, she has not, on the other hand, poked her nose in any and every matter and has, as a matter of policy refrained from meddling in other’s people affairs. Nepal has never sought the limelight but has always worked silently to establish her legitimate position in the world (2000, p.36)”.

Before 1950, the international relations of Nepal with her counterpart were mainly initiated by them, not by Nepal. In this regard, Werner Levi (1957) mentions, “In most cases, the relations which have grown between Nepal and foreign countries since 1950 was due to the initiative of these countries, not Nepal.” If this statement of Levi is a fact, then what are the hidden interests of those who initiated bilateral relations with Nepal at that time? The answer to this question hints towards the soft power inherited within Nepal. Furthermore, how often Nepal and soft power superpowers have promoted the achievement of their foreign policy objectives? The following are the contents of the discourses.

Long before diplomatic relations were established between Japan and Nepal, the people of these two countries established connections and companionship when the Zen Buddhist scholar Ekai Kawaguchi arrived in Nepal on January 26, 1899, and stayed for two and a half years to collect Buddhist manuscripts and to study the sacred place Lumbini where Lord Buddha was born (Thapa, 2018). According to MOFA (2021), the relationship of Nepal with Japan became formal with the establishment of diplomatic relations on September 1, 1956. The relations between the two countries are marked by friendliness, goodwill, and cooperation. Nepal established its embassy in Tokyo in 1965 and Japan established its embassy in Kathmandu in 1967. Japan has maintained bilateral and multilateral relations with the countries and organizations located in diverse geographical sectors of the world. According to the Ministry of Foreign Affairs of Japan (MOFAJ, 2021), the country has established 196 embassies overseas, 85 consulate generals, 11 permanent missions, and 18 multilateral missions all over the world.

According to the diplomatic blue book (2020), Japan pursues diplomacy with a focus on (1) further strengthening the Japan-U.S. Alliance, the cornerstone of Japan’s foreign policy; (2) tackling outstanding issues of concern regarding North Korea; (3) diplomacy with neighboring countries, such as China, the Republic of Korea (ROK), and Russia; (4) addressing the increasingly tense situation in the Middle East; (5) economic diplomacy in which Japan will lead efforts to establish new common rules; and (6) addressing global issues. Correspondingly, Cono (2019) mentions that Japan will continue to support Nepal in four key areas: (1) Recovery from the earthquake and disaster-resilient nation-building; (2) Social and economic

infrastructure development; (3) Poverty reduction and improvement of quality of life; (4) Enhancement of governance and development of a basic framework of democracy. Thus, the soft power superpower of Asia; Japan engaged in huge diplomatic relationships to safeguard her national interests and address its priorities and set priorities with the bilateral relation to Nepal. In this regard where would be the place and diplomatic activity of Nepal? It would be an interesting matter for the formal diplomatic actors of Nepal to search for the common interests of Nepal-Japan relations. This also shows the worth of diplomatic engagement of small power like Nepal to fulfill its national interest accordingly.

Similarly, diplomatic relations between Nepal and the European soft power superpower Federal Republic of Germany were established on April 4, 1958. Since then, the relations between Nepal and Germany have been growing on the foothold of friendship, mutual understanding and cooperation (MOFA, 2021). Both countries have established residential embassies in each other's capital cities. Nepal established its embassy on July 5, 1965, and the Republic of Germany has had its embassy in Kathmandu since 1963. Besides, Germany has huge bilateral relations with various countries and international organizations. It has 153 embassies overseas, 54 consulates general, 12 permanent missions, 1 other mission, 7 consulates, and 350 unpaid consuls all over the world. According to Federal Foreign Office (FFO) (2021), Germany and Nepal have maintained diplomatic relations since 1958. Germany is involved in public and private development policy cooperation. Its support focuses primarily on improving the healthcare system, promoting renewable energies and energy efficiency, and promoting sustainable economic development. Germany has supported Nepal's efforts to build democratic structures since the start of the peace and democratization process in 2016. Another important element of Germany's engagement in Nepal is its support for the peace process (the impact of the civil war from 1996 to 2006 can still be felt today). Bilateral foreign policy consultations were held between Germany and Nepal for the first time in 2019 (FFO, 2021).

In connection with Asian and European soft power superpowers, Nepal also has a friendly diplomatic and bilateral relationship with Oceanian soft power superpower Australia. Diplomatic relations between Nepal and Australia were established on February 15, 1960. Both countries celebrated 50 years of diplomatic relations in 2010. Australia opened its residential Embassy in Kathmandu at the level of Chargé d'Affaires in 1984 which was upgraded to the ambassadorial level in 1986. Nepal established its residential embassy in Canberra in March 2007 which was formally inaugurated in September 2007 (MOFA, 2021). The diplomatic relations between Australia and Nepal crossed 60 years in 2020. The relationship between Australia and Nepal is built on a long-standing history of development partnership and close

people-to-people links. The Australian Nepali population is growing with over 90,000 Nepalis now residing in Australia. It continues to be a destination of choice for Nepali students, with over 51,000 Nepali international students studying there as of 2020 (DFAT, 2021). The exchanges of visits at various levels have helped significantly in consolidating the relations between Nepal and Australia (MOFA, 2021). Australia has been engaging in formal bilateral and diplomatic relations with various countries and organizations. There are 79 foreign embassies, and 259 consulates placed in Australian territory along with 233 bilateral relations with countries, regions, and economies (DFAT, 2021). Furthermore, it has 54 embassies and 105 consulates spread all over the world. These are strong pieces of evidence of the foreign diplomatic engagement of soft power superpower Australia in comparison to the diplomatic engagement of small power Nepal.

As mentioned above, Nepal also has long bilateral relations with another soft power superpower: Canada. Nepal and Canada established diplomatic relations on January 18, 1965. The longstanding Nepal-Canada relations ever since the establishment of diplomatic relations are based on sovereign equality, mutual respect, and goodwill towards each other (MOFA, 2021). Canada's bilateral relations are managed by the High Commission of Canada in India, in New Delhi. Canada also has an honorary consul based in Kathmandu. According to the Government of Canada (GOC) (2021), Nepal established an embassy in Ottawa and has honorary consuls in Calgary and Victoria, as well as an honorary consul general in Toronto which shows long bilateral relations between Canada and Nepal. Khanal (2000, p. 196) observes that both Nepal and Canada share the intense belief that they must develop their full national identities in the shadow of their big neighbors but in a spirit of creative understanding with them. In this context, the Canadian experience of living in friendship and cooperation with the US and Nepal's own experience of doing the same with India and China can, in certain circumstances, prove helpful to each other.

Canada, a soft power superpower, has wider bilateral and multilateral relations with countries and organizations in comparison to small power Nepal. Canada has bilateral relations with 207 countries and organizations, 112 embassies, and 179 consulates all over the world. Similarly, 110 foreign embassies and 291 consulates are present in the territory of Canada (GOC, 2021).

Besides, North American country Canada Nepal has established bilateral and multilateral relations with Latin American and Caribbean giant Brazil. The formal diplomatic relations between Nepal and Brazil were established on February 7, 1976. Nepal established its residential embassy in Brasilia on January 21, 2010. Similarly, Brazil opened its residential embassy in Nepal on September 30, 2011 (MOFA, 2021). Nepal and Brazil have always enjoyed friendly relations. As mentioned on the official website of the Ministry of Foreign Affairs Brazil (MOFAB,

2021), agreements between Nepal and Brazil are in force in the areas of partial visa waivers. The Foreign Ministries of both countries established a mechanism for political consultations in 2011, to hold regular meetings on bilateral, regional, and multilateral issues. Even though, the bilateral relations between Nepal-Brazil have already passed 55 years the diplomatic relations have been activated 10 years after the opening of embassies in each other's countries. Brazil also has a wider coverage of geographical sectors in terms of bilateral relations and diplomatic engagement in comparison to Nepal. Brazil has established 112 embassies and 21 consulates all over the world and within Brazilian territory, there are 90 foreign embassies and 226 consulates. Furthermore, Brazil has maintained 198 bilateral relations with countries and organizations (MOFAB, 2021). Nepal is one of the 25 countries in Asia having bilateral relations with Brazil.

Similarly, Nepal has strong and friendly bilateral relations with a soft power superpower-UAE in the geographical sector of the Middle East and North Africa. As mentioned on the official website of the Embassy of Nepal-UAE (EON-UAE, 2021), Nepal and the UAE established their diplomatic relations on January 22, 1977. Nepal established its residential embassy in Abu Dhabi at the Charge d' Affairs level on April 11, 2004, and upgraded it to the Ambassadorial level on December 21, 2007. Similarly, the UAE established its residential mission at the Ambassadorial level in Kathmandu on May 10, 2016. Further, the same website elaborates on Nepal-UAE relations as "at the bilateral level, the two countries have been enjoying friendly and cordial relation based on mutual understanding and cooperation." Similarly, at the multilateral level, Nepal and the UAE, both as the member of the United Nations and Non-Alignment Movement, share common views on significant global issues ranging from renewable energy, and climate change to world peace and the fight against terrorism (EON-UAE, 2021). Diplomatic ties between these two countries are a means to carry out foreign policy objectives of their interests. The geographical size and population of UAE are smaller than Nepal, UAE has emerged as a new soft power superpower within the Asian continent. According to the official website of the UAE Ministry of Foreign Affairs and International Cooperation (UAE-MOFAIC), the UAE has 99 embassies all over the world (UAE-MOFAIC, 2019).

Last, but not least, Nepal has a formal diplomatic relationship with the African soft power superpower-South Africa. According to the Department of International Relations and Cooperation (DIRC), South Africa, the bilateral relations between South Africa and Nepal have been good since the two countries established full diplomatic relations on July 28, 1994 (DIRC, 2021). The resident Nepalese Embassy in Pretoria was opened on February 10, 2010. South Africa is represented in Nepal by an Honorary Consul and the South African High Commission in New Delhi,

India, is accredited to Nepal. As MOFA (2021) observes “the relations between the two countries have remained warm, cordial and excellent, marked by equality, mutual trust, deeper understanding, strong bonds of friendship and solidarity and growing interaction.” This relation is one among the 189 bilateral relations of South Africa in the world. South Africa has engaged in huge bilateral and multilateral relations including 104 embassies abroad, 16 consulates general, 97 honorary consulates, 2 other liaison offices, 68 non-resident accreditation, and 12 international organizations. Besides, it has 123 embassies, 53 consulates, 79 honorary consulates, 1 other consulate, 18 non-residential missions, and 35 international organizations within its territory (DIRC, 2021). This elaborates on the huge formal diplomatic engagement and is an indication of a soft power superpower.

Nepal ranks 95 in the global soft power index. Accordingly, it has to put in more effort to, build its reputation, enhance influence, and upgrade business and trade, governance, and international relations. Further, Nepal is yet to demonstrate sufficiently its culture and heritage in front of global citizens. This means that Nepali media and communication entities will have to play a more effective role in improving the image of the country beyond their territory. Similarly, science and technology, education, innovation, people, and values of Nepal are vital sectors to uplift its status. In addition, Nepal has not been able to respond to effectively address the spread of Covid 19. Thus, Nepal has challenges to uplift its status in the soft power ranking. Table 2 below explains the status of Nepal in terms of soft power in comparison to soft power superpowers (Brand Finance, 2021).

Table 2: Comparative status of Nepal and soft power superpower derived from Brand Finance Global Soft Power Index-2021.

Rank 2021	Nation	Region	Index score	Familiarity	Reputation	Influence	Business & Trade	Governance	IR	Culture and Heritage	Media & Communication	Education & Science	People & Values	Covid 19 Responses	Remarks
1	Germany	Europe	62.2	7.8	7.5	6.0	6.8	5.8	6.7	5.2	4.9	6.6	4.2	5.7	
2	Japan	Asia	60.6	7.5	7.3	5.6	7.0	5.3	5.7	5.2	4.1	7.5	4.5	5.8	
4	Canada	N. America	57.2	7.4	7.5	5.1	6.2	5.8	5.7	4.7	4.6	5.0	5.2	5.6	
10	Australia	Oceania	52.2	7.0	7.2	4.5	5.4	4.8	4.8	4.4	4.2	3.8	4.7	5.3	
17	UAE	Middle East & N. Africa	48.4	5.5	6.4	4.8	5.4	4.0	4.5	3.7	3.3	3.8	3.6	4.9	
35	Brazil	Latin America & Caribbean	38.1	6.9	6.1	4.2	3.8	2.0	3.0	5.1	2.8	2.3	4.0	1.4	
37	South Africa	Sub-Saharan Africa	37.2	5.8	5.7	3.8	3.4	2.4	3.0	3.4	2.5	2.3	3.1	2.9	
95	Nepal	Asia	28.0	3.8	5.4	2.7	1.6	1.7	1.5	2.1	1.5	1.6	2.0	2.8	

This table shows that Nepal has a good reputation and familiarity in the international community through international relations and media and communication efforts are inefficient in comparison to soft power superpowers. Similarly, Nepal suffers from poor business, trade, and trade deficits lack competitive education delivery, and also less effective government and diplomatic practices. Despite problems in business, trade, governance, education, science, and innovation sectors, Nepal has a slightly good influencing capacity, attractive culture and heritage, and response to Covid-19 in the evaluation of soft power potentials and credentials. In this context, the role of diplomats, missions, and diplomatic activities are vital to Nepal.

Public Diplomacy, Nepal, and Soft Power Superpowers

Public diplomacy is a newly emerged political instrument in foreign relations and engagement beyond traditional and formal diplomacy. According to Editors (2017), public diplomacy includes all official efforts to convince targeted sectors of foreign opinion to support or tolerate a government's strategic objectives. The public diplomacy methods include statements by decision-makers, purposeful campaigns conducted by government organizations dedicated to the public, and efforts to persuade international media to portray official policies favorably to foreign audiences. It is a political instrument with analytical boundaries and distinguishing characteristics. It is used by states, associations of states and non-state actors to understand cultures, attitudes, and behavior; build and manage relationships; and influence opinions and actions to advance interests and values (Gregory, 2008) in foreign relations.

According to the USC Center on Public Diplomacy (2018), public diplomacy can be considered as “the public, interactive dimension of diplomacy which is not only global in nature, but also involves a multitude of actors and networks” and it is “a key mechanism through which nations foster mutual trust and productive relationships and has become crucial to building a secure global environment”. In this context, Krajnc (2005) shows that present-day public diplomacy is understood as an integral, network concept that is fundamentally operating mostly in cross-section with other dimensions of foreign policy and international processes (economic, cultural, communication-media, scientific, educational, etc.). In the word of Wei (2020), the common practice of diplomatic efforts is to associate the effects of public diplomacy with soft power, whereby the evaluation of a country's public diplomacy is based on whether a country's soft power towards other countries has improved. Similarly, Shrestha (2021) argues that public diplomacy is, in reality, no other than legitimate propaganda based on truth, credibility, and honesty. It is also a strategic tool to use soft power for diplomatic activities.

In this connection, various scholars and academics have given their ideas and opinion about public diplomacy, public diplomacy methods, instruments, mechanisms, and dimensions. Regarding mechanisms, Rothman (2011) described two mechanisms through which the power of attraction influences other actors. These two mechanisms include the use of rhetoric or discourse and the diffusion of norms. Similarly, there are three dimensions of public diplomacy; they are news management, strategic communication, and relationship building (Leonard, 2002, pp. 8-21; Nye, 2008, p. 101). The first and most immediate dimension is daily communications, which involves explaining the context of domestic and foreign policy decisions. The second dimension is strategic communication, which develops a set of simple themes much as a political or advertising campaign does and the third dimension of public diplomacy is the development of lasting relationships with key individuals over many years through scholarships, exchanges, training, seminars, conferences, and access to media channels. Among these three dimensions, the third one is primarily concerned with small powers like Nepal. In this regard, Shrestha elaborates:

In the case of Nepal, which does not have any hard power worth the name, public diplomacy carries a significant value in promoting its national interest and building up an abiding image of a well-behaving and responsible member of the international community. Its tactful and strategic use could help enhance bilateral relations and also facilitate a creative role in regional and multilateral forums. Inherently, the deft handling of public diplomacy demands some explicit skills and quality from envoys. A convincing communication skill equipped with good public relations ability would exponentially serve the desired purpose in a foreign ambiance and foreign culture.

Thus, public diplomacy and soft power have a multifaceted connection in international affairs. Public diplomacy exists beyond the size, diplomatic engagement, development, or underdevelopment status of a country. In this connection, Rasmussen (2005) concludes that public diplomacy is no longer solely the pursuit of Western countries and great powers, as the practice of public diplomacy has become prolific expanding to countries despite limitations in the number of years a state has been involved in the UN, the number of missions a state has abroad, or even the democratic nature of a state. So, the public diplomacy of a small power like Nepal has a wide spectrum in international affairs.

Additionally, public diplomacy plays a very important role, as at the very base level interactions amongst the citizens of one country with another generate a reach that sometimes may not even be possible through formal and state channels (Karki & Dhungana, 2020, p. 171). Concerning public diplomacy in Nepal, Indian former diplomat Kumar (2017) suggested four innovative initiatives at the Nepal-

Bharat Library in Kathmandu to expand the horizons of public diplomacy viz. Conversations, Poemandu, Cinemandu, and Voices. These four programs were aimed at promoting Nepalese art, literature, music, and film; they also encouraged and engaged the younger generation of Nepalese to share their ideas, experiences, and stories. Besides, the initiatives should not have limited to the domestic territory.

Citizens engaged in foreign employment, students studying abroad, and the diaspora are means of public diplomacy. Australia, Japan, China, United States are destinations for Nepali students for their further study. In this regard, Jain (2018) finds that the “Chinese political system—specifically governance—and foreign policy, as well as certain traits of the Chinese society, drew admiration from the Nepalese students, though, the Chinese education program was found deficient in brand reputation and Chinese cultural penetration remains challenging.” Similarly, whether the education system attracting Nepali students was appropriate to cope with the challenges of the 21st century for Nepali interests? These all are connected to the discourse of public diplomacy in Nepal. Indeed, public diplomacy is a means of attraction toward the soft power credentials of a country. So, every individual, epistemic community, diaspora, scholar, sportsman, actor, poet, political leader, bureaucracy, industrialist, and citizen from top to grass root has a role in public diplomacy.

The modern world is awash with communication tools, virtual social networks, and information technology. Through mass media, the entire world is converging and becoming accessible in one space. As a result, public diplomacy assumes increased significance in maintaining the favorable public view and attitude overseas via media, information technology, and social networks. For instance, how many followers a prime minister, foreign minister, public intellectual, professor, or social worker has on social media platforms like Twitter, Facebook, Instagram, WeChat, or websites counts in public diplomacy (Timilsana, 2020).

Public diplomacy stakeholders should always be mindful of how information is disseminated through social networks. Up until March 2020, 35.75 percent of Nepal's population will have their own Facebook accounts (Internet World Stats, 2020). This network aids in boosting information about Nepal's culture, historical landmarks, political ideologies, scenic wonders, travel destinations, business opportunities, human resources, students looking to study abroad, and other topics in a global context.

Countries make a variety of measures to increase their soft power through public diplomacy. For instance, since 1995, public diplomacy has been acknowledged as a "third pillar" of Canadian foreign policy on a worldwide scale, focused on portraying Canada as a democratic nation with a federal structure that is balanced and rich in

culture (Chitty, Ji, Rawnsley and Hayden, 2016. p. 236). Countries that invest in strengthening global cultural and educational linkages can promote mutual respect and positive relationships between states, international trust and understanding, and global peace, security, and prosperity (British Council, 2018).

By using their resources for public diplomacy, the British Council, BBC media networks, and Confucius Institutes of China, for example, are building soft power. Similar to this, tourism, business community contact, student exchanges, NGOs, migration, and the diasporic community all play a part in boosting soft power through public diplomacy. When dealing with various soft power superpowers, Nepal has varied procedures and priorities. For instance, Japan is a popular tourist destination for Japanese citizens traveling to Nepal, and Nepali citizens traveling to Japan for higher education and work opportunities. Japanese tourists are drawn to Lumbini, the Himalayas, ancient customs and relics, temples, and the kind demeanor of Nepalis, among other places.

In the year 2018, 29,768 Japanese tourists visited Nepal (MOFA, 2021). According to Cono (2019), “people-to-people exchange between two countries has been increasing exponentially in recent years. In 2017, over 27,000 Japanese nationals visited Nepal, while the number of Nepali visitors to Japan has reached over 39,000.” Furthermore, the Nepali community is the 7th largest foreign community in Japan. Every year thousands of Nepali students go to Japan to pursue higher studies and Japanese languages. Japan is the second most preferred destination for abroad study for Nepali students (MOFA, 2021). All this evidence shows that there is a distinct role of public diplomacy in the bilateral relations between Nepal and Japan.

The public diplomacy of Nepal to soft power superpowers always demands to focus on priorities of either part of bilateral relations. According to MOFA (2021), development cooperation, scientific and academic cooperation, investment in technology transfer, and tourism are priorities of Germany whereas economic and technical cooperation, tourism, Foreign Direct Investment (FDI), diasporic community, and academic exchange are priorities with Australia. Similarly, diaspora (Nepali Canadian), tourism, development cooperation, and trade are priority areas of public diplomacy between Nepal and Canada. Likewise, trade and investment, and tourism FDI are ingredients of Nepal-Brazil relations and public diplomacy as well. Further, Nepal has a common interest with South Africa concerning Non-Alignment Movement (NAM), experience sharing and learning about peacebuilding and political settlement, truth and reconciliation experience sharing, trade and tourism. So, public diplomacy and exchanges should focus on those areas. In addition, Nepal and UAE have great concern about foreign employment of Nepalese in UAE, business exchanges, security and promotion of investment of Nepali businessmen

in UAE, tourism, FDI using public diplomacy, and bilateral relations. Thus, tourism is the most prioritized component in the foreign relation of Nepal with soft power superpowers.

Table 3 explains tourist arrivals (arrival of nationalities) from soft power superpowers to Nepal from 2015-2019 (Nepal Tourism Statistics, 2020).

S.N.	Nationality	2015	2016	2017	2018	2019	Remarks
1.	Australia	14,816	25,507	33,371	38,429	38,972	
2.	Canada	6,495	12,491	15,105	17,317	17,102	
3.	Germany	12,216	23,812	29,918	36,879	36,641	
4.	Japan	14,465	22,979	27,326	29,817	30,534	
5.	Brazil	-	-	-	-	-	Data not given
6.	South Africa	-	-	-	-	-	Data not given
7.	UAE	-	-	-	-	-	Data not given
8.	All Nationals	538,970	753,002	940,218	1,173,072	1,197,191	

These statistics present the public relations and worth of the public diplomacy of Nepal with the above-mentioned soft power superpowers since, tourism can work as a catalyst to increase the value of all three resources (culture, political values, and foreign policies) of a country that Nye has identified (Neupane, 2018). Nepal and soft power superpowers should focus on tourism to achieve foreign policy objectives using the utilization of soft powers through public diplomacy targeting a global audience.

Prospect for Engaging Soft Power Superpowers through Niche Diplomacy

This tactic, known as "niche diplomacy," entails picking a "niche" that either has unique significance for the state in question or to which it may be able to contribute significantly (Maitre, 2018. p. 8). Major powers typically have an audience and a huge number of ideas and images associated with them by the foreign public, so they can concentrate on promoting and explaining their policies during their diplomatic actions as well as engaging in rebranding (Batora, 2005).

The focus of specialized diplomacy is on a specific area of national interest. For instance, according to a Canadian academic, to find a niche, Canada must go more and more to the underutilized and underappreciated non-governmental and charity sectors instead of using its resources more efficiently (Potter, 1997). Examples of niches include international civil aviation in Canada, maritime law for Singapore, Malta, Nepal, and other landlocked nations, etc.

For small nations like Nepal to be heard or seen on the world stage, they must be more imaginative, creative, and constructive in their diplomatic efforts. According to Lakatos (2017), effective tiny states most often use so-called "niche diplomacy,"

in which they concentrate their efforts on certain issues, to address issues with influence and exposure. Therefore, Nepal should have an area of global peace since it is the country where Buddha was born. The "Zone of Peace proposal" may be considered a byproduct of Nepal's specialized diplomacy.

Lord Buddha was born in Lumbini, Nepal, in 623 B.C., according to UNESCO, and an inscription on a pillar was built by Emperor Asoka in 249 B.C. During the Licchavi era, which lasted until 880 A.D., Nepal was already a major Buddhist hub (Pokhrel, 2017). It is estimated that 535 million people worldwide practice Buddhism as a religion at this time, which equates to between 8% and 10% of the world's population. In 179 nations, the population of Buddhists has increased. About 13 million people live in Cambodia alone, which makes up 96.9% of the total population. Thailand, Myanmar, Bhutan, Sri Lanka, Laos, and Mongolia are some other nations with a sizable Buddhist population (World Population Review, 2020). As a result, "Buddhism" is a major draw for Nepal as a source of soft power.

Buddhism is undoubtedly a philosophy of peace, a tool for resolving conflicts on a worldwide scale amicably, and a soft power asset for Nepal, where it originated. Because Lumbini, Nepal, the birthplace of the world's fascination, will always be a popular spiritual and tourist destination for people all over the world. Buddhism only has a small audience in Nepal. Additionally, Nepal has had success resolving domestic armed conflicts through diplomatic political discussion. Nepal has established political norms and ideals that are distinct from its close neighbors and has also shown both domestic and foreign actors that it is capable of handling internal issues. Adhikari (2017) explores the resolution of armed conflict and the peace process, therefore adding to the strategy of changing armed conflict into a state of international peace in which Nepal had a distinct role.

In terms of sociopolitical dynamics, Nepal's peace process was deemed unusual, and it was finished following the adoption of a new constitution in 2015. Additionally, Nepal's efforts to end the armed conflict have established itself as a singular paradigm for peace and conflict. As a result, Nepal has gained attractive political principles through the merger of capitalism and socialism, allowing it to see the advantages of both democracy and socialism. Nepal's foreign policy, diplomatic practice, and newly adopted policy appear as specialized diplomacy components in the new political setting.

Discussions

The discussion of soft power in international relations in modern IR studies for a peaceful rise through values, culture, and policies of small states like Nepal is expanding. Joseph Nye initially used the term "soft power" in 1990, and it is

most frequently addressed in the context of international relations and diplomacy, especially after Nye's publication in 2004. Foreign policy, diplomacy, and foreign affairs of a country in the 21st century are only directed by hard power but also guided by efforts of attraction rather than coercion. As such, Nepal should learn from the soft power superpower's diplomatic and foreign policy strategies to overcome the domestic challenge and safeguard national interests.

In the course of seven decades of bilateral and multilateral engagement of Nepal with soft power superpowers; Australia, Brazil, Canada, Germany, Japan, South Africa, and UAE, Nepal has attempted to mobilize its soft power resources, instruments, reception, and outcomes at her own pace. Nonetheless, the consequences and results of diplomatic ties with soft power superpowers remain constant in achieving foreign policy objectives. Further, Nepal is in the initial stage to identify its soft power potentialities in terms of structural scholarship. It is mandatory to wield the soft power resources and instruments of Nepal through systematic research followed by ideal and applicable policy, plan, and program. The effects and outcomes of diplomatic relations with soft power superpowers continue to be consistent in attaining foreign policy goals.

Nepal is also just beginning to recognize its soft power potential in terms of structural research studies. Utilizing Nepal's soft power assets and instruments requires thorough research, followed by the creation of the best possible policies, plans, and programs. Most crucially, it will be in Nepal's best interests to speed up robust contacts with soft power superpowers since they typically have a little political stake in Nepal, in contrast to regional and other global powerhouses. Conclusively, advocating for a special peace process used to end internal armed conflict and promoting tourism by fusing Buddhist and natural beauties, mobilizing Nepal's diaspora community spread throughout superpowers, and lobbying to benefit from economic cooperation, and can all help Nepal's soft power grow.

Finally, it would be preferable if Nepal designated niche diplomacy as its top priority area. In conclusion, Nepal's best course of action is to identify its soft power assets and instruments and use them in formal diplomacy, public diplomacy, niche diplomacy, and economic diplomacy to influence the targeted soft power superpowers' foreign policy decisions in ways that are consistent with Nepal's foreign policy expectations.

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Navigating Political Landscapes: Overcoming Geopolitical Adversaries in Nepal's Development Diplomacy

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Abstract

Nepal has achieved remarkable economic and social progress over the past two decades, but it still faces daunting challenges. The country is still wrestling with poverty, unemployment, and inequality. Its infrastructure remains inadequate, and it lacks the necessary human capital and resources to launch a sustained economic and social development program. Nepal's political system is still in transition, with the new constitution still being implemented. The Nepali government is committed to implementing the constitution and has taken steps to establish a federal system of government. The government must continue to prioritize economic and social development for achieving a prosperous future for the country and its people. This should include investments in infrastructure, human capital, and the productive sectors. The government must ensure political stability, which is essential for the country to attract foreign investment and foster economic growth. Nepal has to take advantage of its geopolitical position, with its unique position in between two powerful and important countries- India and China. Nepal's relationship with both countries is important and should be developed further. Nepal can use its diplomatic relations and leverage to strengthen bilateral ties with both countries and build cooperation, which in turn can be used to promote the development of Nepal. Nepal should focus on building its capacity and expertise in the field of development and diplomacy. Nepal should look to further strengthen its ties with development partners such as the United Nations, World Bank, and other financial institutions. What are the challenges and opportunities of development diplomacy in Nepal? How can the shifting global geopolitical order impact Nepal's endeavors toward development diplomacy? This research revisits the prospects and challenges of Nepal's development diplomacy in the changing global geopolitical order based on a desk study.

Keywords: *Development Diplomacy, Nepal, Geopolitics, global order, India, China*

Introduction

Diplomacy is defined in its original form as "the conduct of relations between

governments and other entities with standing in world politics by official agents and by peaceful means." (Bull, 1995). When development is combined with diplomacy, it refers to development diplomacy. Both development and diplomacy emphasize the development of sovereign nations through collaboration and coordination. Development diplomacy becomes operational when states cooperate economically for the benefit of their own countries' development.

Development diplomacy is the use of diplomatic measures such as foreign aid, commercial agreements, and cultural exchange programs to promote economic and social development in other countries. According to Chin (2013), development diplomacy refers to efforts to promote national development and reform. "Development diplomacy is a tool of governmental foreign policy that aims to influence changes in the international behavior of governments to promote development" (Chin, 2013).

This implies that development and diplomacy are key components in the development of any country and that addressing poverty and inequality is critical for advancing global peace, stability, and security. Development diplomacy also emphasizes the necessity of collaborating with developing countries and other stakeholders to promote inclusive and sustainable development.

Development diplomacy connects the public to governments to achieve national goals with the assistance and support of international financial and bilateral partners. Development diplomacy is a type of public diplomacy that aims to promote favorable connections between countries by utilizing aid and other forms of assistance. It is a method for countries to create trust and understanding among themselves while simultaneously promoting economic progress. Development diplomacy is a technique that nations can employ to make the globe more stable and wealthy. It is also a means for countries to communicate with one another.

But the very notion of development policy has changed over the years with the rise of technology and different thought process. The rise of global civil society networks has provided a platform for states to engage in more direct forms of development diplomacy. These networks have enabled states to engage in more direct forms of dialogue and exchange, allowing them to share their experiences and learn from each other. The emergence of new forms of development finance, such as impact investing, has enabled states to access new sources of capital and resources for development projects. Developed countries have been providing support for development through such new financial institutions.

We must first understand the origins of development diplomacy. We have seen development diplomacy take shape as governments stabilize and political missions

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to achieve political systems are achieved. Looking back at the history of the country's development, we can see that economic activities and development projects have been undertaken in combination with national development. The terminology used varies, but the activities have occurred in tandem with the formation of autonomous nations and nation-states.

The world became a global village with the creation of liberal economic institutions and liberal domestic economic policies. As the world community recognized the increasing incompetence of state-centric economic models, economic growth through private-sector engagement, international agreements, and links earned universal esteem (Booth, 2018). With the 1944 Breton Woods agreement, liberal economic institutions such as the World Bank, IMF, and ADB were founded, ushering in a global environment.

Initiative of Economic Diplomacy in Nepal

Nepal's liberal economic strategy has prioritized infrastructure development, foreign investment encouragement, and trade liberalization. The administration has launched several initiatives to encourage foreign investment in the country. In addition, the government has taken attempts to liberalize trade by lowering tariffs and other trade barriers. The administration has also taken attempts to improve the business environment by reforming the banking sector, taxation, and other regulatory frameworks.

Nepal has fallen behind in creating an economic environment that has attracted foreign direct investment for nearly three decades. Our neighbors were seeing huge economic growth, but we were in a really bad situation. Nepal is still dealing with geopolitical tensions, which have hampered many administrations' development efforts. As a country sandwiched between the world's two major economies, Nepal could have taken advantage of tremendous economic prospects, but it has instead become entangled in the "proxy war" of great states (Khanal, 2022).

In this new geopolitical system, where Nepal stands at the center of global tension, the pace of growth has been greatly slowed. However, Nepal can turn these severe difficulties into possibilities by maintaining a delicate balancing act without jeopardizing national interests.

Evolution of Development in Foreign Policy

Diplomacy is merely a tool for managing foreign policy. If foreign policy objectives are to be met, diplomatic aptitude and the consolidation of diplomatic institutions are required. To comprehend Nepal's development diplomacy efforts, a brief historical review of modern Nepal's foreign policy is required. King Prithvi Narayan Shah, who founded modern Nepal by uniting 22 and 24 states in 1969, not only

forbade Britishers from entering the country but also envisioned a stronger Nepal economically. The idea of Shah was to make Nepal stronger in terms of growth and economic activity, as well as to strategically prevent the East India Company from moving into Nepal with the intent of seizing Nepali territories. He had championed the self-rule concept and had directed his ministers and staff to band together on the foreign product. It was not a period of economic prosperity for Nepal, but rather one of safeguarding the country's independence. Recognizing Nepal's precarious situation, Shah described it as "a yam between two boulders," with China defending the status quo and British India challenging it. "He also stressed economic and cultural nationalism, preventing the entry of both foreign traders and Christian missionaries (Dahal, 1998, p. 47).

Because the Rana period was primarily characterized by family feuds, it was not intended to focus on the economic development of a state. In terms of economic development, the Rana rule was more dependent on the East India Company, and it was loyal to the British. Economic or development diplomacy is such a recent phenomenon that such terms had yet to be coined at that time. However, commercial activity and commerce with India, Tibet, and China existed. The time of the absolute monarchy, also known as Panchayat, was one of planned progress, although it was a largely closed society. Nepal began a five-year plan during this period to plan development. It was the time when India, China, Russia, and the United States helped Nepal create basic infrastructure such as roadways, hospitals, and bridges.

Nepal's geopolitical importance was recognized by King Mahendra (1955-1972), who expanded Nepal's ties with its neighbors and beyond. "Nepal maintained diplomatic connections with several countries and was admitted to the United Nations. Nepal joined the Afro-Asian community and attended the Bandung Summit" (Acharya, 2070 BS, p. 126). During the reign of King Mahendra, China consented to build the Kodari Route, the first road connecting Nepal and Tibet. Diplomatic relations with China rapidly took on new significance following King Mahendra's accession to the throne. "It was during this period that Nepal's historical significance as a conduit of communication between South and East Asian civilizations began to be emphasized by both Nepali officials and intellectuals, often in extravagantly inflated terms" (Rose, 1971, p. 218).

Given the geopolitical sensitivity, King Birendra pursued a non-alignment strategy. According to Rose (1971), "the slogan of non-alignment, "equal friendliness for everyone," adopted in 1956, was increasingly redefined to mean equal affinity with India and China. This eventually led to a declaration of non-alignment in the Sino-Indian rivalry, effectively neutralizing Nepal (p. 282). During the cold war, King Birendra's stance on non-alignment was correct. It was perfectly matched to Nepal because the two neighbors have both similarities and differences.

During the 1990 revolution that established the twin-pillar paradigm of constitutional monarchy and multiparty democracy, geopolitics played a key influence in molding domestic politics. This also marked the beginning of Nepal's liberal economic strategy. Nepal saw the opening of several businesses supported by neighboring nations as a result of this economic liberalization program. Nepal publicly invited foreign countries to invest in the country. The diplomatic missions were directed to focus on economic diplomacy to attract more direct investment into the country.

The period of elected government that followed the adoption of the new constitution is seen as a watershed point in Nepal's foreign policy and relations. KP Sharma Oli was elected Prime Minister of the Federal Republic of Nepal for the first time in 2016 and again in 2018. The signing of a Trade and Transit Agreement with China marked a watershed moment in US foreign policy. Indeed, it was a new beginning in Nepal's development diplomacy, as uninterrupted connectivity is a requirement for growth. In 2016, Nepal and China concluded a trade and transportation agreement in Beijing (Joint Statement, Nepal-China, 2016). When President Xi Jinping visited Nepal in 2019, he pledged to change the country from a landlocked to a land-linked one (Joint Statement, Nepal-China, 2019). Unfortunately, neither country has adequately implemented the deal. Nepal theoretically became land-linked, but action is required to make Nepal land-linked practically.

Nepal and China have reached an agreement to construct railways. Similarly, Nepal and India have agreed to construct railways connecting Raxaul and Kathmandu. India has also committed to building an east-west railway in Nepal. Physical infrastructure development is visible initially, followed by human life quality. Nepal is still in the process of creating critical infrastructure for national development. Nepal's geographical location presents both hurdles and opportunities, whether it's a political movement or historic agreements with neighboring countries and the international community. Nepal is always on the hunt for fresh opportunities. The change Nepal is seeking is not political in nature, but rather a transition from the Least Developed Country to a Medium and Developed Country.

Changing World Order and its Impact on Development

The world's heartland is no longer Eurasia, but rather Asia Pacific. Officials in the United States refer to it as the Indo-Pacific area. World powers have focused their efforts on controlling the Indian Ocean and the South China Sea to rule the world.

The US has boosted its military presence and drills in the South China Sea and Indian Ocean, which have been perceived as greater military participation. The Obama administration's Asia Pacific Strategy (APS) has made great success, and it has been aggressively relaunched as the Indo-Pacific Strategy (IPS), which is more military-oriented. Despite claims that it wishes to create a free and peaceful Indo-Pacific area, the United States Indo-Pacific policy seeks to halt China's ascent.

Similarly, the United States launched the bloc strategy as well as a regional and sub-regional army alliance. The Quadrilateral Security Dialogue (QUAD) was founded in 2007 to confront China, while another military pact, AUKUS, was announced on September 15, 2021, between Australia, the United Kingdom, and the United States. "The quadrilateral alliance is a clear illustration of an offensive containment strategy directed at China," says one observer (Sangroula, 2018, p. 44). The Indo-Pacific Strategy is seen as a counter-strategy to China's Belt and Road Initiative (BRI), an ambitious flagship program introduced by President Xi Jinping in 2013.

Nepal signed the BRI in 2017, however, it is not a member of the IPS. Nepal's avowed foreign policy would exclude it from joining any alliance or program of a more militaristic kind. The United States urged Nepal to join the IPS strategy. However, Nepal has received a \$500 million grant from the United States Millennium Challenge Corporation (MCC), which has already been approved by Nepal's parliament. Nepal is currently in a tough situation due to its geopolitical location and the formation of a new global order that targets Nepal's rising neighbors. The rivalry between China and the United States has manifested itself through such economic projects not in Asia or South Asia, but in Nepal too.

As the world's two quickest economies, China and India have tremendous potential to establish themselves as Asian powers, even though both countries share rivalries and cooperation, which has hampered regional development significantly. They continue to have unresolved border issues and territorial disputes. As a result, unless these internal concerns are resolved, the area will be unable to attain an Asia-led or China-led international order, which is essential for realizing the "Asian Century." China and India can work together to make developed Asia a reality. Nepal has played a role in bringing the two neighbors and growing powers together, putting their differences aside to establish a strong relationship on shared ground, which can be referred to as Asian-ness.

Nepal can achieve prosperity if it receives projects from financial institutions in China, India, and the West. Economic or development diplomacy cannot function until a sovereign government joins these organizations. Isolation from the world's technological progress will drive Nepal even deeper into turmoil. The development partners are the starting point for development diplomacy.

Balancing Act for Development Diplomacy

Nepal has prioritized development diplomacy politically and structurally, but it has also faced geopolitical obstacles. Nepal has pursued a liberal economic strategy, obtaining loans and grants from international and regional financial institutions. India, China, and the United States have increased attention to Nepal, assistance assisting in significant and massive infrastructure projects. Nepal has also responded

to similar offers of friendly assistance. We all know that each country has its interests, and each official reiterates those interests.

India and China have been key development partners for Nepal, and Nepal has also defended its genuine interests, which are security-related. Nepal has openly invited both countries' officials and commercial sectors to invest in Nepal. Nepal has also stated that it will guarantee the security of such investments. Tamang (2021) has reiterated that Nepal can take a path of development by equally maintaining relations with India and China irrespective of how these countries behave with the governments of Nepal. "In the absence of maintaining a balance between these two big powers, Nepal is likely to suffer from a troubled political and economic crisis" (p.304).

However, Nepal has been embroiled in a complex geopolitical rivalry and battle for some time. Political stability is required for development efforts to begin, and neighbors want to collaborate with a stable Nepal. Political instability has begun to undermine Nepal's ideal growth environment. When Nepal signed the BRI and MCC in 2017, it was viewed as a significant departure for Nepal's growth, but Nepal has unnecessarily fallen into the trap of these two competitive powers to accomplish its worldwide goal.

Bhattarai (2022) argues Nepal must take advantage of its geopolitical location for focus development. "Nepal's location, which was considered an obstacle to development, can prove to be a boon in the changed context. We must seize the opportunities to benefit from both of these rising economies" (p.14).

The Prime Minister's Office and the Ministry of Foreign Affairs are the two ministries immediately concerned with foreign affairs. The Ministry of finance is also directly linked with the diplomatic missions for conducting development diplomacy. Those who conduct effective diplomacy are ambassadors, consul generals, and other authorities in ministries and missions. The Policy, Planning, and Development Diplomacy and Overseas Affairs Division, as well as its overseas embassies, are part of the Ministry of Foreign Affairs. The division's primary mission is to promote and improve foreign trade, investment, and climate change (MoFA, 2022).

Unfortunately, Nepal's political and bureaucratic leadership could not maintain a balanced approach to immediate neighbors China and India and the superpower United States. If the balance is lost, the foreign investment of any country can be questioned. As a member of global trade regimes such as WTO and regional, sub-regional forums including SAARC, BIMSTEC, BBIN, BRI, etc., it has utilized trade privileges such as duty-free and quota-free access (Sharma, 2018). But Nepal's political leadership needs to act in a balanced way to deal with these forums and to move forward with the bilateral and multilateral agencies.

Requirements for Effective Development Diplomacy

Diplomatic skills are used to foster trust and understanding among nations, as well as to provide a platform for debate and collaboration. This can be accomplished through diplomatic visits, meetings, and information exchanges. Diplomatic skills can also be used to resolve international disputes and conflicts, as well as to promote peace and stability. Trade agreements, foreign aid, and investment incentives are all economic strategies that can be used to build economic links between states. Foreign investment and job creation can both benefit from investment incentives.

As a result, Nepal's primary priority this time should be on honing the country's diplomatic skills to effectively perform development diplomacy. Nepal must strengthen its diplomatic institutions. Ambassadors and mission officials must be capable of managing development diplomacy. Shrestha (2021) suggests institutional readiness and coordination among parties. "Improving managerial skills and strengthening the MoFA's institutional capability is required for the practice of economic diplomacy." (p. 64).

Nepal should focus on building strong relationships with countries that have the resources to support its development efforts, such as the United States, Japan, the European Union, and others. Nepal can leverage the expertise and resources of international organizations such as the United Nations Development Programme (UNDP), the World Bank, and the International Monetary Fund (IMF) to support its development efforts.

Nepal can participate in regional initiatives to foster regional cooperation and economic integration, such as the South Asian Association for Regional Cooperation (SAARC) and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). Nepal can build a favorable investment climate to attract private sector FDI, which can offer capital, technology, and skills to support its development goals.

Nepal should prioritize strengthening its citizens', organizations', and institutions' capacity to participate in the global economy and engage with the international community. Nepal should express its development aims and needs to the international community, as well as actively engage with other countries and international organizations, to get the assistance it requires to meet its objectives.

Overall, development diplomacy requires a strategic and coordinated approach, and Nepal should work closely with its development partners to achieve its development goals.

Conclusion

No doubt, Nepal's major focus at this moment is to make the country prosperous and happy. To achieve this, Nepal should go forward with a clear agenda, ignoring the impediments. Nepal's geopolitical location cannot be a challenge if handled appropriately, with national interests at the forefront. Government policies and programs have not stymied the development process. The main issue in Nepal is not a lack of policy, but rather an unwillingness to implement the policies. If geopolitical equilibrium is preserved via action, and the institutional competency of concerned stakeholders, including diplomatic missions, is strengthened, neighboring countries and international agencies will be more willing to invest in Nepal.

Nepal can improve its ability to fulfill its development goals by strengthening its partnerships with other countries, international organizations, and development agencies. This can involve strengthening Nepal's conversation, cooperation, and collaboration with its development partners. Nepal can endeavor to expand trade and investment opportunities, which will aid economic growth and job creation. This could include promoting its products and services in international markets, attracting foreign investment, and increasing bilateral and multilateral commerce.

Investing in infrastructure, such as transportation, electricity, and communication networks, can boost economic growth and raise Nepal's level of living. Nepal can cultivate a competent workforce and boost its competitiveness in the global economy by investing in education and human capital development. Nepal can use technology, such as digital infrastructure, to fuel economic growth, improve access to services and information, and boost competitiveness.

By implementing these strategies and others, Nepal can move forward with development diplomacy and achieve its development goals. However, it is important to note that development is a complex and long-term process that requires the sustained commitment and collaboration of a wide range of stakeholders, including the government, private sector, civil society, and development partners.

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Role of Ambassadors in Development Diplomacy in the Context of Nepal

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Abstract

Diplomacy has existed for a long time as an integral component of maintaining relations with other countries as required by factors like geopolitical aspects, international situation, population size, the economy's productivity, security sensitiveness, military strength, and main law of the land. Diplomacy is a vital tool for implementing foreign policy construed as an art of dealing with the diplomats of other countries for the host country's benefit. The style and manner of diplomacy are shifting with time in the form of expanding the sphere of influence by the stronger power over the weaker power, economic domination, marine power, and navigational supremacy. The Ministry of Foreign Affairs, led by the foreign minister, ministry staff, and ambassadors abroad constitute the key actors in executing development diplomacy. Nepal has failed to grasp the opportunity due to her inability to select skillful candidates for such fascinating but challenging roles at various times compared to the past. Development diplomacy constitutes a significant part of overall diplomacy for most of the developing countries as is the case of Nepal with a major thrust of receiving development cooperation as much as possible from the advanced countries in the form of grants as well as loans with the minimum possible rate of interest.

Introduction

Diplomacy has been occupying a pivotal role since the dawn of documented history as one of the two main components in running the statecraft namely by delivering governance for the wellbeing of the people, accelerating the pace of development, safeguarding territorial integrity and protection from possible threats by foreign countries, and protecting and promoting the country's image abroad with diplomatic acumen (Straw, 2018). However, the concepts, style, and practice of diplomacy have undergone many changes. The focus on the foreign front includes, among many others, expanding the sphere of influence in the case of the affluent countries over other countries, the geopolitical situation of the country, economic and military strength, trade and commerce between the nations, the size of population and the sociocultural dimension, and the provision of each nation's law of the land with regards to foreign policy.

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Diplomacy is the art of dealing by a diplomat of one country with the diplomat of the other country or countries while taking up concerns that may contain both bilateral or multilateral interests to bring the desired results for the benefit of the initiating country. Diplomacy is also a function that acts to achieve the cherished objectives of the foreign policy of any given country under its foreign ministry. To achieve these goals, a diplomat needs to be well-equipped with appropriate qualifications, on-the-job training, experience, expertise, and skills to successfully discharge his/her duties and responsibilities as a government representative assigned to deal with external counterparts.

Diplomacy is highly valued and skillful performance by diplomats can turn a situation from failure to success, from war to peace, and from foe to friend between nations. The First World War (1914-1918) and the Second World War (1939-1944) are attributed to the failure of diplomatic negotiations among the warring nations (Khanal, 2021). While diplomacy applies in every aspect and step in dealing with external diplomats, mainly of other friendly countries, diplomacy becomes crucial, especially during negotiation on any specific issue of national interest. Thus, diplomacy serves an instrumental role in gaining the support of the other countries' authority for the approaching country as part of managing foreign relations under an adopted foreign policy of the government.

The functioning of diplomacy, though a part of running foreign affairs in the normal sense of the jargon is beyond a regular job under an institutionalized bureaucratic structure as it demands situation-specific expertise and skill from a diplomat which is interlinked with so many domestic set-ups and concerns (Kissinger, 1973). Working as a diplomat, therefore, encompasses a multidimensional quality to perform up to the mark. He/she should have broad knowledge in looking at the subject matters with multidimensional perspectives while dealing with the officials of other countries on behalf of his/her country. In this context, an attempt is being made in this write-up to highlight some aspects of development diplomacy and the role of the ambassadors in Nepal's scenario since they also happen to be some of the key actors of the government after being posted abroad.

Methodology

It has been observed that Nepal lacks desired stock of literature on the diplomatic arena which is badly wanted by the researchers, academicians, writers, and media for their reporting and review of the events on foreign affairs. However, in the recent past, quite a few institutes and study centers at the governmental and academic levels and writings of scholars, professors, ex-career and non-career diplomats, journalists, and the publication of few journals and magazines serve the purpose to a certain extent. The narratives in this paper are based on more qualitative analysis than a review of quantitative figures. In other words, this paper follows a combination of both the cardinal and ordinal methods.

Roles of Ambassadors

A laudable performance at the ambassadorial level demands high-level skills in representation, negotiation, communication, and public relations domain by establishing links with various sectors involving academics, media, businessmen/ industrialists, civic societies, professional associations, celebrities, and intellectuals of the country. On top of all these, a thorough knowledge of the subject matter involving the country's foreign and security policy, and, development priorities are the prerequisites on the part of an envoy. Contrary to these rationales associated with choosing a candidate for such a highly responsible assignment in a foreign land, little consideration seems to be given to the capabilities of a candidate by the Nepali authorities due to their shortsightedness in identifying the appropriate nominees matching the gravity of this position time and again.

From the time of the *Panchayat* regime till the restoration of the multiparty system in 1990, the envoys would be appointed at the discretion of the king on a merit basis coupled with high-caliber professional expertise and their past profile. The candidates for such a charming yet sensitive job were selected from/among the senior joint secretaries, secretaries of the Foreign Service cadre (career diplomats), retired chiefs of the security agencies, former chief secretaries of the government, academicians of repute including former vice-chancellors of the Tribhuvan University, former vice chairman of the National Planning Commission. A former prime minister and a former Chief justice of the Supreme Court also became ambassadors during this time. The other consideration in appointing ambassadors included the persons who were characterized to be especially suitable to secure the host country's support in some specific issues of national importance.

The selection and appointment of the ambassadorial position have often been done based on the will of political parties sidelining professional expertise. Such a trend in selection has led to a weakened performance of ambassadors with adverse effects on developmental diplomacy. The current process of selection of candidates for such posts appears to be more rigorous while the quality of the nominees displays a degrading trend. Starting first at the party stage to the cabinet through the Ministry of Foreign Affairs leading to the Parliament Special Hearing Committee, an ambassador is finally appointed after getting a confirmation from the host government known as the "agreemo". While some have performed well, many of the ambassadors in the present context have not done justice to their roles at a time when development diplomacy has the scope to aid Nepal's development.

There are many developmental agencies and actors under the Government of Nepal, chiefly the Ministry of Finance, National Planning Commission, and Nepal Rastra Bank for goal setting, resource creation, allocation, and mobilization of such resources generated from both internal and external sources. However, the Ministry of Foreign Affairs is the focal point of development diplomacy. The foreign ministry

is the counterpart of the UN agencies. Likewise, the finance ministry is the focal point for the World Bank and the Asian Development Bank whereas the Nepal Rastra Bank is assigned to represent Nepal in the International Monetary Fund. All the officials of these state organs, too, have a role in development diplomacy in addition to the officials of the foreign ministry and the designated ambassadors in different countries. This situation demands a better coordination mechanism among all the organs.

Nepal has had many appreciable examples of ambassadorial excellence in the past worth to be cited who have played key roles in promoting and protecting Nepal's national interests in the domains that include foreign policy, economic diplomacy, trade, and commerce.

Conclusion

Nepal is currently traversing through a path of many hardships with adverse effects in gearing up the pace of development. The situation has been compounded by political instability, economic hazards, social taboos, lack of proper law and order situation, impunity, corruption, effects of the 2015 earthquake, economic blockade by the southern neighbor, and the Covid-19 pandemic. The selection and appointment of able ambassadors have consequences and implications in both immediate and long-term perspectives. Garnering the support of friendly countries for Nepal's development largely depends, in addition to other factors, on how an ambassador displays his/her diplomatic capacity in the country he/she is designated as the sole representative aptly coined as an extraordinary and plenipotentiary in diplomatic terms on behalf of the Government of Nepal for protection and promotion of national interests. While tracing a few of the abovementioned past achievements made by the country's ambassadors that contributed to the development through diplomacy, the Nepali intelligentsia, media, and the general public would like to see a new dimension imparted by the ambassadors of this generation no matter whether they are career diplomats or political appointees selected through rigorous but a nominal process of appointment.

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Development and Related Issues

Boundary Issues should be Resolved Diplomatically

Buddhi Narayan Shrestha*

Introduction

A boundary is a line that separates one country, state, or province from another. A Frontier line is the part or edge of a surface or area that forms its outer boundary. In other words, a border is a real or artificial line that separates geographic areas. At the same time, a border outlines the area that a particular governing body controls. It can be viewed and treated more or less as a line of communication to be crossed back and forth as frequently as the socio-economic needs of the members of the affected local communities would require (Fatile, 2011). In other words, boundary and border is a synonymous terminology. However, according to the definition, the boundary is the line that indicates the outermost territorial limits of State sovereignty. A border means an area that adjoins the boundary line with a variable depth between one nation (or a political division) and another.

Diplomacy is the application of intelligence and tact in the conduct of official relations between the government of independent states or, more briefly still, the conduct of business between states by peaceful means. At the same time, diplomacy is the management of international relations by negotiation, the method by which these relations are adjusted and managed by ambassadors and envoys, the business or art of the diplomatist, skill or address in the conduct of international intercourse and negotiations (Jonsson and Langhorne, 2004).

Border diplomacy involves administrative boundaries and border management system in terms of territorial integrity. Those demarcating the boundary lines; often grown out of rivers, mountain ranges, peaks, and narrow passes; govern our daily lives, and that's doubly, so if, we live in the frontier area, near a neighboring country or state. Some boundaries are at some level unnatural, having homogeneous topography. In the same way, there might be some identical human behavior, food habit, and similar attire and language of both the frontier people. For example, driving around the Birganj town of Nepal and Raxaul of India makes this abundantly clear. The price of the daily consumable items and commodities maybe not be so different, as it can be difficult to tell which state you are in, India or Nepal, for the virgin visitors, and the small street of State Line Road does nothing to make it clearer since there is no conspicuous and eye-catching territorial demarcation on both the sides of the crossing point.

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Diplomacy is highly related to the foreign policy of a country. In fact, Nepal's foreign policy uses to be shaky time and often, especially when there are incidents between Nepal and India and Nepal and China. Similarly, it fluctuates in connection to the changing relationship between China and India. The most important thing is that border diplomacy has not yet been chalked down in Nepal's foreign policy in the context of the nation's territorial integrity.

Border diplomacy is the art and practice of conducting international boundaries negotiations between nations. It usually refers to international relations through the intercession of professional diplomats and experts with regard to issues of peace-making culture through mutual understanding. In addition, border diplomacy is the employment of tact to gain strategic advantage or to find mutually acceptable solutions to a common problem in relation to the historical and authentic documents and materials which are acceptable for both sides in a congenial atmosphere. At the same time, border diplomacy is an enterprise that necessitates an untiring supply of talented individuals with facts, figures, and past incidents to convey and convince neighboring boundary and surveying experts, in one or alternative way.

Nepal's border diplomacy consists of two facets of the same coin. One is border demarcation diplomacy and the other face is border management diplomacy.

Diplomatic Aspect of Border Demarcation

According to border demarcation diplomacy, first, the border between two nations shall be demarcated on a joint working basis with equal footing. Strip maps and GIS data concerning border business should be prepared and established jointly since the border is common to both nations. Second, boundary demarcation problems shall be resolved on the basis of friendship, brotherliness, mutual respect, understanding and reciprocity. Third, the border shall be demarcated on basis of old maps, documents, coordinates, and reference materials. Fourth, if there are differences in some segments of the borderline, that shall be settled with the formation of a joint technical-level committee and high-level joint commission with equal participation. Fifth, Track-II diplomacy should be adopted to find out the modality, ways and means to make study and research for the amicable settlement of the problems. Diplomats must prepare a solution paper on the basis of facts, figures and past incidents. They must keep in touch with the counterpart Track-II diplomats of the neighboring country to find out a solution, agreeable to both nations. Sixth, the content of the solution paper shall be discussed broadly on the political level and it should be passed by the majority with some amendments and addition, if necessary. It shall be adopted as the 'National Border Diplomacy or Policy' of the nation.

This guideline policy matter should be adopted and spoken by all political party leaders, bureaucrats and technocrats with the counterpart personnel. Seventh, the Head of Government must talk to his counterpart of a neighboring country, on the

basis of national border diplomacy to negotiate and solve the border demarcation problems. Eighth, if there is no way out even on the level of Head of Government, diplomatic tactics shall be taken to seek mediation diplomacy from the third country. Both nations should be entrusted to the mediating country. Ninth, if the mediation diplomacy is not successful or entrusted, then the next step shall be to knock on the door of international institutions or organizations, such as the United Nations Security Council (Cartographic/Infrastructure Division). If it does not work, as the tenth and the last step, the state may go to the International Court of Justice to seek judgment on the issue of border business to protect the territorial integrity and to preserve national sovereignty.

Nepal-India Border Demarcation Diplomacy

It is said that 97 percent of the Nepal-India border has been demarcated. 182 strip maps have been prepared and 8,553 border pillars and markers have been established. However, there are problems in the remaining three percent of the borderline. It means nearly 38 kilometers of borderline in various spots have not yet been demarcated, since there is a 1,880-kilometer-long border between Nepal and India. Within the spotted span of 38 kilometers, there are encroachments, disputes, claims, and counter-claims in more than 71 places, encompassing 60,662 hectares in area. The largest chunk of encroachment is the Lipulek-Kalapani-Limpiyadhura in Darchula district and its area is nearly 37,000 hectares. The second disputed/encroached area concerns 14,500 hectares in Susta, Nawalparasi district. Besides, there are disputes, claims, and counter-claims in other 69 places having 9,162 hectares of land. The smallest piece of encroachment is 240 square meters (nearly half a Ropani) of land, located at Phatak of Suryodaya Municipality Ward-3 Pashupatinagar area in Ilam district (Shrestha, 2019) These 3 percent (38 km) of unsettled spots should be handled as per the norms of border demarcation diplomacy, as stated in above mentioned serial number one. A High-level Joint Commission, consisting of Track-II diplomats and intellectuals, should be formed to settle the outstanding issues.

Nepal-China Border Demarcation Diplomacy

Boundary Protocol between Nepal and China should be renewed with an interval of near about ten years interval, since the demarcation was completed and the first Protocol was signed on January 20, 1963. In course of the renewal of the previous Protocol, borderline shall be supervised and monitored jointly and a report should be prepared. At the same time, damaged and missing border pillars and markers shall be repaired and established accordingly. Side by side, new strip maps should be prepared digitally on the basis of previous maps, adopting new technology, such as Global Positioning System (GPS) observations and establishment of Geoinformatics System (GS) data. The most important item is the India-Nepal-

China Tri-junction Points (Zero Marker) which must be established on both ends of the borderline with the equal cooperation of both India and China.

Diplomatic Aspect of Border Management

Border management diplomacy of Nepal should be adopted on the basis of dynamic equilibrium between both China and India. There is a quotation from the late King Prithvi Narayan Shah the Great ‘Nepal is a yam between two boulders (Acharya, 2061 B.S.). However, the situation has changed and has to be re-visualized in the changing context of not only Nepal but also China and India. Now it will not be an exaggeration to say that ‘Nepal should be a bridge between two boulders.’

Nepal-China Border Management Diplomacy

Nepal and China have a regulated border management system. However, Tibetans sneak illegally into Nepal. So border management should be strengthened from both sides. In this aspect, border out-post and immigration check-post shall be established close to the border crossing points as far as possible, not to allow anti-China activity from the Nepali soil. Presently, these posts have been located ten to twenty kilometers far from the borderline. For example, Lamabagar Police post at Dolakha district has been established 22 kilometers south of the border crossing point. In fact, it should be established at Lapche Gaun. There should be a policy to increase the number of border observation posts (BOP) of the Armed Police Force (APF) so that illegal Tibetan infiltration will be checked. It is relevant that Nepali timber, Himalayan herbs like expensive Yarsagamba of Nepal, and Red Sandalwood brought from India should be checked, not exported illegally to the Tibetan Autonomous Region of China, by densification and establishing BOPs close to border crossing points.

Nepal-India Border Management Diplomacy

At present, there is an open border system between Nepal and India, but it has not worked well in the matter of security concerns for both countries. So it should be converted into a regulated system in mutual cooperation with the perspective of security for both nations. The policy shall be taken to regulate the border on a phase-wise basis. To start to be regulated the open border, the number of APF and BOP should be increased in the first phase. The BOP should be established close to the borderline, but not far from No-Man’s Land (Dasgaja Area). Presently, some of these posts have been located two to four kilometers towards the Nepal side. In the second phase, an identity card system should be introduced for travelers, who cross the international border. But the frontier inhabitants, who are residents within five kilometers of the border, should be permitted to cross the border many times a day. In the third phase, barbed-wire fencing should be erected on the border, but there must be 376 exit/entry crossing points, since the length of the borderline is 1,880 kilometers. It is high time to regulate the Nepal-India border to obstruct

cross-border terrorism, criminal activities, and the smuggling of counter-fit Indian currency notes. A regulated system, in the land route, may be initiated with the joint decision as the regulated system was implemented in air-route with a joint decision after the hijacking of Indian aircraft from Nepal in December 1999.

Border Issue to be Resolved Diplomatically

Nepal must be very clear on border diplomacy and boundary strategies to resolve the long

outstanding chronic issues. The border diplomacy relating to the Nepal-India boundary may as

follows:

- Nepal must nourish, insist, and present to India that Nepal and India are countries that have equal rights and status in the arena of an international forum, no matter how big or small the countries are.
- Attempts should be made to make them understand the problems in the higher level of the state.
- It has to convince India and obtain confidence from them.
- Nepal should be enabled to create a congenial atmosphere and environment for India for a 'face-saving device' in the international arena to realize the border problems, for example, the issue of Lipulek-Kalapani-Limpiyadhura.
- Lobbying must be made through the Nepal Embassies and Diplomatic Missions abroad to exert pressure via friendly countries of the world.
- Matured and experienced diplomatic medium should be conducted to convince India.
- Track-II intellectuals should be mobilized to talk to their Indian counterparts to resolve the outstanding complex border issues.
- Root of the problems must be identified through consultations with the concerned experts.
- It must be identified the ways and means to solve the problems with alternative measures, which will be agreeable to both nations.
- After that stage, there must be dialogues and discussions among the political leaders in a manner of cordiality.
- At the end of rigorous inter-actions, political leaders must reach a consensus point that will be adopted as the national border diplomacy by all.
- If the border problems with the neighbor are not resolved mutually, problems should be briefed to the friendly countries of the world unofficially on a sideline during international meetings.
- Global pressure should be exerted on the southern neighbor of Nepal to solve the issues, through friendly countries directly or indirectly that could pay attention

to India.

- If none of these measures work, Nepal must seek mediation through a third country.
- If the mediation is not accepted by India, Nepal must be ready to knock on the door of international organizations such as the United Nations (Security Council) and International Court of Justice (ICJ) for the protection of territorial integrity and sovereignty of the nation (Shrestha, 2022).

Border Strategy

In connection to the complex issues like Kalapani border encroachment the border strategy be adopted by Nepal should be as follows :

- If India pleads that Kalapani belongs to them, what will be the strategy of Nepal?
- If India says that the late King Mahendra has given the area of Kalapani to India, how will Nepal encounter India?
- In case India reiterates, China has never said that Kalapani belongs to Nepal; in this situation, what will be the answer from Nepal?
- If India produces a proposal: Let us make the Kalapani area a Buffer Zone (No-man's land), what logic should be presented to India from Nepal?
- Alternatively, if India proposes: Let us deploy military battalions jointly at Kalapani area. what Nepal should do? Whether Nepal's answer will be 'yes' or 'no'?
- In the meantime, if India wants to take the Kalapani area on a lease for one hundred years, what will be the strategy of Nepal?
- If India proposes mediation from a third country to resolve the Kalapani issue, which country will be acceptable for Nepal, and on what ground?
- Finally, if India warns Nepal: If Nepal pushes the Lipulek-Kalapani-Limpiyadhura issue into the international arena, Nepal must face the worst end result. What will be the strategy of Nepal?

The government of Nepal must be ever ready to answer all these queries, which may be raised by India during dialogue, discussion, and negotiation. Nepal must make theoretical and practical homework in an efficient manner.

Conclusion

A study shall be made to know the feeling and intentions of the people of both frontiers, on the alternatives of the existing border management regime. The policy should be formulated according to their wish and need. If there are some chaos and irritants on the border, the frontier people will be the first and direct sufferer.

A policy of integrated border development projects (including physical, economic,

and social development) in the frontier area should be formulated and implemented. The border area is a sensitive element of a nation. If there are disturbances in the border area, inhabitants of both frontiers will suffer directly in the very first stroke. Ultimately, it will affect the whole country. On the whole, shrewd, intelligent, tactful, and smart border diplomacy should be initiated to maintain the territorial integrity and sovereignty of the nation. On the background of all these factors, boundary issues should be settled through dialogue, discussion, respect for each other, reciprocity, and mutual understanding/negotiation diplomatically in a win-win situation once and for all so that there will be no grudge in the future.

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Sustainable Development Diplomacy and Nepal's Foreign Policy

Rajendra Bahadur Shrestha*

Abstract

Sustainable development is one of the great challenges of our time. The unprecedented crisis that we cross today is a blunt reminder of the need for cooperation across borders, sectors, and generations. More than ever international assistance is needed to deal with the Covid-19 crisis and its economic and social impacts. The United Nations has been spearheading major diplomatic efforts: to define sustainable development agenda for the world focusing think globally and acting locally. Sustainable development diplomacy builds on but significantly advances the traditional understanding of diplomacy. This situation calls for a stronger approach toward aid assistance (i.e., development cooperation) and development diplomacy, particularly the cooperation between developed and developing countries. A new understanding is needed to make the fight against poverty sustainable. A systematic approach and a clear framework for cooperation, coordination, and management should be established for multilateral, regional, and bilateral engagements. It has been realized that coordinated diplomacy must be built around networks drawn from several government ministries as well as the private sector and civil society. With the changing global environment over the years, the United Nations has evolved and its importance for Nepal continues to remain even stronger. Both diplomats and practitioners in the field are crucial in making these changes, and they need a good knowledge of what development cooperation is and how it functions since their tasks may include the support to the formulation of policies and strategies, the mobilization and allocation of funds, and negotiation and monitoring of development interventions. This paper has been prepared based on desk studies, utilizing relevant publications and websites.

Key Words: *Sustainable development, sustainable development goals, diplomacy, coordinated strategy*

Sustainable Development

Sustainable development can be pursued without resolving certain philosophical issues. The great support of the word 'sustainable' is that it introduces the issue

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of time. It is a global agenda. As an alternative development wave, the notion of sustainable development was evolved since the 1970s development dynamics. The World Commission on Environment and Development (WCED) logically addressed the problems of conflicts between the environment and development nexus. The commission defined the notion of sustainable development:

"Sustainable development is the development which meets the needs of the current generation without compromising the ability of future generations to meet their own needs (WCED, 1987)".

In the extensive discussion and use of the concept since then, there has been growing recognition in policy and diplomatic space incorporating three major components, for instance, economy, environment, and society. In other words, it is a development process that can endure into the indefinite future to meet societal needs, and maintain an effective economic system that manages the exchange of goods and services and an environment that can continue to supply essential resources and other ecosystem services.

Sustainable development is by definition extremely wide in scope. It could embrace any number of multilateral agreements above and beyond the process currently underway for defining post-2015 sustainable development goals. Issues that are being addressed in diverse forums on climate change, international trade, ozone protection, conflict prevention, and population, among others, all contribute in some way to sustainable development (Srivastava, 2020). Similarly, multilateral diplomacy has been taking place at several levels based on geographies, natural resource boundaries, common economic interests, development status, and specific sectors with varying degrees of success.

Sustainable development is one of the great challenges of our time. The unprecedented crisis that we cross today is a blunt reminder of the need for cooperation across borders, sectors, and generations. More than ever international assistance is needed to deal with the Covid-19 crisis, Climate change, and their economic and social impacts.

This situation calls for a stronger approach toward aid assistance (i.e., development cooperation) and development diplomacy, particularly the cooperation between developed and developing countries. A new understanding is needed to make the fight against poverty sustainable.

Both diplomats and practitioners in the field are crucial in making these changes, and they need a good knowledge of what development cooperation is and how it functions since their tasks may include the support to the formulation of policies and strategies, mobilization and allocation of funds, negotiation, and monitoring of development interventions.

Sustainable Development Diplomacy

Sustainable development diplomacy (SDD) is a relatively recent concept and is a process that a wide variety of actors can use in their efforts to pursue sustainability goals. Therefore, we focus on actors and what they can do to steer society toward sustainable development.

SDD builds on but significantly advances the traditional understanding of diplomacy whereby agreements are negotiated to advance mutual benefit. SDD applies the principle of diplomacy, where agreements are negotiated to advance common agendas, but is marked by several important shifts, both in the substantive content of what is negotiated and its practice or means of conduct (Moomaw, et. al., 2016).

First, SDD includes a broader conceptualization of the actors involved in diplomacy. Governance of sustainable development outcomes can emerge without the explicit consent of state authorities (unlike traditional diplomacy in the Hamilton and Langhorne definition). Second, SDD is not understood as simply the adoption of an agreement but incorporates all phases of negotiation and implementation of policies and programs. Third, in terms of substantive content, we utilize the definition of sustainable development provided by the Brundtland report as the foundation for our analysis. Given the universal nature of these subjects, the role of multilateral diplomacy would be crucial in breaking the deadlocks that already exist or are likely to arise.

Achieving sustainable development and meeting the UN Sustainable Development Goals requires that there be an effective process of negotiating and implementing sustainable development policies and practices.

Policies designed to implement sustainable development must address underlying causes rather than treating symptoms. Policies are more likely to be implemented if they incorporate mutual benefits for all parties and create a sense of ownership through the engagement of diverse stakeholders. Policies that successfully implement sustainable development goals should incorporate all three dimensions of sustainable development: society, environment, and economy. Policies must have effective implementation and follow-up provisions that set a course for action but are sufficiently flexible to incorporate new information and conditions.

Meeting the SDGs will require multiple agreements regarding implementation policies, strategies, and actions at all scales from international to local, and across sectors of society and the economy. The process of implementing sustainable development requires a governance system that can match the ambition and complexity of the goals.

Nepal's Foreign Policy

The foreign policy (FP) of Nepal is guided, among others, by abiding faith in

the United Nations and a policy of non-alignment. The fundamental objective of the foreign policy is to enhance the dignity of Nepal in the international arena by maintaining the sovereignty, integrity, and independence of the country. Towards this, one of the major objectives of Nepal's FP is to play an active role in the United Nations and other international organizations to promote international peace, security, and development (GON-MOFA, 2020).

In the present global context, there has been a shift in Foreign Policies of the world community, from one of geo-political security and stability concerns to more economic and social security concerns. The realization of economic interdependence between nations and relations based on mutually beneficial win-win situations is becoming the new norm that is more sustainable (Shrestha, 2017).

Nepal's FP embraces the broad concept of "development diplomacy", which includes policy dialogue and policy negotiation in international development, and has been the principle of MOFA to further Nepal's development agenda in the international sphere. At present, the Policy Planning, Development Diplomacy, and Overseas Nepalese Affairs Division at MOFA, along with its overseas missions, is responsible for Nepal's development diplomacy.

In line with this, Nepal has planned and implemented a sustainable, inclusive, and green growth-oriented development strategy for the coming decades to achieve a higher per capita income, reduce poverty, enhance human capital, and improve the living standards of vulnerable populations.

At times, it has been observed that MOFA does not seem to have the adequate capacity to engage other line ministries and non-state actors to tackle diverse and complex issues. As a result, there is coordination failure with the stakeholders in Nepal and missions abroad (Shrestha, 2021). Nepal's geo-political and geo-economic situation remains a major determinant in the conduct of relations with other states. Its geostrategic position warrants country-specific treaties.

To enable this, MOFA and overseas missions need to have a clearer understanding of the interdependence of economic, political, social, and environmental issues, and the working linkages between state and non-state players in the international system (Bhattarai, 2018).

This requires strengthening MOFA's institutional capacity and preparedness for this role. It is of paramount importance. Improving managerial capacity and acquiring new knowledge and negotiation skills are a prerequisite in the practice of development diplomacy. Effective development diplomacy not only mandates institutional preparedness of MOFA but also of other ministries and organizations, such as the ministries of Finance, Industry, Commerce and Supplies, the Office of the Prime Minister, Nepal Tourism Board (NTB), and other relevant agencies. To realize this, integrated and effective coordination operating under a broad framework

with clear operating procedures is required along with research and development (R&D).

A systematic approach and a clear framework for cooperation, coordination, and management should be established for multilateral, regional, and bilateral engagements (Shrestha, 2020). There are different multilateral and international agreements such as the World Trade Organization (WTO), United Nations Convention on Law of the Sea (UNCLOS), Paris Agreement on Climate Change (PACC), etc. Also, international financial institutions such as the WB, ADB, AIIB, and BRI facilitate freedom of transit and enable preferential trade for the Landlocked Developing Countries (LLDCs) and the Least Developed Countries (LDCs) (World Bank, 2019).

Opportunities for Cooperation

In the context of an increasingly globalized world, where states cannot escape economic interdependence, development diplomacy has become an unavoidable reality of 21st-century international relations. The intricacies of interactions among the state and non-state actors imply that development diplomacy cannot be compartmentalized into separate economic or geo-economic realities of countries like Nepal, making it crucial to formulate and implement development diplomacy to maximize benefits from international relations.

It has been realized that coordinated diplomacy must be built around networks drawn from several government ministries as well as the private sector and civil society. Regarding this, MOFA should expand its institutional capabilities to drive development diplomacy and find ways to interact effectively with other line ministries and non-state actors. Success to a large extent depends on new skills, capability, tact, and versatility of the staff engaged in the conduct of development diplomacy.

And to strengthen coordinated development diplomacy in the changing world, it should focus on institutional preparedness and coordination, increased multilateral and regional engagements, enhance technology transfer strategies, emphasize sectoral investment and tourism promotion, strengthen labor diplomacy, attract foreign assistance, prioritize partnership with the private sector, promote business-friendly missions, and, more importantly, concentrate on networking, monitoring, and supervision.

With the changing global environment over the years, the UN has evolved and its importance for Nepal continues to remain even stronger. We have established three Missions abroad to deal with UN matters. Nepal is the fourth largest contributor to UN peacekeeping operations. However, there is a need to develop a work culture based on strategic planning which includes specific targets Nepal hopes to achieve through each of the Missions.

The conduct of national diplomacy is contingent on the emerging dynamics in the regional and global environment, which often changes due to various global events occurring from time to time such as the SDGs, Climate Change, and recently the Covid-19 pandemic.

Conclusion

A consistent and appropriate response is required to meet the challenges of the changing scenario. Experts have identified six elements that can help cope with the emerging challenges for effective diplomacy. The new situation demands a new mindset and a new personality to tackle emerging issues. Scientific and technological activity is prevailing over and visibly dominates international dealings. Conventional diplomacy must now be supplanted by science, technology, health science, and particularly information technology.

Authorities responsible for handling diplomacy must, therefore, show an ability to meet the challenges posed by the changed global diplomatic development to better equip Nepal's diplomats professionally with the combined expertise of both the conventional and techno-scientific domains (Shrestha. 2021)

Nepal has given high importance to climate change and the mitigation of its impacts. A 17-point policy strategy to reduce climate change impacts is included in a document on foreign affairs matters. The policy includes a strategy for the protection, promotion, and utilization of natural resources to mitigate the impacts of environmental degradation and climate change to achieve Sustainable Development Goals (SDGs) while attracting needed financial as well as technical support (Acharya, 2019).

Nepal has been elected the chair of the climate negotiating group of the least developed countries (LDCs). It aims at playing an active role at the United Nations and other international platforms by playing a leading role in climate change issues of the mountain as well as various issues of other countries. Thus, it is hoped that sustainable development diplomacy will find a prominent place in the execution of the foreign policy of Nepal in the days ahead.

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Environmental Degradation and Development Diplomacy for Nepal

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Abstract

This article aims to shed light on the challenges of global warming and climate change. The disasters produced by such phenomena are impacting the lives of people inhabiting the mountains, hills, and Tarai areas of Nepal. It also explains how to safeguard our ecological environment and mitigate the effects of global warming and climate change. Similarly, it also elaborates on how Nepal can face this difficulty as 80 percent of our population has been affected and the income of the people has been diminishing with low productivity in agriculture. With the active pursuance of development diplomacy under the overall economic diplomacy as a Middle Income Country (MIC), it is envisaged that Nepal will be able to cope with the new situation at the time of world recession as well as facing the adverse aftermath of Covid-19 pandemic with the good preparation to negotiate and implement the projects.

Introduction

Owing to global warming and climate change, the world is suffering from unprecedented floods, earthquakes, landslides, cyclones, and floods in the off-season as well. Nepal also experienced a huge earthquake measuring 7.8 on the Richter Scale on April 25, 2015. Similarly, there are a lot of frequent instances of avalanches, fast rate of melting snow in the high snow peaks, glacier burst floods and river flash floods, forest fire storms, and landslides in Nepal. As such, we had not been able to flag our environmental problems in the international arena with a strong voice until recently, although it has been claimed by the government authority that Nepal's participation was successful at the 27th COP Summit in Sharm El Sheikh, Egypt (November 6-8, 2022). In such a situation, Nepal, as LDC with limited resources, cannot cope with such calamities and disasters due to inadequate attention by the government and a dearth of funds to mitigate such incidents. According to a recent report, "80 percent of the Nepalese population lives under the risk of natural and climate-induced hazards" (Tanka 2023). Thus, there is a need to galvanize international support for Nepal from donors and Intergovernmental Organizations, non-state actors, and international financial institutions. According to some experts, a National Adaptation Plan (NAP) is needed in Nepal which can be implemented at all levels.

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Development Diplomacy

“Development diplomacy refers to the repurposing of aid in such a way that it claims to service public diplomacy ambitions and aspirations while simultaneously achieving development goals. This repurposing is particularly evident in the evolving contexts of Northern engagement with middle-income countries (MICs)” (Gulrajani, 2020). According to the definition above, the world's Middle-Income Countries (MICs) are a group of countries with different sizes, population, and income levels. According to the World Bank, middle-income countries (MICs) are defined as economies with a gross national income (GNI) per capita between \$1,036 and \$12,535. The GNI per capita income of Nepal reached \$ 4230 PPP in 2021 (World Bank, 2021). Thus, Nepal is one of the MICs.

Development diplomacy is particularly associated with the attainment of Sustainable Development Goals (SDGs) adopted by the United Nations to be achieved by 2030 by developing countries including LDCs. So, it is incumbent on the part of developed countries and their associated Organizations such as G20, UN, World Bank, Asian Development Bank, OECD, IMF, IFC, WTO, etc. to assist developing countries to achieve 17 sustainable goals. On the other hand, economic diplomacy covers the whole range of activities relevant to international economic development. In terms of the impact of environmental degradation, “economic diplomacy differs in that it is about reconciling domestic and international policy objectives in an increasingly interdependent if not the global economy” (Stephen, 2013). Thus, we can say that development diplomacy is an integral part of economic diplomacy. Development diplomacy is a relatively new terminology for developing countries in particular when it is linked to Middle-Income Countries (MICs) to achieve sustainable economic development. “Environmental challenges, such as climate change, and a range of other less high-profile issues, cannot be resolved by individual national policies. In other words, economic diplomacy has become an essential instrument in the pursuit of domestic policy objectives” (Stephen, 2013). Development diplomacy and economic diplomacy have become more and more important apparatuses for Nepal to graduate from an LDC to the level of a developing country by 2026. Nepal needs to groom a group of competent cadres to pursue such diplomacy as early as possible.

In this context, the details of economic diplomacy have been well-enunciated by two authors as follows:

“Economic diplomacy therefore also encompasses the decision-making and negotiation that goes on in these international bodies, which may be multilateral, plurilateral (i.e., consisting of like-minded states or states that share common norms and values), regional (as in the European Union or other regional groups), or bilateral (as in the case of many recent trade and investment initiatives). Such negotiations can result in voluntary cooperation, peer-reviewed standards, or binding commit-

ments, which when broken can lead to financial penalties or to treaty-backed rights to retaliate” (Stephen, 2013). Diplomats must have in-depth knowledge of international economics and the actors (organizations under the Bretton Woods Agreement, UN bodies, International Financial Institutions, etc.) associated with such relations.

It is stated that since 2009, Nepal has been also pursuing economic diplomacy but with meager resources at hand and inadequate preparation, the country lacks enthusiasm in the absence of ‘political will’. It is the need of the hour to train economic diplomats who can voice Nepal’s agenda of economic development and growth in international forums. As 39 Nepalese missions are operating in different capitals and cities of the world, economic diplomacy should be led by the Ministry of Foreign Affairs in collaboration with Finance, Industry, Forest, and Environment Ministries. Only setting aside a very low level of the annual budget to the embassies in the name of economic diplomacy does not make us competent enough to negotiate within the competitive milieu of international economic relations. Our missions to the UN in Geneva and New York, and particular embassies in Washington DC, Brussels, London, Bangkok, and Tokyo should be equipped with some highly qualified economic diplomats.

Nepal and COP-27

The UNCED-I (Earth Summit) which was held in Rio de Janeiro, Brazil was attended by Prime Minister G.P. Koirala in June 1992 and after 20 years another Summit Rio+20 was attended by Prime Minister Dr. Baburam Bhattarai in June 2012 in the same city. This writer was one of the members of the Nepalese delegation at the second conference. At the international Summits, Nepal participated in the deliberations and gave high importance to the outcome of such conferences. The National Agenda 21 recommended by the Earth Summit could not be implemented fully due to a lack of funds available from the development partners and less attention given to it by successive governments.

The government officials, after participating in COP 27, said that Nepal’s concerns were heard and ‘recognized’ by the international community (Regmi, 2022). Some experts opine that “Nepal’s participation in a recent UN summit on climate change was not as impactful as expected. While the official delegates praised the establishment of the Loss and Damage Fund, progress on adaptation funds at the global level and implementable programs at the local level has not been a priority. The government’s decision to include climate change as a priority is a welcome move, but it will be critical to focus on community-level implementation and inter-sectoral cooperation to meet climate change goals” (Dhakal, 2023). But the challenge remains whether we can devise our policy, program, plan, and projects as per our concerns voiced at that important Summit, which was attended by 100 Heads of State and Government. Our problem is effective coordination, implementation, and most im-

portant of all ‘political will’ to go into action with adequate resources in our hands. We have to activate our foreign ministry diplomats, finance ministry officials as well as the concerned officials of the Ministry of Forest and Environment to secure the international community’s support for adequate financial assistance and proper effective implementation.

The “loss and damage” package agreed upon for the hard-hit countries at the Summit contains compensation for the loss and damage from climate change, and that required enhancement of assistance for adaptation to mitigate the impacts of carbon emission and environmental degradation at mountain areas be seriously taken up and pursued by the Government of Nepal. We need to urge the development partners to immediately increase the funding for the most vulnerable countries like Nepal which are frequently hit by climate disasters. A recent study has shown that Nepal’s mountains have seen the temperature rise by 1.8 degree Celsius whereas the world average is one degree Celsius only. It is alarming for Nepal. It is the impact of an increased level of greenhouse gas effect.

Conclusion

In recent years, the world has witnessed several natural and climate disasters. The biggest pandemic with a worldwide impact was Covid-19 which triggered an economic recession in almost all countries. Thus, the international economic situation at present can be best described as ‘sluggish’. Nepal cannot work in isolation in this interdependent world. We need to prepare ourselves to negotiate in the better interest of our nation to provide enhanced economic benefits to the people. To achieve this objective, we should be well aware in advance that this is possible only through a well-equipped team of negotiators in this era of international competition. Still, the level of aid and assistance assured by the developed North may not be forthcoming as required by the South as was continuously experienced in the past.

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The Transitional Justice Process of Nepal: National and International Dimensions

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Abstract

Transitional justice is an evolving discipline for academics and researchers. It is the full range of processes and mechanisms associated with a society's attempt to come to terms with a legacy of large-scale past abuses, to ensure accountability, serve justice and achieve reconciliation. The transitional justice process of Nepal aims to address the humanitarian consequences of the non-international armed conflict that Nepal went through from 1996 to 2006. International law-human rights and humanitarian law-governs the transitional justice process together with domestic laws. The transitional justice process in Nepal is an issue of concern to the international community as well. It is now an element of Nepal's diplomatic intervention in various platforms and fora. Nepal is struggling to find an appropriate modality of transitional justice. This article has been prepared primarily based on desk research-consulting relevant publications, websites, positions of the stakeholders-and diplomatic representations of the Government of Nepal. It updates the readers on Nepal's initiative on transitional justice and argues that it falls within the wider scope of Nepal's foreign policy.

Key Words: *Transitional Justice, International Humanitarian Law, International Human Rights Law, Transitional Justice Mechanism, Truth/Justice/Reparation/Non-recurrence*

Introduction

The term Transitional Justice (TJ) entered into public discourse following the conclusion of the Comprehensive Peace Agreement (CPA) between the Government of Nepal and the Communist Party of Nepal (Maoist) on November 21, 2006, that ended a decade-long non-international armed conflict. Transitional justice refers to a range of measures-judicial and non-judicial, formal and informal, retributive and restorative-employed by countries transitioning out of armed conflict or repressive regimes to redress legacies of atrocities and to promote long-term sustainable peace (United States Department of State, Transitional Justice Overview, 2022). It is not a distinct or 'soft' form of justice, but rather a set of approaches to achieving justice, broadly understood, to address legitimate grievances while also strengthening security, development, reconciliation, and good governance. Effectively addressing

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past atrocities through these approaches is an important tool in preventing the recurrence of atrocities.

The TJ deals with the promotion of truth, justice, reparation, and guarantees of non-recurrence. If applied properly, TJ measures have the potential to mitigate the risk of further violence, promote civilian security, strengthen the rule of law, rebuild social cohesion, encourage respect for human rights, address the needs of victims, facilitate development, and restore trust in formerly abusive institutions (United States Department of State, Transitional Justice Overview, 2022).

The preamble of the 2006 Comprehensive Peace Agreement stipulates the commitment of the then parties to the conflict – the Government of Nepal and the Communist Party of Nepal (Maoist) - “Remaining committed to the 1948 Universal Declaration of Human Rights, international humanitarian laws and the fundamental principles and basic principles and norms related to human rights.” Article 5.2.5 of the same document reads “Both sides agree to set up with mutual consent a High-level Truth and Reconciliation Commission to probe into those involved in serious violation of human rights and a crime against humanity in course of the armed conflict for creating an atmosphere for reconciliation in the society (RELIEFWEB, 2006). Likewise, the Interim Constitution of Nepal 2007 (2063), article 33 (s) mentions the obligation of the state - “To constitute a high-level truth and reconciliation commission to investigate the facts about involved in gross violations of human rights, crimes against humanity during the course of armed conflict, and to create an environment of reconciliation in the society” (Government of Nepal, 2007).

The issues related to Nepal’s peace process, the peace agreement, and transitional justice are of course issues of national concern. At the same, these issues bear international dimensions. The foreign policy of Nepal states that the foreign policy will be guided by the norms of international law and world peace (Ministry of Foreign Affairs, 2020). The TJ process is governed by relevant international instruments – primarily international humanitarian law (IHL) and international human rights law (IHRL). The foreign policy document further adds - “The United Nations charter; bilateral, regional and multilateral treaties, agreements, and commitments/memorandum to which Nepal is a party will remain as basis of the foreign policy”. It means the international laws or the instruments concerning transitional justice are also the basis of the foreign policy of Nepal. The TJ process has been a part of the Nepal report and the statements made in the UN in Geneva and New York. They include the Nepal Universal Periodic Report presented to the UN Human Rights Council and the annual addresses in the UN General Assembly. The TJ is one of the issues of Nepal’s engagement with the diplomatic and international community at home and abroad.

Methods and Data

The article is mainly exploratory and qualitative. Many publications on transitional

justices, both national and international, have been consulted. Websites of international organizations working in the field of transitional justice proved a good source of information. The publications of the Government of Nepal and the TJ mechanisms offered information on the many initiatives undertaken at the national level and the constraints associated with the process.

Transitional Justice Process in General

The concept of the transitional justice process is relatively new. Transitional justice as a discourse with certain objects, concepts, actors, and characteristics can be traced back to their historical process of emergence. The emergence of the discourse of transitional justice can be followed through four events in the 1980s and 1990s: the transition to democracy in Argentina in 1983, the end of communism in Eastern and Central Europe after 1989, the reinvigoration of international criminal justice after the creation of the International Criminal Tribunal for the former Yugoslavia (ICTY) in 1993, and the establishment of the South African Truth and Reconciliation Commission in 1995 (Zunino, 2022). Transitional justice has now developed as a separate discipline. On 29 September 2011, the Human Rights Council adopted resolution 18/7, in which it decided to appoint, a Special Rapporteur on the promotion of truth, justice, reparation, and guarantees of non-recurrence. The mandate of the rapporteur has been extended periodically since then (OHCHR, 2011). In situations of transition from conflict or authoritarian rule where there have been gross violations of human rights and serious violations of international humanitarian law, the Special Rapporteur focuses on the measures adopted by the relevant authorities to guarantee the truth, justice, reparation, and guarantees of non-recurrence.

Transitional justice consists of both judicial and non-judicial processes and mechanisms, including prosecution initiatives, truth-seeking, reparations programs, institutional reform, or an appropriate combination thereof. Whatever combination is chosen must conform to international legal standards and obligations. Transitional justice should further seek to take account of the root causes of conflicts and the related violations of all rights, including civil, political, economic, social, and cultural rights. By striving to address the spectrum of violations in an integrated and interdependent manner, transitional justice can contribute to achieving the broader objectives of prevention of further conflict, peacebuilding, and reconciliation (United Nations, 2010).

The United Nations identifies four pillars of transitional justice (TRIAL International, 2022) as key elements of the TJ.

Truth: establishing and acknowledging the truth about the violations committed is the first step towards social dialogue and even reconciliation. All parties to the conflict, and most importantly victims and their families, have the right to make their voices heard and their questions answered.

Justice: the identification and prosecution of perpetrators of gross human rights violations and international crimes are crucial, as it serves both a preventive and reparative purpose. Strong accountability mechanisms show that atrocities do not go unpunished, thereby deterring future abuses.

Reparation: victims of gross human rights violations have the right to receive adequate reparation for the harm suffered. Measures of reparation go well beyond economic compensation, and may also include symbolic gestures, such as public apologies and the building of memorials, and measures aiming at improving the lives of victims and their families, like scholarships or access to health services.

Guarantees of non-recurrence: By learning from past mistakes, all efforts must be made to prevent gross human rights violations in the future. This includes mainly institutional reforms reinforcing accountability, transparency, and fairness.

Over forty states including Nepal have gone through the TJ process and concluded it or are making efforts to conclude the process. Colombia is a recent example that is heading toward a successful conclusion of the TJ process following the 2016 peace accord. The accord ended five decades of conflict with the Revolutionary Armed Forces of Colombia (FARC). The Colombian model is hailed by some as a success story of “positive complementarity” between the international criminal court (ICC) and a national court system (JusticeInfo.net, 2021).

While discussing the issues related to the TJ, the question is often asked on the modality of the TJ mechanism. Is there an ideal modality? Can we make it contextual to the reality of the concerned country? Which was the most successful one? It is difficult to receive a specific response. It is determined by the local social, political, and cultural context. Now, there are standards and guiding principles as mentioned earlier. There is a UN Secretary-General report on the issue. There is increased focus by the UN on questions of transitional justice and the rule of law in conflict and post-conflict societies, yielding important lessons for our future activities. Success will depend on several critical factors, among them the need to ensure a common basis in international norms and standards and to mobilize the necessary resources for sustainable investment in justice. We must learn as well to eschew one-size-fits-all formulas and the importation of foreign models, and, instead, base our support on national assessments, national participation, and national needs and aspirations. (UN Secretary General, 2004).

Different societies take different routes, depending on the nature of the atrocities that occurred and the particularities of that society, including its culture, history, legal and political structures, and capacity, as well as its ethnic, religious, and socioeconomic makeup. How far along and how quickly a society travels along this path depends on the resolve, tireless effort, and collaboration of many stakeholders from government actors and politicians to victims, civil society organizations, and ordinary citizens (ICTJ, 2022).

Status of Nepal's Transitional Justice Process

As mentioned in the introduction, the 2006 Comprehensive Peace Accord and the 2007 Interim Constitution of Nepal speak on elements of transitional justice to develop and implement. It is already sixteen years since the signing of the peace agreement. The state is yet to fulfill its obligations toward the victims of armed conflict. The Commission of Investigation on Enforced Disappeared Persons (CIEDP) has determined the number of disappeared persons as 2567 based on the complaints received (Bhattarai, 2022). Over 17000 people are reported to have been killed during the conflict (Upreti, 2022). Many commitments of the government and the Communist Party of Nepal (Maoist) remain unfulfilled. As an example, article 5.2.3 of the CPA states “Both sides agree to make public within 60 days of the signing of the agreement the correct and full names and addresses of the people who ‘disappeared’ or were killed during the conflict and convey such details to the family members.” Not a single case has been resolved in the last 16 years.

Despite the commitments expressed by the Government of Nepal and the Communist Party of Nepal (Maoist) through the 2006 Comprehensive Peace Agreement and 2007 Interim Constitution of Nepal, the effort to respond to the needs of conflict-affected people and address the violations of international humanitarian law and human rights began much late. The Enforced Disappearances Enquiry, Truth and Reconciliation Commission Act came into force in 2014 (2071). Under the Act, the government formed twin TJ commissions – the Commission of Investigation on Enforced Disappeared Persons and the Truth and Reconciliation Commission (TRC) – in February 2015. The TRC has the mandate to investigate cases of serious human rights violations including unlawful killings, sexual violence, torture, and a range of other serious crimes committed during the conflict; and the CIEDP has a mandate specific to enforced disappearances. The commissions faced difficulties to act as envisaged by the Act from the beginning. The Act and the composition of the commissions were criticized by the international community including the UN and the conflict victims from the beginning. The government failed to amend the TJ Act as per the directives issued by the Supreme Court.

Despite the repeated Supreme Court rulings that any mechanism for transitional justice must conform to international standards and lead to criminal accountability for gross human rights violations (International Commission of Jurists, 2015), these commissions continue to have a legally flawed mandate which, among other problems, allows the commissions to recommend amnesties for gross human rights violations. In addition, the legislation establishing the commissions does not provide sufficient guarantees for the independent and impartial operation of the commissions and the commissioners, making them vulnerable to political pressures. For these reasons, the UN Office of the High Commissioner for Human Rights (OHCHR) also refused to provide technical support to the commissions (OHCHR, 2014).

The Nepal TJ commissions continue to exist since 2015. They were reshuffled once with a new team. Minister of Law, Justice, and Parliamentary Affairs Mr. Govinda Prasad Sharma (Koirala) took a concrete step to amend the Act as demanded by the victims, the international community, and the Supreme Court to conclude the TJ process in 2022 (2079). The Ministry adopted a wider consultative approach to draft the amendment bill. The consultation included political parties, parliamentarians, victims, civil society organizations, I/NGOs specialized in TJ, and the diplomatic community. The bill (House of Representatives, Nepal, 2022) that was being discussed in the thematic committee of the House of Representatives could not conclude the discussion due to impending parliamentary elections. The newly elected House of Representatives is expected to finalize the bill and eventually conclude the TJ process.

International Law and Transitional Justice

“To conduct independent foreign policy based on the Charter of the United Nations, non-alignment, principles of *Panchsheel*, international law and the norms of world peace, taking into consideration of the overall interest of the nation, while remaining active in safeguarding the sovereignty, territorial integrity, independence and national interest of Nepal”, states the Constitution of Nepal (Constituent Assembly, 2015). Adherence to the principles of international law has been an integral part of Nepal’s foreign policy. The IHL and IHRL form the core part of international law applicable in the TJ process.

The international community is closely watching the initiatives taken by Nepal to fulfill the TJ obligations. While addressing the 77th session of the United National General Assembly in New York in September 2022, Head of Nepal Delegation and Foreign Secretary Bharat Raj Paudyal remarked “Nepal’s commitment to human rights is unequivocal. The Constitution of Nepal incorporates universally recognized human rights and fundamental freedoms. As a member of the Human Rights Council for the second consecutive term, Nepal continues to add value to the work of the Council. Our approach to human rights is firmly grounded in the principles of universality, indivisibility, objectivity, and non-selectivity. We are committed to concluding the transitional justice process by addressing the concerns of the victims, complying with the directive of the Supreme Court, and abiding by the spirit of the Comprehensive Peace Accord and our relevant international commitments. Taking this in earnest, the Government of Nepal presented an amendment bill to the parliament to reform the related laws (UNGA, 2022).”

Nepal Universal Periodic Review Report (3rd Cycle) submitted to Human Rights Council on 12 October 2020 reads “The Government of Nepal has reiterated its commitment to resolve the issues related to transitional justice by the spirit of the Comprehensive Peace Accord, rulings of the Supreme Court, relevant international commitments, concerns of the victims and ground realities. Two

independent Commissions- the Truth and Reconciliation Commission (TRC) and the Commission on Investigation of Enforced Disappeared Persons (CIEDP)- have been investigating the allegations of human rights violations during the conflict era (1996-2006) under the Enforced Disappearances Enquiry, Truth and Reconciliation Commission Act, 2014 (TRC Act). The Government of Nepal has provided interim relief to the victims of conflict (Office of the Prime Minister and Council of Ministers, 2020).”

Pradeep Kumar Gyawali, Minister for Foreign Affairs and Head of Nepali Delegation to the 74th session of UNGA, 2019 said “We are fully committed to concluding the transitional justice process in line with the Comprehensive Peace Accord, the directive of the Supreme Court, relevant international commitments, concerns of the victims and the ground realities (74th UNGA, 2019).

Conclusion

The armed conflict in Nepal lasted only for 10 years, but it failed to conclude the TJ process even in a period of 16 years. The parties to the conflict together with the victims need to agree on the modality of the TJ mechanism which conforms to international standards. While doing so they will have the liberty to contextualize the process considering the ground reality. It is already late and it should not be protracted further. The victims are waiting for a long for truth, justice, reparation, and a guarantee of non-recurrence. The Government of Nepal needs to amend the existing TJ Act at the earliest once the new government is in place. It may consider advisory services from international organizations like the UN, International Commission of Jurists (ICJ), International Center for Transitional Justice (ICTJ), and International Committee of the Red Cross (ICRC) as appropriate so that the TJ process is concluded.

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Federalism: New Avenue for Nepal's Development Diplomacy

Liladhar Upadhyaya*

Abstract

Nepal has entered into a new governance model under the federal structure. It is a basic format of the new constitution assimilating federalism from its preamble to other relevant articles of the Constitution of Nepal. It is a new system for Nepal, and the nation should focus on enduring the system by rectifying lapses of federalism. It is criticized for being expensive and promoting means of corruption, but it can give positive results if we apply the principles and practices of federalism with due attention. As federalism is the basic guiding principle of the new political and constitutional context, the development diplomacy of the country should steer the path under the federal structure. Nepal's foreign policy is mainly guided by mutual respect territorial integrity and sovereignty; non-interference in each other's internal affairs, respect for mutual equality, non-aggression, and the peaceful settlement of disputes, cooperation for mutual benefit, abiding faith in the Charter of the United Nations and value of world peace. Development diplomacy is also an expansion of these principles and practices for the prosperity of the nation. The ultimate goal of every form of diplomacy is to optimize national interest and promote world peace. Nepal has challenges as well as opportunities to get benefit from the means of development diplomacy under the federal system of governance. This article briefly talks about development diplomacy in the changed context of Nepal.

Introduction

Nepal is in the new context of the federal government against the age-old unitary system of governance. The new course of federal structure is in operation after the promulgation of the federal democratic constitution by the Constituent Assembly in 2015. Article 4 (1) of the Constitution defines Nepal as an independent, indivisible, sovereign, secular, inclusive, democratic, socialism-oriented, and federal democratic republican state (Nepal Law Commission, 2015).

The federal government, provincial governments, and local governments are in operation following the two general elections since the introduction of the new constitution. However, several works need to be done in the area of federalism.

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As federalism is the basic guiding principle of the new political and constitutional context, the development diplomacy of the country should steer the path under the federal structure.

The foreign policy of any country is focused on the protection and promotion of national interest. It is also understood as an extension of the internal policy of a state. Nepal's foreign policy is guided by mutual respect's territorial integrity and sovereignty, non-interference in each other's internal affairs, respect for mutual equality, non-aggression and the peaceful settlement of disputes, cooperation for mutual benefit, abiding faith in the Charter of the United Nations and value of world peace (MOFA, 2023).

The Constitution of Nepal has also set the guiding principles of Nepal's foreign policy. The State shall direct its international relations towards enhancing the dignity of the nation in the world community by maintaining international relations based on sovereign equality while safeguarding freedom, sovereignty, territorial integrity and independence, and the national interest of Nepal (Constitution of Nepal, Article 54, 4). Similarly, the State policy of the Constitution has also fixed the guiding principles of foreign policy. It includes: To conduct an independent foreign policy based on the Charter of the United Nations, non-alignment, principles of *Panchsheel*, international law, and the norms of world peace, taking into consideration of the overall interest of the nation, while remaining active in safeguarding sovereignty, territorial integrity, independence and national interest of Nepal and to review treaties concluded in the past, and make treaties and agreements based on equality and mutual interest (Constitution of Nepal, Article 50).

Development diplomacy in Nepal is mostly fixed by constitutional provisions as well customary practices. The nation has already set the path of a socialism-oriented economy and it needs to generate national capital through diplomatic channels to lead on the path of prosperity.

Methodology

This article is an analytical overview of development diplomacy in the federal context of Nepal. It is entirely focused on a qualitative approach based on secondary textual data. Relevant journal articles, books, and authentic websites are reviewed in course of preparing this article.

Federalism: A New Dimension of Nepal's Development

Federalism is a system of governance, which divides power or rights between the central government and provincial government, in a written constitution divides power between a central government and regional or sub-divisional governments, and they are run through a set of laws in the constitution. The field of government

is divided between a general authority and regional authorities, which are not subordinate to one another, but co-ordinate with each other, notes scholar K. C. Wheare in his book *Federal Government* (Wheare, 1963). In this sense, it is merely a system of governance in which the state power is divided for the development and empowerment of the people. The constitution of the United States of America is considered the first federal constitution while talking about international experience in federalism. The basic principle of American federalism is fixed in the 10th Amendment (ratified in 1791) to the Constitution which states: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people" (Congress, 2023).

Federalism and its exercise are new in Nepal. Naturally, it is not away from challenges. One of the major challenges that it is facing is sustaining it in terms of economy and infrastructure. The economic viability of the federal structure is a major challenge in the present context. The concerned authorities should think of sustaining the federal structure besides maintaining reciprocity with the international community regarding development diplomacy. The development diplomacy of Nepal depends on its strengths in terms of governance, transparency, adaptability, democratic posture, and viable infrastructures.

Constitutional Arrangement

There are three categories of federal practices around the world. The first category is called 'coming together or aggregation', under which the federal states remain united together. Russia, the USA, Switzerland, and Australia fall under this category. The second is named 'de-aggregation or holding together' under which the countries change their unitary states into federal ones. Germany, Ethiopia, Nigeria, Belgium, and Spain come under this category. The third is considered a 'mixed federal structure' as it carries the characteristics of both categories of a federal system. Canada and India are examples of the third category (Upadhyaya, 2018).

Amidst these instances, there is no clear-cut idea to judge Nepal's federalism and its category. However, the political parties have divided unitary Nepal into seven provinces based on political consensus without doing detailed research on it. The provincial demarcation was fixed based on districts and geography. There were dissatisfactions among the political parties and people over the demarcation and headquarters of the provinces while forging consensus.

It shall be relevant here to talk about the contribution of the Constituent Assembly (CA), which successfully drafted and promulgated the new constitution. The CA accomplished the historic task after constant efforts lasting for eight years and the dream of promulgating the new constitution through the CA has now materialized

with the promulgation of the new constitution by then President Dr. Ram Baran Yadav on September 20, 2015. The President issued the new constitution a day after it was authenticated by CA Chair Subas Chandra Nembang and endorsed by an overwhelming majority of more than two-thirds members of the CA (Upadhyaya, 2018).

The Bill of the new constitution was also accepted with a more than two-thirds majority on September 16, 2015. Altogether 507 CA members voted for the Bill while 25 lawmakers of the Rastriya Prajatantra Party-Nepal voted against it. Besides CA chairman Nembang, a total of 532 CA members participated in the voting process. Only 57 out of 598 sitting members (the CA had a strength of 601 members) boycotted the voting process. Likewise, 85 percent out of 89 percent of members present in the CA supported the adoption of the new constitution.

The Constitution of Nepal consists of federal ideas and provisions from its preamble to various schedules. The Preamble of the Constitution is as rich as the democratic constitutions around the world. The Preamble of the Constitution states, "Do thereby pass and promulgate this constitution, through the Constituent Assembly, to fulfill the aspirations for sustainable peace, good governance, development, and prosperity through the federal, democratic, republican system of governance" (Nepal Law Commission, 2015).

Regarding the structure of the state, the Constitution states that the main structure of the Federal Democratic Republic of Nepal shall be of three levels namely the Federation, the State, and the Local levels (Constitution of Nepal, Article 56, 1). This is an important Article to define the structure or nature of the state in the new federal context. Before the promulgation of the new Constitution, the state structure was unitarily consisting of 14 zones, 75 districts, and five development regions.

Part 5 of the Constitution has not only provisioned about the state structure but also distributed the state power with the management of different schedules which consists of exclusive and concurrent powers of the federal, provincial, and local levels (Constitution of Nepal, Part- 5). The Constitution has also fixed the provision of exercising residual powers. As per the constitutional provision, the Federation shall have power on any matter not enumerated in the Federal List, State List, List of Local level or Concurrent List or on any matter which is not so specified in the Constitution as to be exercised by any level (Constitution of Nepal, Article, 58).

Similarly, the Constitution has clearly stated the powers relating to finance, and distribution of revenue (Constitution of Nepal, Articles, 59 and 60).

Cooperative Nature of Nepali Federalism

There are various models of federalism in the world. Some federal countries have adopted a competitive model of federalism, while some are following a cooperative model of federalism. Nepal is also exercising a cooperative model of federalism. The Constitution of Nepal has defined the model of federalism. It states that the relations between the federation, states, and local levels shall be based on the principles of cooperation, co-existence, and coordination (Constitution of Nepal, Article, 232).

The words cooperation, co-existence, and coordination are written differently to define the model of Nepali federalism. However, the meanings of these words are interchangeable upholding the spirit of cooperation. For this purpose, the federal government generates resources, prepares plans, and plays the role of facilitation. The provincial or intermediate governments do play the role of cooperation and coordination between and among the three levels of government.

However, the cooperation among and between the multiple levels of government is not absolute. It is necessary to follow certain directives of the federal and local governments to maintain uniformity in the levels of understanding and implementing federalism. Defining the role of the federal government, the Constitution has stated that the Government of Nepal may, directly or through the provincial government, render necessary assistance to, and give necessary directives to, any village executive or municipal executive, under this constitution and the federal law (Constitution of Nepal, Article 232, 8). Citing the example of Germany, expert Ronald L. Watts defines that cooperative federalism contributes to the reduction of conflict and enables coordination (Watts, 2008). In the context of the interdependence of the states in terms of economy and other resources, cooperation among the multiple levels of government is unavoidable (Watts, 2008).

In this way, cooperation has become a necessary element among the federal countries. Without cooperation nationally and internationally, functions and delivery of services to the people shall remain incomplete. So, cooperation among the multiple levels of governments and their relations is the demand for federalism and its implementation in the federal countries, no matter their size in terms of demography and geography.

Development Diplomacy under the Federal Framework

Development diplomacy has different dimensions in the changed context. Of course, it is performed through bilateral, and multilateral activities globally and regionally, and various UN organizations and other global organizations play vital roles to operate development diplomacy (Prescott, 2019). Like other fields of diplomacy, development diplomacy works remain under the framework of

sustainable development. Development diplomacy consists of actions relating to poverty reduction, environment protection, and reduction of inequality or promotion of equitable distribution of power and resources (Prescott, 2019). Defining development diplomacy, Nilima Gulrajani, Emma Mawdsley, and Supriya Roychoudhury, in their report, state that development diplomacy is a specific form of public diplomacy that builds bilateral relations based on activities that are presented as promoting the development and wellbeing of developing countries (Gulrajani, et.al, 2020). Unlike the relations based on hard powers like military assistance, researchers term it as soft power for the development of the state by transferring skills and other resources to the developing states. In this way, it is public diplomacy and it has a long history of promoting a country's soft power, including its ability to obtain desired outcomes through attraction and persuasion rather than coercion or payment (Gulrajani, et.al, 2020).

Countries project their strength, identity, resources, human capital, environment, culture, and so forth to attract foreign investment, assistance, and cooperation for the development of the nation. Reciprocal relations based on equality and equity are core values of development diplomacy.

Nepal, as a federal country, having numerous opportunities for development under the framework of sustainable development should focus on expediting foreign relations by keeping the people and their development on top. However, cooperation between the ruling and non-ruling political parties in the area of development and foreign relations is also a valuable point to materialize the development aspirations of the nation and its people. Against these backdrops, the following points are raised for the implementation of development diplomacy in the context of Nepal.

Prospects of Development Diplomacy

Nepal is in the process of graduating to a developing country from the status of a least developed country. Its unique geopolitics has also created certain prospects to uphold the principles and practices of development diplomacy. The following prospects are discussed hereunder:

a. Capitalization of Diversity of Population

Nepal has unique diversity in terms of population, culture, and tradition. It has over 125 castes and several ethnicities and they are the capital of the nation. There is harmony among the multiple castes and ethnicities. This situation can be the best example for the international community. They can study how unity in diversity is maintained in Nepal. It can also be projected as a component to promote development diplomacy.

b. Utilization of Diversity in Culture and Tradition

As there is diversity in population, the diverse population brings multiple cultures and traditions as the capital of a nation. Diversity in art, culture, and tradition helps promote tourism and other kinds of businesses in the nation with the support of foreign assistance.

c. Utilization of bio-diversity

Nepal is rich in the environment. Its mountainous, hilly, and plain areas bear a unique combination of biodiversity. They need protection having numerous opportunities.

d. Contribution to SDGs

Sustainable development is the prime concern of the present trend of development. Development diplomacy shall be a viable tool to contribute to the global bid for SDGs.

e. Promoting Soft Power

Unlike other coercive powers exercised around the world for diplomacy, it promotes soft power like skill transfer, knowledge development, environmental protection, and so on. Competition among the nation-states for sustainable development shall create a win-win environment for underdeveloped and developing countries.

f. Helps Promote International Peace and Brotherhood

Any form of diplomacy shall have a mission to maintain peace and harmony among the states. Development diplomacy can be used as a tool to promote international peace through means of cooperation and coexistence.

Challenges of Development Diplomacy

Development diplomacy is not free from challenges. Some of the challenges are discussed hereunder:

a. Uniformity in understanding among the political forces

The political forces are in government or opposition seats; they should develop a minimum common understanding in development diplomacy. They should maintain consistency in their foreign policy as a whole and development diplomacy in particular.

b. Geopolitics

Nepal's unique geopolitics is also a major challenge to effectively operating development diplomacy. A landlocked country is suffering from this deficit since its classical era. Maintaining a balance between the immediate neighbors

and the situation abroad is the key challenge as the small Himalayan country is situated in an important geographical location.

c. Lack of infrastructure

Nepal is suffering from a physical infrastructure deficit. It needs proper infrastructure to utilize foreign knowledge, resource, and skills. Proper and timely investment in the development of roads, management of land, and other related ingredients is the key to the implementation of development diplomacy.

d. Lack of human resources and skills

The value of human resources is always high in the area of development diplomacy. This is the era of digitalization and technology-bound development. So, to meet the target of sustainable development, there is a need for investment in human resource development and skill transfer.

e. Strengthening the national economy

A country like Nepal should strengthen its national economy to utilize the agendas of development diplomacy. It should be able to utilize remittances and foreign assistance in the right direction.

Federal Governance: A New Avenue for Development Diplomacy

Nepal has entered into a new era of federal governance. It is a basic format of the new Constitution assimilating it from its preamble to other relevant articles of the Constitution. It is a new system for Nepal and the nation should focus on enduring the system by rectifying its lapses. The federal system is criticized for being expensive, but it can give positive results if we apply the principles and practices of federalism with due attention. Some of the points are discussed hereunder on utilizing federalism for development diplomacy.

a. Developing Relations with Federal Countries

Nepal as a federal country should focus on establishing good relationships with federal countries around the world. Almost 40 percent of the world's people live in the federations (Anderson, 2008). Around 28 countries, which are under a federal structure, shall be a great asset for Nepal to establish relations in line with development diplomacy with new experiences shifting from a unitary system to a federal system of governance.

b. Developing State-to-State Relations

A federal country should focus on developing a relationship with countries around the world based on mutual benefit. They should promote state-to-state level relationships with them to promote development diplomacy.

c. Developing People-to-People Relations

The people-to-people relationship is another component of promoting development diplomacy. It helps extend relations by promoting art, culture, and literature. A nation shall gain prosperity by promoting relationships at the people's level.

d. Exchanging Lessons from the Federal Countries

Exchanging lessons among the federal countries is another point to be raised here. Federal countries like the USA, Germany, South Africa, Australia, and India have their own experiences and they have been practicing the federal system of governance for a long time. Their lessons shall be good tips for a country like Nepal which has adopted the system lately.

e. Promoting Economic Diplomacy

Development diplomacy and economic diplomacy are interchangeable. The promotion of economic diplomacy shall be a solid foundation for development diplomacy. Bilateral and multilateral economic diplomacy does not deviate from the basic principles of development diplomacy. Thus, economic diplomacy should go simultaneously implement the agenda of development diplomacy.

f. Promoting Democratic Culture

Nepal should develop a democratic culture. It shall be difficult to maintain development diplomacy in the absence of democratic culture. Recent components of development diplomacy depend upon core principles of democratic governance. So, the nation should not forget the principles and practices of democratic governance.

g. Transferring Knowledge, Skills, and Resources

Of course, transferring knowledge skills and resources is the essential idea of development diplomacy. Underdeveloped and least-developed countries should be empowered by transferring knowledge, skills, and resources from developed countries. The rich countries must transfer skills and resources for the development of poor countries.

h. Addressing Climate Change Issues

Underdeveloped countries are suffering from the adverse impact of climate change, just because of the activities of developed or industrial countries. They should keep in mind that the people of the countries which are affected by climate change should get due attention in a matter of compensation and subsidy.

Conclusion

Nepal has adopted the federal system of governance to expedite development works. Changing the system from unitary to federal is an achievement in itself, but there are numerous challenges to endure it. Getting prosperity with equitable development is seen as attractive in the slogan. However, the stakeholders should be sincere in implementing the agenda of federalism for the better future of the nation and its people. Federalism, which is implemented in Nepal with the beautiful aim of getting prosperity, can be a viable tool for development diplomacy. Its positive aspects should be implemented and expanded at the state-to-state level and people-to-people levels. It can be implemented not only at the provincial level but also at the local level. All three levels of government can extend their relations by upholding the norms of development diplomacy. The political parties and concerned stakeholders should develop a minimum common understanding of development diplomacy for the benefit of the nation and its people.

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Nepal Council of World Affairs

Activities 2022-023

A **twenty-member delegation** from the Foreign Service Academy of Bangladesh, led by the Director of the Foreign Ministry of Bangladesh, Ms. Farhana Ahmed Chowdhery visited the NCWA office on January 17, 2022. The major objective of the program was to discuss the bilateral relations between the two countries. On the occasion, the Deputy Chief of Mission of the Bangladesh Embassy in Nepal, Ms. Ishrat Jahan, and the President of NCWA Mr. Hemanta Kharel highlighted various aspects of Bangladesh-Nepal relations. Similarly, former Nepali Ambassador to Bangladesh and former President of NCWA, Prof. Dr. Mohan Prasad Lohani shed light on the historical significance of relations between the two countries.

Nepal Council of World Affairs, Lumbini Research Center for Understanding and Peace, and Nuclear Society of Nepal jointly organized a webinar on the "**Treaty of Prohibition of Nuclear Weapons**" on January 22, 2022. The discussions focused on the nuclear Non-Proliferation Treaty (NPT), which was signed into law by the United Nations on September 20, 2017, and its impact on the world over nuclear weapons. The treaty came into force on January 22, 2021, by the provisions of the nuclear NPT, which was ratified by 50 member states of the UN. The Treaty on the Prohibition of Nuclear Weapons marks the second anniversary of its issuance.

Nepal Council of World Affairs held its **74th Anniversary** on March 18, 2022, (Chaitra 4, 2078), in Kathmandu. On the occasion, the Chief Guest Rt. Hon'ble Prime Minister of Nepal, Mr. Sher Bahadur Deuba, addressed the Council. The Prime Minister shed light on the guiding principles of Nepal's foreign policy and stated that the government's focus has been on strengthening and expanding relations with immediate neighbors, extended neighbors, major powers, development partners, labor destination countries, and all other countries based on sovereign equality, mutual respect, trust, and benefit. Hon'ble Minister for Foreign Affairs Dr. Narayan Khadka was the Special Guest.

Nepal Council of World Affairs held its **74th Annual General Meeting (AGM)** on March 18, 2022, at Hotel Akama, Dhumbrahi, Kathmandu. The meeting passed the annual budget and also proposed programs for the fiscal year 2078/79 BS. NCWA Secretary General Mr. Ramesh Singh presented the annual report of 2078. The report was unanimously passed by the meeting. Similarly, NCWA Treasurer Mr. Bimal Khadka presented the financial statement and annual budget for the next Fiscal Year 2078/79. The meeting approved the auditor's report and financial report for the year 2077/78 and appointed an auditor for the next fiscal year. The meeting ended with the concluding remarks by the chair of the function, NCWA President Mr. Hemanta Kharel.

Nepal Council of World Affairs organized an interaction program titled **“Nepal’s Economy and the Budget of Fiscal Year 2079/80”** on June 2, 2022 (Jestha 20, 2079) at NCWA Hall, Harihar Bhawan, Lalitpur. The speakers at the program were former finance minister Surendra Pandey, former minister Dr. Minendra Rijal and economist and former ambassador Prof. Dr. Bishwombhar Pyakurel. Dr. Pyakurel expressed concern that this FY’s economic growth might be negative against the projected growth rate of 2.7%. Dr. Rijal opined that the government had declared concessions to industries for creating a conducive environment for local industries and creating jobs. Mr. Pandey pointed out that the government had increased the size of the budget by around 24% as compared to the amended budget of the current fiscal year disregarding the limited resources and poor spending capacity of the government. The program was chaired by NCWA President Mr. Hemanta Kharel and was attended by NCWA members and personalities from diverse sectors.

Nepal Council of World Affairs and the Embassy of Bangladesh jointly organized the **“Golden Jubilee of Nepal-Bangladesh Diplomatic Relations”** on April 8, 2022. Hon’ble Minister for Foreign Affairs Dr. Narayan Khadka was the Chief Guest and former Foreign Secretary and Nepali Ambassador to Bangladesh Mr. Madhu Raman Acharya was the Special Guest on the occasion. Foreign minister Dr. Khadka highlighted the historic bonds of friendship between Bangladesh and Nepal and hoped that Bangladesh and Nepal would be able to contribute to each other’s socio-economic developments to further consolidate the warm and friendly relations. Former ambassador Acharya, Ambassador of Bangladesh to Nepal H.E. Mr. Salahuddin Noman Chowdhury, and NCWA President Mr. Hemanta Kharel spoke on various aspects of Nepal-Bangladesh relations. Pre-recorded statements by the State Minister for Foreign Affairs and the Foreign Secretary of Bangladesh were screened during the event.

Nepal Council of World Affairs held its **75th Annual General Meeting (AGM)** on August 18, 2022, at Hotel Yellow Pagoda, Kathmandu. The meeting unanimously passed the annual budget and proposed programs for the fiscal year 2022/2023. NCWA Treasurer Mr. Bimal Khadka presented the annual report of 2079 as well as the financial statement, and the annual budget for the next Fiscal Year 2079/80. The meeting was chaired by the NCWA President Mr. Hemanta Kharel.

Nepal Council of World Affairs organized an interaction program on **“Economic Diplomacy for Prosperity of Nepal”** on September 7, 2022 (Bhadra 22, 2079) at NCWA Hall, Harihar Bhawan, Lalitpur. The speakers at the program were Prof. Dr. Bipin Adhikari and Dr. Achyut Wagle. The program, chaired by the NCWA President Mr. Hemanta Kharel, deliberated on how economic diplomacy can play a vital role in the development and prosperity of Nepal and was attended by NCWA members as well as experts and eminent personalities from various sectors.

Nepal Council of World Affairs (NCWA) organized a roundtable conference on **"Nepal's General Election and Its Implications for Foreign Policy"** on December 4, 2022, at Hotel Yellow Pagoda, Kathmandu, Nepal. The conference was held to review and reflect on the challenges generated by the general election and its long-term implications for foreign policy. Delivering his keynote address, former Chief Election Commissioner Mr. Surya Prasad Shrestha outlined significant issues and reflections related to the elections. On the occasion, eminent personalities from the field of international relations and diplomacy, administrators, academicians, and researchers shared their perspectives. NCWA President Mr. Hemanta Kharel, who chaired the program, highlighted how Nepal could make its foreign policy more credible.

On the auspicious occasion of the 65th Anniversary of Diplomatic Relations between Nepal- Sri Lanka, Nepal Council of World Affairs, in collaboration with the Embassy of Sri Lanka, organized a talk on **"Nepal-Sri Lanka Friendship: From Ancient Links to the Present"** on December 19, 2022, at Hotel Akama, Kathmandu. Hon'ble Foreign Minister Dr. Narayan Khadka graced the event as the chief guest. He emphasized the importance of elevating bilateral trade relations with the participation of both public and private sectors. Foreign Minister of Sri Lanka Hon'ble Ali Sabry issued a special message through a video link and noted that the core strength of Sri Lanka-Nepal friendship is the unwavering will of the two countries to help each other in times of distress. Former Secretary General of BIMSTEC and former Sri Lankan Ambassador to Nepal Mr. Sumith Nakandala delivered the keynote address via a video link highlighting the importance of building momentum on trade and investment and the role of Sri Lanka to support Lumbini's development as a center of peace. Chair of the program, NCWA President Mr. Hemanta Kharel noted the two countries have had close friendship marked by religious, cultural, and trade relations for over a thousand years.

Nepal Council of World Affairs organized a talk program on **"Nepal-Israel Relations"** on January 18, 2023, at NCWA Hall, Pulchowk. H.E. Mr. Hanan Goder-Goldberger, Ambassador of the State of Israel, was the Chief Guest. Mr. Goder-Goldberger discussed the role of Israel in providing paid agricultural training to thousands of Nepalis so that they can implement the knowledge and skills in their homeland. Recalling the historical importance of Nepal-Israel relations, he expressed sadness that Nepal had not supported Israel over the past few decades at the United Nations during voting on various resolutions. Former Ambassador and panelist Dr. Shambhu Ram Simkhada stated that recognizing Israel was a historic and bold step taken by then Prime Minister B. P. Koirala to express Nepal's independent stance in international relations. Chair of the program, NCWA President Mr. Hemanta Kharel lauded the economic support as well as educational and employment opportunities provided by Israel.



नेपाल राष्ट्र बैंक भुक्तानी प्रणाली विभाग

विद्युतीय माध्यमबाट वित्तीय कारोबार गर्दा हुनसक्ने जोखिमका सम्बन्धमा सर्वसाधारणका लागि जारी गरिएको सूचना

नेपालमा पछिल्लो समयमा विद्युतीय कारोबारमा बढोत्तरी भइरहेको छ । विभिन्न विद्युतीय उपकरणको माध्यमबाट घरमै बसेर कारोबार गर्दा विभिन्न अपराधिक व्यक्ति/समूहले विभिन्न माध्यम प्रयोग गरी ग्राहकलाई ठगी गरिरहेको भन्ने गुनासो प्राप्त भइरहेकाले देहायका विषयमा विशेष ध्यान दिन नेपाल राष्ट्र बैंक विद्युतीय भुक्तानी प्रयोगकर्तामा विशेष आग्रह गर्दछ :

१. सामाजिक सञ्जालमार्फत चिनजानका मान्छेको नाममा रकम माग गर्ने, बैंकबाट फोन गरेको भनी Internet Banking अथवा Mobile Banking को User Name तथा Password माग्ने, नक्कली Website बनाई ग्राहकका गोप्य सूचनाहरू लिने, ठूलो रकमको चिन्ता परेको भनी लोभ देखाई उक्त चिन्ता रकम हस्तान्तरण गर्ने बहानामा रकम माग गर्ने, अत्यधिक नाफाको लोभ देखाई गैरकानुनी घोषणा गरिएका उपकरणमा लगानी गर्न उत्प्रेरित गर्नेलगायतका ठगी भइरहेको जानकारीमा आएकोले विद्युतीय कारोबार गर्दा यसप्रकारको ठगीबाट बच्न विशेष ध्यान दिनु जरुरी देखिन्छ ।
२. अपरिचित व्यक्तिलाई कुनै पनि माध्यमबाट आफ्नो गोप्य Password, OTP वा अन्य कुनै पनि संवेदनशील जानकारी दिनुहुँदैन । मोबाइल तथा अन्य डिभाइस एवम् APP का पासवर्डहरू बेलाबेलामा परिवर्तन गर्नुपर्दछ । यस्ता पासवर्ड गोप्य तरिकाले सुरक्षित राख्नुपर्दछ ।
३. सामाजिक सञ्जाल वा कुनै विद्युतीय माध्यमबाट म्यासेज पठाई रकम पठाउन आग्रह गरेमा रकम पठाउनुअघि सोही व्यक्तिले रकम माग गरे नगरेको व्यहोरा अन्य माध्यमबाट यकीन गरेर मात्र रकम पठाउनु पर्दछ ।
४. अनावश्यक तथा अनधिकृत APP आफ्नो मोबाइल फोन वा अन्य डिभाइसमा डाउनलोड गर्नुहुँदैन । यसरी अनधिकृत APP डाउनलोड गर्दा आफ्ना सबै संवेदनशील सूचनाहरू अपराधिक समूहले पत्ता लगाउन सक्छन् ।
५. कसैले रकम भुक्तानी गर्ने बहानामा Barcode अथवा QR Code पठाएको अथवा APP को पासवर्ड आवश्यक छ भनेर म्यासेज गरेको कार्यलाई शङ्कास्पद रूपमा लिनुपर्दछ । रकम भुक्तानी लिन वा पैसा प्राप्त गर्न कुनै पनि Barcode, QR code अथवा पासवर्ड पठाउन आवश्यक छैन ।
६. कुनै पनि Website मार्फत विद्युतीय कारोबार गर्नुअघि सम्बन्धित संस्थाको आधिकारिक Website हो/होइन यकीन गरेर मात्र कारोबार गर्नुपर्दछ । कुनै पनि Website को ठेगाना "https://" बाट सुरु भएको छ भने सुरक्षित, भरपर्दो वा विश्वसनीय छ भन्ने बुझिने भएकोले Website को ठेगाना "https://" बाट सुरु भए नभएको यकीन गर्नुपर्दछ ।
७. विद्युतीय कारोबार गर्दा आफू ठगिएको शङ्का लागेमा अथवा कुनै गुनासो रहेमा आफूले कारोबार गर्ने गरेको बैंक तथा वित्तीय संस्था एवम् नेपाल राष्ट्र बैंकको गुनसो सुनुवाईसम्बन्धी पोर्टल <https://gunaso.nrb.org.np> मा गुनासो वा उजुरी दर्ता गर्न सकिनेछ ।

Nepal Council of World Affairs Activities Photos



Group photo with delegation from the Foreign Service Academy (FSA) of Bangladesh on January 17, 2022

President of NCWA, Mr. Hemanta Kharel received memento from the FSA delegation from Bangladesh on January 17, 2022



Roundtable discussion with the delegates from the FSA of Bangladesh on January 17, 2022



Chief Guest, Rt. Hon'ble Sher Bahadur Deuba, Prime Minister of Nepal, releasing the Annual Journal on the occasion of its 74th Anniversary on March 18, 2022

Participants of NCWA 74th Anniversary on March 18, 2022



Chief Guest, Rt. Hon'ble Sher Bahadur Deuba, Prime Minister of Nepal, delivering his address on the occasion of the 74th Anniversary of NCWA on March 18, 2022



President of NCWA, Mr. Hemanta Kharel giving a Memento to the Chief Guest, Rt. Hon'ble Sher Bahadur Deuba, Prime Minister of Nepal on occasion of 74th Anniversary on March 18, 2022

President of the NCWA addressing its Annual General Meeting on March 18, 2022

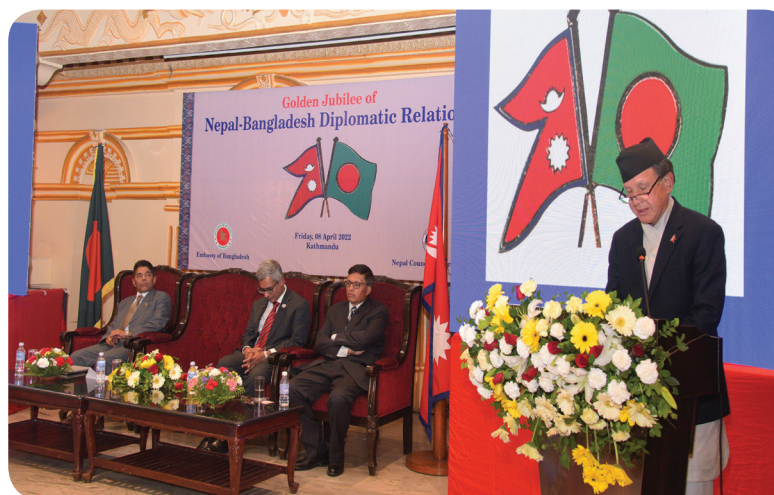


Participants at the Annual General Meeting of NCWA on March 18, 2022



Interaction on Nepal's Economy and the Budget of Fiscal Year 2079/80 on June 2, 2022

Participants in an Interaction on Nepal's Economy and the Budget of Fiscal Year 2079/80 on June 2, 2022



Chief Guest Hon'ble Minister for Foreign Affairs Dr. Narayan Khadka addressing the Golden Jubilee of Nepal-Bangladesh Diplomatic Relations on April 8, 2022



Participants at the Golden Jubilee of Nepal-Bangladesh Diplomatic Relations on April 8, 2022

75th Annual General Meeting of NCWA on August 18, 2022



Participants at the 75th Annual General Meeting of the NCWA on August 18, 2022



Interaction on Economic Diplomacy for Prosperity of Nepal on September 7, 2022

Roundtable Conference on Nepal's General Election and its Implications for Foreign Policy on December 4, 2022



Participants at the Roundtable Conference on Nepal's General Election and its Implications for Foreign Policy on December 4, 2022



Interaction on Nepal-Sri Lanka Friendship: From Ancient Links to the Present, on December 19, 2022

Group Photo an Interaction on Nepal-Sri Lanka Friendship: From Ancient Links to the Present, on December 19, 2022



Participants at the interaction on Economic Diplomacy for Prosperity of Nepal on September 7, 2022



Interaction on Nepal-Israel Relations on January 18, 2023



Participants at the interaction on Nepal-Israel Relations on January 18, 2023



"Lighting the Lamps" to mark the establishment of NCWA (Falgun 6, 2004) as part of the 75th Anniversary celebrations on February 18, 2023