

Rivalry turns bitter in power struggle, Koirala cornered

BY SUMAN PRADHAN

Kathmandu, Dec. 21: With only a month away for its crucial general convention and intra-party elections, Nepal's ruling party, the Nepali Congress, is still mired in internal squabbles.

The latest was when former Prime Minister Krishna Prasad Bhattarai, back from a trip to India, demanded that Prime Minister and Congress president Girija Prasad Koirala relinquish either of the two posts, which was denied yet again. Dissidents in the Congress, led by Mr Bhattarai's protégé Sher Bahadur Deuba — also a former Prime Minister — then threatened Mr Koirala with a no-trust vote in Parliament. That too was shrugged off early this week.

Now, Mr Deuba is launching a fresh crusade against his one-time mentor, Mr Koirala, in whose Cabinet he earlier served as the home minister in 1991-94. Young Turk Deuba has already announced his intention to contest the post of Congress president against Mr Koirala, who is also standing for re-election when the party holds its general convention next month.

On Wednesday, Mr Deuba laid out his strongest attack against Mr Koirala. Summoning a press conference, the former Prime Minister laid out why he was contesting the intra-party elections. He again repeated the charge that Mr Koirala is

too old to lead the party and that the reins of power should be handed down to the younger generation, ostensibly himself.

Mr Koirala, he said, "is incompetent to lead the party... Girija Prasad Koirala has stagnated due to the dual responsibility (of leading the party as well as the government) and has proved inept to provide any dynamic leadership or new vision to the party."

While Mr Deuba has criticised the Prime Minister earlier, this is the first time he has used such strong language. As such, it indicates the level of mistrust and vitriol in Nepal's oldest political party, which has ruled this Himalayan Kingdom

NEPAL DIVIDE

for seven of the 10 years since it reverted to multi-party democracy in the spring of 1990. The angst in the party ranks has much to do with the deteriorating relationship between Mr Koirala and Mr Bhattarai, long time friends-turned-bitter rivals. The duo and then supreme leader of the Congress, Mr Ganesh Man Singh, started out together to establish democracy in Nepal. After succeeding in 1990, they soon fell out when Mr Koirala was elected the Prime Minister. It was Singh who led the anti-Koirala charge in the beginning but after his death in 1997 that mantle has fallen on Mr Bhattarai. Then came Mr Bhattarai's unglorious ouster by Mr Koirala in March this year.

THE ASIAN AGE

22 DEC 2000

Anti-Hrithik riots leave two dead in Kathmandu ^{th. by nepal.}

Keshav Pradhan
Kathmandu, December 26

NEPAL TODAY banned the screening of Hrithik Roshan's films in the kingdom. Two persons died and more than 30 were injured in a day-long demonstrations against Hrithik's allegedly disparaging remarks on the landlocked nation and its people.

Nepal Information Minister Jay Prakash Gupta told *The Hindustan Times* this evening: "We have banned his films because he has immensely hurt the sentiments of the Nepalese people. We demand an apology from him."

The heartthrob from Bollywood reportedly described Nepal and its people as "the place and people he dislikes the most" in an interview to an Indian channel telecast on December 14. The two deaths today occurred when demonstrators clashed with riot police near a hall here, which was screening the Hrithik-starrer *Mission Kashmir*. There were reports of widespread stone-throwing throughout the cap-

'I never made those remarks'



HRITHIK ROSHAN on Tuesday denied he ever made derogatory remarks about Nepal and its people.

"I've never given a TV interview saying I dislike Nepal and its people. It's a figment of the imagination of some vested interests. It's astonishing how some people can stoop low to tarnish my image." PTI, Mumbai

ital till late this evening.

Cable operators withdrew telecast of all Indian channels, which were much more popular than any other TV programmes in the kingdom, as demonstrations against Hrithik turned violent.

Armed policemen rescued a tourist bus with a West Bengal registration number after its glasspanes were shattered by a stone-throwing mob near the eastern side of the royal palace. Attacks on vehicles were reported from other localities also. Protesters tried to set fire a movie hall on the outskirts of the capital because it was screening *Mission Kashmir*.

The campaign, which began yesterday, intensified after activists of the Nepal Vidyarthi Sangh, a frontal wing of the ruling Nepali Congress, joined the pro-Left group of demonstrators.

Early this morning, slogan-shouting students marched to the Indian mission. Riot policemen dispersed them with batons and teargas some 300 metres from the embassy.

Less than a kilometre away in Lainchaur, the police fought back students for over six hours to prevent them from reaching the embassy. The protesters burnt an effigy of Hrithik on Exhibition Road near the national Secretariat

27 DEC 2000

Koirala faces crisis as strike hits Kathmandu

Dissidents make bid to cash in on disturbances PM urges Koirala to end violence against Indians

KATHMANDU: Anti-Hrithik Roshan protests took a serious political turn on Thursday when half of the 113 ruling Nepalese Congress MPs filed a no-confidence motion against Prime Minister Girija Prasad Koirala in the party.

The revolt came as a general strike called by left-wing student groups paralysed life here on Thursday with schools, colleges, businesses shut down for the second day.

"We were compelled to file the motion seeking Mr Koirala's ouster to prevent the nation from plunging into a crisis, safeguard democracy and restore peace and security," Sher Bahadur Deuba, leader of the dissident group, told reporters after 57 rebel MPs appended their signature to the motion.

The dissidents are believed to be one MP short in their campaign against the prime minister who has been in office since March. The party, which has a majority in the 205-member lower house of parliament, is expected to call a meeting of MPs within 15 days to settle the leadership issue.

An AFP report, quoting Mr Deuba, said the 57 dissident MPs would be joined by three state ministers who resigned from the government on Thursday. Mr Deuba has publicly criticised Mr Koirala, who is also the Nepalese Congress president, for failing to keep campaign promises to maintain law and order, check rampant administrative corruption and control inflation.

Meanwhile, protests over alleged anti-Nepalese remarks by Hrithik Roshan continued on Thursday. Schools, colleges and businesses were completely shut down. The Nepalese capital looked deserted with only a few people coming out of their houses.

On Tuesday, the police shot and killed four people while trying to control a rampaging crowd that attacked shops and a theatre screening the latest movie of Hrithik. Nearly 180 people were injured, including 30 police officers.

On Wednesday, thousands of protesters clashed with the police and blocked streets with burning tires and ~~traps here~~. Protesters targeted Indian businesses and smashed the windows of the SBI's office here.

The government has asked movie theatres across Nepal to stop screening Hrithik's films to prevent further attacks. Cable operators have also stopped telecasting Indian television channels.

Meanwhile, Indian Airlines flight from Kathmandu on Thursday brought a full load of passengers, including those stranded in the Himalayan kingdom following the unrest. While the flight from Delhi went almost empty to Kathmandu, the return flight came back with as many as 246 passengers, airport sources said.

These passengers included 119 persons who were stranded following the cancellation of Varanasi-Kathmandu-Varanasi flight on Wednesday.

Indian Airlines also operated additional services to Varanasi to enable the passengers reach their destinations, the sources said. The airline was unable to operate the Varanasi flight on Wednesday as the night-halt crew at Kathmandu was unable to reach the Tribhuvan international airport because of disturbances in the city.

Responding to protests in Kathmandu and other areas, the U.S. state department has warned its citizens to be careful while travelling in Nepal. (Agencies)

► See Edit: Mission Terror, Page 10

The Times of India News Service and Agencies

KUMARAKOM (Kerala): Conveying serious concern over riots engineered by anti-India elements, Prime Minister A.B. Vajpayee on Thursday called his Nepalese counterpart G.P. Koirala on telephone and urged him to take steps to put an end to them.

Mr Vajpayee, who is on a holiday here, expressed serious concern over the outbreak of violence directed especially at Indians and establishments owned by them in Nepal, a bulletin issued by the Prime Minister's Office said.

Mr Koirala told Mr Vajpayee that these incidents appeared to be a part of a conspiracy aimed at harming the traditionally close bonds of friendship between the two neighbours. "We have set up a commission to inquire into its origins and find out if it has any external dimensions," the bulletin quoted Mr Koirala as saying.

Meanwhile, India has expressed its concern over the development in Nepal triggered by fabricated remarks attributed to film star Hrithik Roshan. India on Thursday issued a *note verbal* while late Wednesday foreign secretary Lalit Mansingh spoke to his Nepalese counterpart Narain Shamsher Thapa to express "deep concern" at the turn of events.

"This is clearly the work of vested interests inimical to the India-Nepal friendship," external affairs ministry spokesman Raminder Singh Jassal told reporters on Thursday. He, however, refused to speculate on the role of Pakistan's ISI in this controversy. "We do not know who is behind it, it is for Nepal to find out," he said.

India is worried about the security and safety of its citizens in Nepal as demonstrators in Kathmandu have targeted Indian shops and tourists. Mr Mansingh asked Kathmandu to find out who was responsible for circulating concocted remarks attributed to Hrithik Roshan, and urged it to put in place steps to control the situation, and ensure that it did not recur.

Mr Thapa assured Mr Mansingh that his government was determined to ensure the safety of Indian nationals, and steps were under way to enforce law and order.

THE TIMES OF INDIA

29 DEC 2000

Nepal power struggle echoes on India

Keshav Pradhan

Kathmandu, December 29

THE ROLE of India in the Nepal kingdom has again come into focus as the power struggle between Prime Minister G. P. Koirala and his opponents in the ruling Nepali Congress (NC) further intensified today.

Former Prime Minister K. P. Bhattarai, under whose guidance 56 dissident NC MPs yesterday sought Koirala's removal through a no-confidence motion within the party's parliamentary party, said, "The Nepalese

Suspicion on Pak

INDIA ON Friday said violence in Nepal this week was "designed to whip up negative sentiments" against Indians on the basis of "fabricated" remarks attributed to filmstar Hrithik Roshan. Foreign spokesman said the situation in Nepal appeared to be "relatively normal" with no major incidents of violence reported from any part of the Himalayan kingdom. The situation was perhaps limping back to normal with the spokesman reporting that vehicles were plying on Nepal roads. While Delhi has stopped short of naming the force behind this motivated campaign, the needle of suspicion is obviously at Pakistan. "The disturbances have been orchestrated by those inimical to age-old friendly ties between India and Nepal. We cannot be definitive about who the vested interests are. It is for the Nepalese Govt to investigate," the spokesman said. **HTC, New Delhi**



Nepalese Ambassador B B Thapa at the Global Assembly of Educators for World Peace, Environment & Human Rights in New Delhi on Friday. Photo: Manish Swarup

people are not generally anti-India. They are anti-Koirala. Since they are unhappy with his poor performance and corruption, they do not want India to support his gov-

ernment."

Bhattarai, who is among the few surviving founders of the NC, made this observation in reply to a question about the recent violence here over actor Hrithik Roshan. He accused Koirala, who overthrew him nine months ago following last year's hijacking of an Indian Airlines plane, of failing to take stern action against those who attacked business establishments run by the people of Indian origin.

The former Prime Minister said, "I demand Mr Koirala's immediate resignation. More people will get killed if we allow him to stay on even for a day extra."

Bhattarai, who met Indian Prime Minister A.B. Vajpayee and several other leaders during his recent visit to India, said he had already lent his support to the dissidents. Bhattarai said he would take up the post of Prime Minister only if the younger generation of the party wants him to do so. At the moment, former Prime Minister Sher Bahadur Deuba seems to be his favourite for the post.

Far from succumbing to pressure from his detractors, Koirala, a contemporary of Bhattarai, is ready to face their challenge.

Information Minister Jay Prakash Gupta, a Koirala loyalist, claimed that Koirala is still in position to defeat the motion. He said, "Some of the 56 dissident MPs will come back to our fold." Nine Left parties, who often accuse Koirala of promoting India's interests in the kingdom, have called a two-day Nepal bandh from Monday demanding resignation of the Prime Minister and his deputy for their failure to solve the existing problems of the nation.

410-8 Envoy rules out instability in Nepal

By Our Special Correspondent

JAIPUR, DEC. 30. The Nepalese Ambassador in India, Mr. Bhekh Bahadur Thapa, today ruled out any kind of instability in his country in the wake of the recent violence. "In a pluralistic country like ours, such things do happen".

Mr. Thapa, who was here to deliver a lecture on 'Indo- Nepalese relations' at the South Asia Study Centre of the Rajasthan University, said that the developments in connection with the alleged remarks made by a film star were being probed by a Commission.

The Ambassador, talking to newsmen, said that the Foreign Secretaries of India and Nepal would soon meet to discuss the 1950 treaty between the two countries. The Prime Ministers of both the countries had already discussed the issue in their past meeting.

Asked if Nepal considered the treaty being unfair to it, Mr. Thapa said that the countries would have to approach the issue on a broader perspective. "We have to sit together and iron out the differences", he said noting that India and Nepal were two countries united by a common border and not divided. "We have to take into account the aspirations of both the people," Mr. Thapa said. "Moreover, a lot of time has elapsed after the signing of the present treaty. Changes have taken place all around us".

Mr. Thapa said that in a week's time, a screening body would be set up to identify Bhutanese refugees in Nepal. At the meeting of Nepal and Bhutan recently, it was decided that the refugees, numbering over 90,000 now would be



Members of the Madishe community take out a rally in Kathmandu on Saturday to protest the violence on people from India during the three-day rioting over alleged anti-Nepal remarks of film star Hrithik Roshan. — AP

resettled in Bhutan. "The talks were a great breakthrough on the part of Nepal. The Bhutanese authorities also showed a great deal of maturity in the case".

Media urged to be alert

PTI reports: Media should desist from pre-

sending "raw and unproven information" that tends to create some disharmony in the minds of the people, Mr. Thapa said.

By drawing inference quickly without verification of facts, a competing media makes a non-issue an issue, pushing into background real issues concerning the

people, Mr. Thapa said. PTI reports from New Delhi:

The Indian Airlines operated all its flights from Delhi, Calcutta and Varanasi today.

While only 49 passengers left on the 245-seater A-300 aircraft from Delhi, 164 returned from Kathmandu.

Bhutan fights shy of rebel crackdown

FROM ANUPAM BORDOLOI

Guwahati, Dec. 30: For the first time since Assam militants set up camps in Bhutan almost a decade ago, Thimpu today put on record its "unwillingness" to launch military operations against the rebels for fear of a severe "backlash".

Replying to a query from **The Telegraph**, Bhutan home secretary Dasho Pema Wangchuk said Thimpu apprehended "serious retaliation against the Bhutanese people by the militants and their supporters".

This is the main reason why the Himalayan kingdom is not favouring the use of military force against the Ulfa and the National Democratic Front of Boroland rebels so far.

Chief minister Prafulla Kumar Mahanta had held the Bhutanese government responsible for recent attacks on its citizens in Assam, saying that the country's reluctance to evict the rebels gave them the space to carry out hit-and-run operations.

Resolutions passed in the 78th session of Bhutan's national Assembly this year, as in the last one, stressed on military intervention to drive out the militants. This was part of a four-pronged strategy to deal with the situation.

However, Wangchuk justified the delay in using force. "The Ulfa and Bodo militants are Assamese people. Using military force against them will mean attacking and killing Assamese. This would create deep resentment and enmi-

ty amongst the people of Assam towards the people of Bhutan."

"If the Bodo Liberation Tigers can carry out unprovoked attacks on our citizens, using military force against the militants will certainly bring even more serious retaliation by the militants and their supporters," he said, adding that Bhutanese nationals would face serious problems "both inside the kingdom and while travelling through Assam".

Wangchuk's comments confirmed the perception on this side of the border: that the kingdom was not keen to take on the military might of the rebels.

The senior bureaucrat also quoted a resolution in the national Assembly to reiterate that "military action would be used only as a last resort if all peaceful efforts to remove the militants from Bhutan were to fail".

Asked about the national Assembly resolution to ask the militants to leave the country, Wangchuk said his government had two rounds of talks with the Ulfa and one with the NDFB.

"During the talks, we have, in no uncertain terms, communicated to them that they must leave Bhutan peacefully. The talks have not been conclusive so far and they have been asked to come for further talks."

He also could not substantiate his stand that his government "is making every effort to make the militants leave our territory". He said Bhutan has spent over Rs 81.2 crore to strengthen security along the Indo-Bhutan border.

THE TELEGRAPH

31 DEC 2000

MISCHIEF IN NEPAL

5-6 Outside interference to blame 2/1/2

IT was much ado about nothing in Nepal. The Nepalese Ambassador said Mumbai actor Hrithik Roshan's alleged remarks were a "non-event and non-issue" and Nepalese soil will not be allowed for anti-Indian activities. Nepalese authorities suggest it was a "media fabricated story". But there is little doubt that Nepalese leftist students reacted churlishly. Demonstrators targeted Indian establishments and ransacked cinema halls showing Roshan's films without caring to ascertain facts: this suggests a premeditated purpose. Innocent lives were lost in police firing. The actor himself was baffled, he denied having passed any derogatory remarks in any interview and rightly refused to apologise for "a thing I have not said". That should have been enough to assuage any wounded psyche. Curiously, supporting the demand for an apology was prime minister GP Koirala. Seen as appeasement, this is unpardonable. And why the demonstrators laid low for nearly two weeks before coming out into the open makes it clear that the whole thing was contrived. Moreover, reports say none of the demonstrators could say which channel telecast the "interview", which strengthens the suspicion of a hidden hand.

The very fact that Left-wing Nepalese students were in the forefront indicates they were looking for some pretext to vent their frustration. The country is beset with several problems. The economy is in the doldrums and Maoist insurgency over the past six years has left more than 1,500 dead and property worth Rs 12 crores destroyed. The Koirala government's efforts to bring them to the negotiating table have failed. India harbours no ill-will but suspicion and misunderstanding have often characterised relations between the two countries. Leftist fear of Indian domination continues despite repeated assurances from Delhi. Obviously vested interests took advantage to whip up simmering anti-Indian feelings. Outside interference should not be allowed to harm traditional ties. The truth must be established.

THE STATEMAN

31 DEC 2011

Nepal Maoist rebels urged to join peace talks

BY GOPAL SHARMA

Kathmandu, Nov. 4: Nepal's Maoist rebels were being urged on Saturday to respond to a government call for talks to end four years of a bloody communist insurgency.

The government said that it had met one of the rebels' key conditions — a demand for information of the whereabouts of two Maoist leaders — and that the rebels should now join the talks to end the revolt against the constitutional monarchy.

On Friday, jailed rebel leader Dinesh Sharma, a central member of the Nepal Communist Party

(Maoist), and another rebel, Dinanath Gautam, were led by the police into a news conference in the capital Kathmandu.

They told reporters that they had renounced violence. It was not clear whether the two rebels had been freed.

The Nepali daily, *Kantipur* and other newspapers said that Mr Sharma, who was detained last December, had been set free. But there was no confirmation of his release from the government.

In a separate statement faxed late on Friday, Mr Sharma retracted his statement at the news conference, saying it was made under duress

and vowed to continue the Maoist campaign.

But the government said late on Friday that it had met the rebels' conditions.

"Now that His Majesty's government has honestly met the conditions set by the representative of the so-called Maoist group...HMG looks forward to honest fulfilment of its responsibilities by that group," information and communications minister, Jayaprakash Prasad Gupta, said in a statement here.

The Maoist party has yet to make its position public but newspaper reports quoting Maoist sources

said an early dialogue with the rebels was unlikely.

"Talks cannot be held with the Girija Prasad Koirala government that lacks minimum honesty," the Nepali daily, *Nepal Samacharparitra*, quoted an unnamed Maoist source as saying.

Padma Ratna Tuladhara, a former minister in the mid-1990 Communist government and a rights activist, who has tried to bring the rebels and the government together, told Reuters that Maoists were unhappy about the way the government presented Mr Sharma to the press.

"They can't go to talks with the

government immediately," said Mr Tuladhara, who brokered an informal meeting between deputy Prime Minister Ram Chandra Poudel and Maoist leader, Rabindra Shrestha, in October to discuss possible peace talks.

The Maoist party, considered ideologically close to Peru's Shining Path, wages a guerrilla campaign in the remote Himalayan foothills of Nepal to replace the constitutional monarchy by a one-party Communist republic.

About 1,500 people including 232 police personnel, have been killed in the violence since it started in February 1996. (Reuters)

Nepal struggling over drama with Maoist guerillas

BY SUMAN PRADHAN

Kathmandu, Nov. 5: The prospect of much-awaited negotiations between Nepal's centrist government and the rebel Maoist guerrillas has suffered a devastating blow after the rebel leadership rejected talks following last week's high-voltage drama.

A day after the Girija Prasad Koirala government, bowing to a key demand by the rebels, released two top captured Maoist leaders, the movement's top commander "Comrade Prachanda" came down heavily

against the government for releasing the duo with "utter dishonesty." As a result, Prachanda said in a statement late Saturday, "the possibility of our party talking to this government, and our faith in it, is nearly over."

However, the rebel leader left the door to negotiations tantalisingly open, saying that his party was still ready to talk with "all political parties and personalities, rather than the Koirala government alone."

The Maoists' latest move comes as an utter blow to the Koirala government which had pinned hopes on the rebel outfit keeping its side of the bargain.

Even the press in this Himalayan Kingdom is now blaming the government for its "immature drama" while releasing the rebel duo.

According to the bargain struck late last month when deputy prime

minister Ram Chandra Paudel met for the first time with a Maoist representative, the government would make public the whereabouts of captured rebels, including Dinesh Sharma, and the rebels would sit down for "official" talks with the government. Prachanda had also issued an ultimatum that Koirala should keep his bargain by 3 p.m. Friday.

As the deadline approached on Friday, the Koirala government dramatically produced Sharma and another captured Maoist Dinanath

Gautam to the press. In the evening, they were

allowed to go free, but not before being made to denounce the Maoist violence. The renunciation under duress has rankled the Maoist leadership.

"Instead of making public the whereabouts of our men, the government made Sharma babble for its own petty selfishness," Prachanda said angrily in his statement.

"Had Friday's dramatic and foolish action by the government not taken place, the Maoists and the government had almost agreed to begin official talks," Mr Tuladhar said.

"But now the government has betrayed the trust." Meanwhile, as the developments continue at a fast pace, Prime Minister Koirala, sensing trouble, has urged the rebel leadership to sit down on the table.

NEPAL CRISIS

THE ASIAN AGE

THE ASIAN AGE

5 NOV 2000

BHUTAN TODAY

51-6 Making Way For Reforms

WITH a population of approximately only seven lakhs and an area of 46,500 sq km, the landlocked Himalayan state of Bhutan (locally known as Drukylu) only has .07 per cent of India's population and 1.41 per cent of its area. On the other hand, its population is only .058 per cent of China's population and its area only .48 per cent of China's area. If one were to go by the yardsticks of power — population and area — one is bound to find Bhutan in a very weak and difficult position.

Located on the southeast slope of the Himalayas, Bhutan is bordered on the north and east by China (Tibet's territory) and on the south and west by India. Some think that Bhutan is worse placed than Nepal — which is surrounded by China (Tibet's territory) only in the north. Despite this, it is true that unlike Tibet, Bhutan was never part of either of the two Asian giants. It has been able to retain its independence with diplomatic skill.

SENSITIVITY

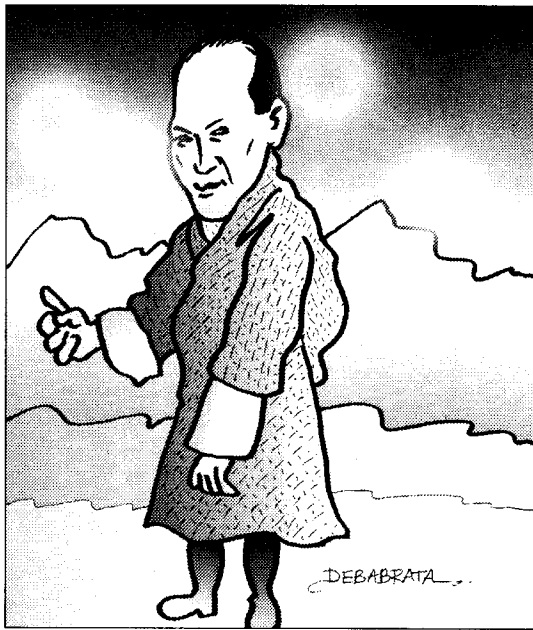
Needless to stress, the Bhutanese governing elite has always been conscious of the kingdom's difficult location and the nitty-gritty of domestic, regional and global politics. But it has, since time immemorial, made the governing Bhutanese elite look towards India more freely and frequently for support. Formal diplomatic ties between the governments of Bhutan and India are governed by the India-Bhutan Treaty of Friendship (1949). The Treaty was signed by the representatives of the two governments in Darjeeling on 8 August of that year. Article 2 of this Treaty says: "The Government of India undertakes to exercise no interference in the internal administration of Bhutan. On the part the Government of Bhutan agrees to be guided by the advice of the Government of India in regard to its external relations."

India has been, with some rare exceptions, very cautious about the sensitivity of the Bhutanese government and people. The ham-handed treatment meted out to the mountain kingdom in 1979 by the Charan Singh government's External Affairs Minister still seems to be fresh in the minds of many Bhutanese. On its part, Bhutan was the first country to recognise Bangladesh after India in 1971; on the other hand, it was the first country to support India's nuclear test in May 1998 and no less a person than King Jigme Singye Wangchuck himself wrote a congratulatory letter to Atal Behari Vajpayee. No less important, it has been among the first few countries wishing India a permanent seat in the UN Security Council.

It was against this back-

By PARMANAND

ground that the visit of India's Foreign Secretary, Lalit Mansingh, to Bhutan in October assumes significance. It was, indeed, the second official visit by Mansingh to Bhutan. His being accompanied by the Joint Secretary (North) in the Ministry of External Affairs,



Ms Meera Shankar, who is meticulous about day-to-day developments, enhances the importance of the visit.

One of the special features of the unique relationship between India and Bhutan is the frequent high-level discussions. On 20 October, Mansingh, along with Meera Shankar and Rajiva Mishra, Charge d'Affaires of the Indian Embassy at Thimphu, received an audience with His Majesty King Jigme Singye Wangchuck. True, the King has abdicated his role as the head of government since July 1998, but he still remains probably the most significant element in the kingdom's polity, society and politics.

TRANSFORMATION

Indian Foreign Secretary also met the Head of the Bhutanese government, Lyonpo Yeshey Zimba, the Foreign Minister, Lyonpo Jigmi Thinley, and other Bhutanese officials. The Foreign Secretary said that he was "very satisfied" with his discussions which covered a wide range of issues of mutual interest, including a review of the progress in economic cooperation. Indeed, Mansingh went to the extent of saying: "Bhutan is not just one of our neighbours, it is our closest neighbour." He stressed: "Our relations are strong and robust. We have no outstanding issues with Bhutan." Significantly, Mansingh said that India was keenly awaiting a visit by His Majesty.

In fact, Lyonpo Jigmi Thinley, who was the first head of government in the post-1998 constitutional-political changes, had paid a nine-day official visit to India in April, meeting a large number of Indian leaders and officials. In a personal interview, he had told the present author that he had come to thank Indian leaders for the assistance that Bhutan has been receiving from India. He had also stressed that the relations between India and Bhutan had moved from one of "donor-donee" to those of "mutually benefiting partners".

Bhutan has, without doubt,

tried its best to integrate its economy to India. Obviously, it has stood both of them in good stead. Preparations appear to be afoot for an official visit to India by King Jigme Singye Wangchuck.

Bhutan does not have any official diplomatic ties with China, nor is it receiving any economic assistance from the latter. Notwithstanding this, China has been and still is — now probably more seriously — an unavoidable factor for Bhutan. The border demarcation between the two remains incomplete — which, indeed, is a matter of great concern for the Bhutanese. When the signal becomes clear that China will not settle the border question with Bhutan till the latter agrees to establish ties with the former, worries increase. Unlike Nepal of the panchayat days, Bhutan has cautiously avoided playing the China card vis-a-vis

India.

Treading a tightrope, Bhutan has held 12 rounds of boundary talks with China between April 1984 and December 1998 — eight in Beijing and only four in Thimphu.

PROGRESS

Quite significantly, however, the last round of talks between Bhutan and China saw the emergence of an "agreement between the Government of the Kingdom of Bhutan and the Government of the People's Republic of China on maintenance of peace and tranquillity in Bhutan-China border areas". The five-article agreement was signed in Beijing by the two countries on 8 December 1998. Article 1, inter alia, says: "The Chinese side reiterates its position to fully respect the independence, sovereignty and territorial integrity of Bhutan." No less significant, the same Article also says: "Both sides are ready to conduct good-neighbourly relations of friendship and cooperation on the basis of the five Principles of Peaceful Coexistence."

Bhutan is quite aware of changing times and circumstances. At stake is Bhutan's border, which was sought to be disturbed — wittingly or otherwise — in the past. It remains to be seen how the first inter-governmental agreement moves. True, Bhutan is in no hurry, but it has reason to be worried.

Over the years, some dissenting voices have become quite vocal. A large number of its people are living in several refugee camps in Nepal, and this problem is sought to be internationalised from time to time. Of course bilateralism has also not achieved anything tangible so far.

But against all odds, Bhutan is making remarkable progress on the economic front. It is not oblivious of the importance of reforms on the political front either and took significant steps in 1998. Those holding political power in the kingdom stress that the changes of 1998 were not the last.

The author is Hon. Director, South Asian Studies Foundation, New Delhi.

Nepal becomes conduit for import of cheap acrylic yarns

G. Ganapathy Subramaniam
NEW DELHI, 3 AUGUST

NEPAL HAS become a major channel for trade in acrylic fibre and yarn, nullifying the relief provided to the Indian industry by way of anti-dumping duties on acrylic fibre originating from various countries, including the US, Thailand, South Korea, Japan, Taiwan, Spain, Portugal, Turkey and Italy.

Besides shifting value addition and employment to Nepal, the flow of acrylic yarn trade through the neighbouring country is also leading to a loss of Rs 84 crore in revenue per annum to the government.

Import of acrylic fibre from Nepal into India has surged to 24,000 tonne in 1999-2000 after

India imposed an anti-dumping duty on acrylic fibre imports from various countries.

Nepal does not produce acrylic fibre and all the inputs for its mills are sourced from Thailand, South Korea and Taiwan — which figure on India's anti-dumping duty list.

By sourcing fibre from these countries for exporting acrylic yarn to India, Nepal is negating the protection available to the Indian industry. Five leading manufacturers have complained to the government.

Indian Acrylics, IPCL, Vardhman Acrylics Ltd, CFCL and Pusupati Acrylon have alleged that price undercutting by Nepal-based companies has led to a Rs 200-crore loss to Indian spinning

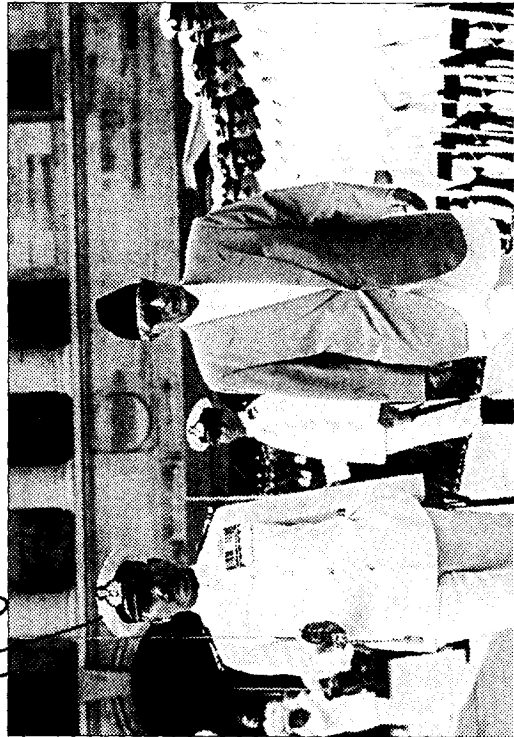
mills. Nepal imposes a nominal customs duty of 1 per cent on acrylic fibre as compared to 20 per cent in India besides the anti-dumping duty. Spinning mills in Nepal import acrylic fibre from countries like Thailand, Taiwan and South Korea without being subject to the duties applicable in India.

Therefore, the acrylic yarn produced by them enjoys a cost advantage on account of cheaper inputs. Indian spinners pay 20 per cent duty and anti-dumping duty on the acrylic fibre imported by them. After using the raw material to make acrylic yarn, they pay up excise duty of 16 per cent.

Due to the trade treaty with Nepal, the Indian government does not impose customs duty on

acrylic yarn imported from the neighbouring country. Therefore, the commodity finds its way into the Indian market after suffering only a special additional customs duty of 4 per cent, a countervailing duty of 16 per cent and import surcharge.

As trade between India and Nepal is transacted in rupees, violations relating to underinvoicing are usually not looked into seriously. According to the Forum of Acrylic Fibre Manufacturers, Nepali spinners are selling yarn at prices which are higher than that of acrylic fibre. If the minimum value addition norm of 40 per cent and the legitimate duties are taken into account, the minimum price of Nepalese acrylic yarn should be Rs 95 per kg.



Nepal's Prime Minister Girija Prasad Koirala inspects a guard of honour at the Rashtrapati Bhavan in New Delhi on Tuesday. PTI

India committed to end caste-based discrimination

Geneva, August 11

INDIA IS committed to the elimination of caste-based discrimination in the country and does not need any outside solutions in overcoming the problem, the Human Rights Commission meeting was told here.

India said it was taking steps to accord top priority to the concerns of the scheduled castes and other weaker sections in the national agenda. The caste system came in for criticism during a general debate on the promotion and protection of human rights at the ongoing 52nd annual meeting of

the sub-commission of the UN Human Rights Commission.

Deputy representative at the Indian mission here, Sharat Sabharwal, said the tools to bring about change in the social system were available within the Indian democratic polity itself and did not have to be sought elsewhere.

India unequivocally condemned all practices of discrimination and exclusion of scheduled castes and a special legislation has been enacted for the protection of their civil and political rights, he said.

"It is absolutely clear to the Indian Government that discrimination based on caste has no place

whatsoever in a society which believes in equality and human rights", Sabharwal said.

He also rebuffed attempts to bring the caste system within the ambit of racism and racial discrimination.

Some NGOs and one of the 26 sub-commission experts El-Hadji of Senegal had argued that issues relating to caste-based discrimination should be brought before the agenda of the upcoming world conference on racism and xenophobia in South Africa.

El-Hadji said caste system was very difficult to eradicate and "the spirit of the conference against

racism is to eliminate exclusion and inequality, and to end absence of respect for human rights for persons based on caste and customs," he said.

Sabharwal, however, maintained that India was not convinced that issues like caste system fell within the purview of racial discrimination. Bapurao Pakhiddey representing an Indian NGO - the International Institute for Non-Aligned Studies - said "oppression" of scheduled castes and tribes continued in India even though the Constitution provided for affirmative action to better their lot.

PTI

THE HINDUSTAN TIMES

11 AUG 2000

STRAIN IN NEPAL

Conflicting interests, multiplying problems

THE ruling Nepali Congress which received the people's mandate 15 months ago is under strain again. Prime Minister and party chief GP Koirala has turned down the dissidents' demand to vacate one of the posts and he can assert himself since he has the majority in both the parliamentary party and central working committee. The topic, however, was raised by a minister who, stung by his dismissal, launched a signature campaign. The instant response from his younger generation colleagues suggests Koirala is going off track. Former Prime Minister KP Bhattarai wasted no time in stressing once again the need for infusing fresh blood to entrust the task of running the party and government. Given the deep-rooted hatred between the two stalwarts, many believe this is the only alternative to save the party. In any case, the issue of transferring leadership to second generation leaders is to be discussed at the party convention to be held in the next three months.

Himalayan Star
It has been more than three months since Koirala took over from Bhattarai but he has not been able to function effectively or take decisions and problems are multiplying. Maoist insurgents are fighting to set up a republic. Former Prime Minister Sher Bahadur Deuba heads a commission to resolve the problem but accuses Koirala of not being sincere about a dialogue. More than 1,000 people have died since the insurrection four years ago. About 100,000 Bhutanese refugees continue to languish in Nepal camps. Several sore points threaten to sour ties with India. It is also time to review the 1950 Indo-Nepal Friendship Treaty vis-a-vis the North-east as unrestricted movement has attracted a large number of Nepalese in particular, to Assam and Meghalaya.

THE STATESMAN

18 AUG 200

BHUTAN TODAY

India's Security Stakes Remain High

HEDGED between India and China, the two giants with differing ideologies, who have serious mutual problems to resolve in spite of the Sino-Indian border talks which haven't come to any conclusion so far, Bhutan's position is indeed delicate. Its foreign policy options are restricted and difficult. It cannot afford to annoy one neighbour at the cost of another.

Concurrently, in its quest for an independent identity, Bhutan has taken certain initiatives on its own, such as the signing of the NPT in 1985. But the country remains constrained, its chief fears being that Bhutanese territory might be infringed upon or annexed by one of its powerful neighbours. And the growing menace of ethnic divide between the Nepalis in the South and Darupkas in the north. More so, when since 1990, nearly 85,000 or so Nepalis of Bhutanese origin were turned out and remain concentrated in eastern Nepal's refugee camps next to Sikkim. And there is also an apprehension that Bhutan's internal conflicts might be exploited by China or India.

To remove the impression that Bhutan is an appendage of India, Bhutan has signed a number of bilateral agreements with Bangladesh for expansion of trade and cultural affairs. Towards this end, India had helped in 1984, by removing the transit difficulties and streamlining the 1972 Indo-Bhutan Treaty by incorporating a clause which permits the use of road and rail facilities between Bhutan and Bangladesh.

TRANSIT

Besides, Bhutan established non-resident diplomatic relations with Nepal in 1983. Transit of Nepalese goods to Bhutan may continue to be difficult and not come through that easily in spite of restoration of Indo-Nepalese treaties. Further, being a member of the Saarc gives Bhutan a distinct identity. It is also a member of the Colombo Plan since 1963, of the UNO since 1971 and of the Universal Postal Service since 1987. In addition, in spite of a clause for "Indian Guidance" in its foreign affairs as stipulated in the Indo-Bhutan Treaty of 1949, Bhutan has been dealing directly with China on its border dispute with no Indian representative present.

On the other hand, while it is highly desirable that Bhutan retains and projects its identity and its past values and traditions flourish, it cannot afford to remain isolated, rooted in its past and frozen in time when winds of change are blowing all over. Therefore, to issue the type of edict like "Driglam Namzha" which was promulgated in 1989 and makes it compulsory to wear the national dress by the entire population or forbids listening to Indian and Bangladesh TV programmes and lays down a fine on those in whose houses antennae are seen and makes

The author is a retired Major-General.

By **VK MADHOK** 24/8

Buddhism the only state religion which can be practised in Bhutan, is really to take ten steps back. Such measures can only alienate and annoy the people. Reportedly, Hindu, Christian and Nepali segments of Bhutan's population are deeply upset with these directions.

In fact, the entire Nepali population in southern Bhutan which fell within the scope of being granted citizenship is unhappy. As a consequence, an organisation formed by the Nepali community to denounce the denial of fundamental rights is already functioning. A section of students is stated to

the Chinese had complained some ago, there is no other problem with Beijing.

It is worth noting that all along the Chinese have been insisting on direct talks with Thimpu and not through India or in the presence of an Indian representative. And they have had their way. Also, they want diplomatic relations to be established with Bhutan. They do not recognise the 1949 Indo-Bhutan Treaty nor, for that matter, that Sikkim is part of India.

The border dispute with Bhutan has yet to be resolved and there is no reason why they should not keep it hanging. Besides, their line keeps shifting to include more territory inside Bhutan.

Accordingly, the eventual line or whatever the Chinese have in mind, continues to be ambiguous. Currently, Bhutan has no treaty with China nor any trade which it had earlier with Tibet before it was annexed.

Further, being land-locked with its communications (air and ground) passing through Indian territory, Bhutan has no option but to depend for trade and transit on India.

On the other hand, the Chinese have been in a frantic hurry to complete roads to the Bhutanese border and are also eager to undertake road construction work inside Bhutan as they have done so successfully in Nepal. Once the construction work reaches a satisfactory level, Chinese overtures to exert more influence on Bhutan would become pronounced. There should be no doubt about this.

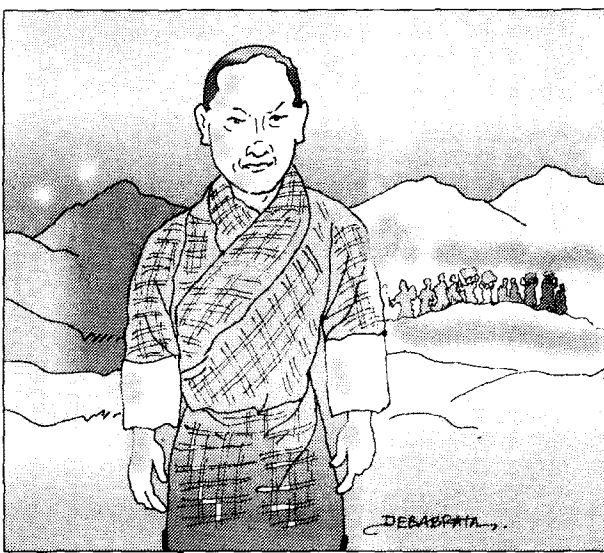
MONARCHY

A question has been often raised whether Bhutan will go the way of Nepal and reduce the powerful monarchy only for ceremonial functions. Whatever the ultimate outcome, one thing is certain: this is a fear the young King cannot get over with although he commands unquestioning loyalty from his subjects. Removal of the Chogyal of Sikkim, the success of the GNLF elements in Darjeeling and more recently, the success of Communists in Nepal can only send warning signals to the King.

It can be said with conviction that once the Sino-Bhutanese road network to Bhutanese borders is through, their initiatives inside Bhutan would increase. They are bound to offer road construction programmes and other works at friendship prices to Bhutan besides establishing a diplomatic mission. Thimpu would not be in a position to refuse. In due course, China is bound to offer trade and friendship treaties. Will India be in a position to stop Bhutan from signing such agreements?

Most likely, the King will sign these to keep his options open. But that is the starting point for effective Chinese influence as well as the Nepalese quest for recognition in southern Bhutan.

It would need a deft policy indeed to avoid such a situation from developing. Whatever the scenario, India's security stakes remain very high in Bhutan.



be undergoing guerrilla training. They have links with their relations and others amongst the refugees now concentrated in eastern Nepal. Should they succeed in getting active support from the GNLF in Darjeeling or pro-democracy elements from Nepal or Sikkim, it could spell trouble. But the ruling elite does not think so. According to Bhutan's ambassador to India, he considers this far-fetched and a figment of imagination. One only hopes that is right.

The situation in Bhutan has a direct influence on India's security — a historical and geographical fact, which just cannot be wished away. Smaller than the size of Punjab, Bhutan is surrounded by India on three sides. Towards its east lies the sensitive Towang sector in Arunachal Pradesh. Fierce battles were fought there between China and India in 1962. The Chinese forces managed to descend to the vicinity of Tezpur through the Sela Pass. The battlelines are still drawn. Short of a major flare-up, border disputes have continued to take place intermittently.

DISPUTE

Towards Bhutan's west lies the Chumbi valley and Sikkim. While a dispute on its 500 mile long border with China waits to be resolved in spite of nine rounds of talks since 1984, China has kept its options open. In any case, it has the military capability to bypass Towang or Sikkim through Bhutan — a process which in these days of air mobility can be carried out within 24-48 hours. That is, in case China decides to annex Bhutan. Indian stakes in this country are, therefore, indeed very high.

On the other hand, the King feels that except for demarcation of the border and the problem of approximately 300 Tibetan refugees who have been refused Bhutanese nationality and will be sent to Dharamsala and about whom

Bhutan House approves use of force to tackle terrorism

P P SINGH
GUWAHATI 7 JULY

AFTER YEARS of hesitation and a policy of live and let live the Bhutan National Assembly early this week finally authorised the use of force by the Government against the ULFA and Bodo militants taking shelter in the camps located in the jungles of Himalayan Kingdom, a stance which has been highly appreciated by all concerned including the Assam chief minister Mr P.K. Mahanta.

According to highly placed sources in Thimpu who told this correspondent over telephone, the decision to authorise the Royal Government to use force against the militants was arrived at after a debate which lasted in the National Assembly for three days.

It may be mentioned that King Jigme Singhye Wangchuk had described the presence of ULFA and Bodo militants as the

greatest threat to the security of the kingdom last year after a prolonged debate in the Assembly but due to their policy of non violence they kept on persuading the militants to leave the kingdom peacefully but to no avail.

Due to the fact that the militants were taking shelter in Bhutan it was not only becoming

COMMON ENEMY

a difficult task for security agencies to fight militancy in Assam but as a result of it the relations between Bhutan and India were also becoming strained specially after it was found that some of the officials of Bhutan were aiding the rebels.

This act has not only embarrassed the Royal Bhutan Government but they have also found it difficult to explain the same. Finally they issued an excuse that the officials were of a very low cadre and were acting

on their own capacity. Action was also taken against them for aiding the militants. It is believed they have been given the harshest of punishments.

The militants have been operating from Deothang and Gelephu which has affected the peace and tranquillity of the local people.

That the Royal Government had to shift one of its educational institutions from Deothang to Phuntosholing as the militants were using the campus of the institute to go to their camps and thereby making it almost impossible for the institute to function.

The Assam chief minister Mr P K Mahanta who described the authorisation as "a welcome step" has been accusing the Union government of not taking any firm decision to help him fight militancy from across the borders. Hence the security forces can not operate with considerable amount of success.

The Economic Times

- 8 JUL 2000

Bhutan plans Operation Flushout

BY MANOJ ANAND

Guwahati, July 9: Bugged down by consistent charges of aiding the militants of Assam, the royal government of Bhutan has finally started deploying troops in border areas and is likely to launch a military operation soon against militants sheltering in the hill tracts of the Himalayan kingdom.

Sources said troop movements in adjoining border

towns has been quite visible over the last few days, an indicator that Bhutan is planning an offensive to throw the militants out of their territory.

This became clearer when

Bhutan home minister Lyonpo Thinley

Gyamtsho informed the Bhutan National Assembly this week that the presence of Ulfa and NDFB militants was infringing on Bhutan's sovereignty and security, causing

great concern to the public and could harm Bhutan's close relations with India, and with Assam in particular. The home minister also admitted on the floor of the House that he had

SPOTLIGHT

held two rounds of talks with Ulfa militants. The first round was held on November 20, 1998, with the Ulfa finance secretary and a local military commander.

During the second meeting,

on May 7, 1999, the Ulfa had deputed two senior leaders, including its commander-in-chief, Paresh Barua, Mr Gyamtsho said, adding that Ulfa leaders were informed of the concerns expressed by members of Bhutan's National Assembly. The militants were reminded of the tremendous problems faced by Bhutan because of their presence in Bhutan. He claimed the government had also advised the

■ Turn to Page 2

THE ASIAN AGE

10 JUL 2000

Bhutan row over action against rebels

FROM ROOPAK GOSWAMI

Guwahati, July 15: The recent Bhutanese National Assembly resolution authorising the government to use force to evict Ufa and Bodo militants from its territory is being hotly debated by the legislators of the Himalayan kingdom.

The members of the Assembly were divided over the hardline approach for military offensive and the moderate stance for peaceful negotiations. Some were worried about the repercussions from the rebels and the cost of such a largescale military operation.

"Though the majority agreed to give peace a chance, it was clear that it would not work. Experience had shown that peaceful negotiations were not working," a newspaper published from Bhutan said.

A similar resolution last year authorised the government to cut off supplies to the militants and start a dialogue with the rebel leaders. "This is not to say that there were no members protesting the military action but there were just four or five members among the 150 who proposed that Bhutan continue to seek a peaceful solution," the *Kuensel* newspaper said.

Irrespective of the consequences of a military offensive, people in Bhutan want stronger action to root out the problem, the newspaper added.

Home minister Lyonpo Thinley Gyam, who had expressed concern on the failure of the Ufa and Bodo militants to come forward for talks. As the debate over the issue raged in the Bhutanese National Assembly, the moderate members were challenged by the hardliners who support an all-out military offensive.

The Bhutanese King had to intervene, at times during the proceedings, to focus on the discussion. "His Majesty had even advised his members to consider their decision carefully as it would have a very significant impact on the nation," the paper said. "We realise that the Ufa and Bodo problem is not just the case of a few thousand militants hiding behind trees. It is part of a regional political imbroglio with complex connotations, the most significant being Bhutan's relations with Assam and Delhi," the newspaper said, quoting Assembly proceedings.

Though military action was inevitable, many members of the Assembly were shocked by the outright call for all-out offensive.

"Be it cost of arms or infrastructure, what seemed to be a colossal reserve fund during peace would suddenly diminish in size when used as military budget," a member said. The members urged India to render economic assistance and military support. The members also feared repercussions from the militants hiding in Bangladesh and other places.

THE TELEGRAPH

Nepalese PM resigns before his party vote

BY GOPAL SHARMA

Kathmandu, March 16: Nepal Prime Minister Krishna Prasad Bhattarai announced his resignation on Thursday, a day ahead of a scheduled vote by his ruling Congress party on whether to dump him for failing to stamp out a Maoist insurgency.

"I am going to tender my resignation to his majesty the king right away," the 76-year-old Prime Minister said in a special address to Nepal's lower House of Parliament.

Earlier this week, 69 Nepali Congress deputies had signed a petition seeking to replace Mr Bhattarai, and he was expected to lose a vote on the issue on Friday.

The Social Democratic Party will now elect a new parliamentary party leader, who will be appointed Prime Minister by the king.

Party critics say Mr Bhattarai failed to deliver on promises of security in a country that has seen more than 1,200 people killed in Maoist violence against the constitutional monarchy.

They say he also failed to tackle corruption, keep prices of essential goods under control, maintain law and order and speed development projects in one of the world's poorest countries. Mr Bhattarai rode to power after the centrist Congress party won a majority in last May's elections, ending a cycle of shaky coalition or minority governments that delayed decision-making and retarded economic development.

In February, Mr Bhattarai sur-

vived a similar move through an agreement with party chief Girija Prasad Koirala on condition that he improved his performance.

"I have been subjected to many conspiracies and sabotages during my struggle for democracy which spanned for nearly six decades," Mr Bhattarai said.

"The prosperity of the nation and consolidation of democracy are my twin objectives. Let us all work for this. I am ready to give up any post for that goal," he added.

Soon after taking power, Mr Bhattarai came under fire from Mr Koirala after the Prime Minister failed to sack a controversial minister. His problems mounted in February when 11 ministers resigned to force him to go.

"Security of the people is our main concern where the Prime Minister has failed," Congress rebel deputy Suresh Malla said.

Last week Mr Bhattarai hinted that he could quit if Mr Koirala, his old rival in the party and a former Prime Minister, also agreed to hand over the leadership of the government and the party to a younger generation of politicians.

But some party rebels want Mr Koirala to replace Mr Bhattarai.

Mr Bhattarai has had a chequered political career. He was the kingdom's first Prime Minister after a bloody street revolt ended autocratic rule under the king and established multi-party democracy in 1990.

In that capacity, he prepared the statute establishing a constitutional monarchy. (Reuters)

THE ASIAN AGE

17 MAR 2000

Nepal PM announces his resignation

Kathmandu, March 16 **HT-24** 1977
NEPALESE PRIME Minister Krishna Prasad Bhattarai announced his resignation on Thursday amid a growing rebellion in his party.

Bhattarai told parliament that he would submit his resignation to King Birendra.

A total of 74 ruling Nepali Congress MPs out of the 113 party deputies in the 205-seat parliament had defected to rebel ranks as of Wednesday, and others were to follow, party sources said earlier.

Bhattarai would have faced a vote of no-con-

fidence in his leadership on Friday, a party parliamentary source said. He told the parliament that a "grave conspiracy" was hatched against him a fortnight after he assumed office.

Bhattarai listed his achievements during the past nine months, including the formation of a human rights commission and the start of a dialogue with Maoist guerrillas to end insurgency in the country. He also claimed movement towards settling the issue of the 100,000 Bhutanese refugees in Nepal and took credit for a raise in the gratuity and pension of the British Gurkha soldiers.

Bhattarai said "unrestrained ambition" among politicians had led the country to a sad situation.

The Nepali Congress and its 113 parliamentarians should assess my contribution to their polls victory. The country is in danger and my successor also cannot be above danger," he said.

He also said a "grave conspiracy has been hatched against the country's parliamentary democracy and the country is facing great danger from anti-democratic forces". The Nepali Congress Parliamentary Party is expected to elect its leader to succeed Bhattarai. (AFP)

Koirala returns as Nepal Premier

19-5
19/13
Kathmandu, March 18 (Agencies): Lawmakers of Nepal's ruling group today choose Girija Prasad Koirala, president of their Nepali Congress party, as the new Prime Minister, party officials said.

During voting today, Koirala received 69 votes while his competitor, former Prime Minister Sher Bahadur Deuba, won 43 votes.

One vote was declared invalid. The Nepali Congress has 113 members in the House of Representatives, Nepal's Lower House of Parliament.

"As the new Prime Minister my priorities will be to maintain law and order, eradicate corruption and good governance," Koirala told reporters after the result was announced.

Koirala succeeded Krishna Prasad Bhattarai, who became Prime Minister after the Nepali Congress won a majority in the 205-seat House of Representatives in elections last year.

"I have pledged Koirala my full support during his tenure as the next Prime Minister," Deuba said as he conceded defeat.

Bhattarai, 76, resigned on Thursday following a rebellion by members of his governing party who blamed him for deteriorating law and order, poor administration and continued attacks by Maoist insurgents.

Koirala has served twice as the country's Prime Minister since democracy was restored through a popular movement in 1990.

But instability has dogged Nepal's politics, with eight different governments assuming office during the past 10 years.

Koirala was expected to be sworn in on Monday by King Birenda, the constitutional figurehead who had advised Bhattarai to continue in his position until his successor was chosen.

This is the first time that an election has been held in the Nepali Congress party to elect the Prime Minister.

In the past the Nepali Congress



Outgoing Prime Minister Krishna Prasad Bhattarai (left) with his successor Girija Prasad Koirala in Kathmandu. (AFP)

have chosen their leader through consensus.

Five Maoist rebels, including a woman, believed to have been behind the killing of two policemen last year have been killed in a shootout with police, the home ministry said today.

Only two of the dead rebels were identified after the shooting at Siuna village, 340 km west of Kathmandu.

The ministry said it was believed they had killed two policemen in mid-July near Nepalgunj, 390 km southwest of here, when the men were stabbed after being dragged out from a house during the night.

More than 1,230 people have died since the Maoists launched a people's war in 1996 to topple the constitutional monarchy and replace it with a re-

public.

Rebel representatives are due to meet next week for the first talks on resolving the violence with Deuba, the chairman of a special committee looking into the insurgency.

10-12
2017

INSTABILITY IN NEPAL

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POLITICAL INTOLERANCE AND factionalism are a subcontinental malaise and Nepal, where democracy has faced one of the toughest of its trials in the region, suffers from an acute version of the disease. Much of the suffering is self-inflicted and must be traced to a party that raised high hopes when it successfully fought for the restoration of democracy and retrieved the country from the stranglehold of the monarchy a decade ago. In elections ten months ago the Nepali Congress returned to power with a comfortable majority, ending the radicalism and chaos of the rule of the Communist Party of Nepal (United Marxist-Leninist). It should have settled immediately in the task of addressing the Himalayan kingdom's innumerable problems, including a burgeoning social unrest fomented by Maoist extremist groups in western Nepal. Instead, caught between the machinations of two ambitious men, the party has been dissipating all its energies in factional quarrels. Its floundering government headed by Mr. Krishna Prasad Bhattarai was dubbed a lame duck because of the crippling rivalry at the top, and after fending off predatory attacks from within for several months it has just resigned. Last summer's clear popular mandate has thus failed to bring the hoped-for political stability to Nepal.

There is no threat yet to the kingdom's democratic experiment but prolonged uncertainty can only increase the pressures on the thin social fabric. With 113 seats in the 205-member Lower House of Parliament, the Prathinidhi Sabha, and in the absence of a powerful Opposition group, the Nepali Congress will continue to enjoy power but unless the factions

end their fights and the party begins to work as a coherent team there is little hope of halting the country's slide. Both the main Opposition parties have faced splits, the communists breaking up before the elections in May and the pro-monarchy Rashtriya Prajatantra Party also unable to keep its ranks. Power, the unmistakable bond, is apparently keeping the Nepali Congress still intact. But the shameful demonstration of factionalism of the past weeks exposes the fissures within and the lack of national commitment. That the signature campaign against Mr. Bhattarai was spearheaded not by a highly motivated young turk but by the three-time Prime Minister and party president, Mr. Girija Prasad Koirala, is even more shocking. Mr. Bhattarai's alleged failure to drop corrupt and tainted ministers was cited by Koirala loyalists to seek his ouster.

The social cost of such political behaviour can be high especially in a backward country like Nepal, which already faces a grave threat to its security from extremists. The so-called Maoists have been steadily widening their area of operation, targeting symbols of state authority. A total of 14 districts in west Nepal have been declared extremist infested. The rebellion has been taking a heavy toll, both in terms of lives lost and property destroyed like vital telecommunication and electrical links. Among the political parties, the Nepali Congress with its strong base is best equipped to tackle the social problem symbolised by the increasing popularity of the Maoists. What Nepal needs today is a leader with a total commitment to the national good, not just another Prime Minister.

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Rough times for Koirala

IT IS yet to be seen if the swearing in of Girija Prasad Koirala as the new Prime Minister of Nepal will mark any basic shift in the state of affairs of the ruling Nepali Congress and the Government it runs. The change of guard in Kathmandu is an obvious consequence of a feud in the top echelons of the ruling party that had been simmering for quite some time. The sudden decision of a majority of members in the Rashtriya Panchayat to rise in revolt against Mr Bhattarai's leadership had made his continuance as Prime Minister untenable. It is clear that Mr Bhattarai had lost touch with the party he had been heading. On the contrary, being the party chief, Mr Koirala is somewhat better placed to succeed him and manoeuvre his way in the given situation. However, the real crisis in the Nepali Congress goes much beyond an apparent clash of personalities. Mr Koirala and Mr Bhattarai, together with late Ganesh Man Singh, had functioned as a powerful triumvirate which had guided the Nepali Congress through many decades. But now, a new generation of politicians have come up who resent the continued control of the party and the Government through a 'gerontocracy' and are looking for change.

Predictably, Mr Koirala has promised to induct more younger representatives in positions of responsibility in the party and the government. Engineering a much-needed generational change is only part of the task that Mr Koirala has inherited. He also has to cope with the ubiquitous problem of administrative corruption and the abysmally low level of economic and social development in Nepal. In fact, the record of successive governments in terms of improvement in basic health and education has been quite dismal, while the country remains steeped in mass poverty. This is the ground reality that the radical elements, including the Maoists, have been using to mobilise political opinion to their advantage. Mr Koirala, who has been Prime Minister as many as four times since the success of the pro-democracy movement about a decade ago, can hardly be unaware of the complex nature of these challenges. Indeed, now the question is, will he be really able to restructure the Nepali Congress while he tries to steer his Government through a difficult and rough terrain?

THE HINDUSTAN TIMES

22 MAR 2000

CHANGE IN NEPAL

5.8.99 But trouble time ahead for Koirala ^{Hi K.} Nepal

FORCED to quit a day before the confidence motion, Nepalese Prime Minister KP Bhattarai had a telling point when he said he became "victim of designs from within the party". The ruling Nepali Congress has never been a coherent entity; loyalty is divided between Bhattarai and GP Koirala. Last December dissidents launched a signature campaign for a change in leadership but withdrew it after Bhattarai and Koirala signed a "private agreement". Last month the "duo" worked out a secret truce after 58 of the 113 NC legislators revolted. Bhattarai agreed to step down a week after the start of the parliament session, but when he did not, 69 registered a no-confidence move. While this was going on Bhattarai was reportedly preparing to visit France later this week. For Koirala the ouster of Bhattarai is sweet revenge. It was pro-Bhattarai "gang of 35" which in 1994 brought down Koirala's three-year-old single party government. What followed was a hung parliament with six short-lived coalitions until the 1999 general elections in which the NC was voted to power.

There is some sympathy for Bhattarai but he was too preoccupied with balancing his government and took no clear economic decisions, sending wrong signals to donors and investors. Many expected his finance minister, Mahesh Acharya, said to be reforms-minded, to do something. But last month he quit following rejection of his nominee for the post of Rashtra Bank Governor. Koirala is back in the saddle but a change in leadership makes little sense if he does not enjoy the confidence of all legislators. Koirala was not a consensus choice for parliamentary party leader. In deference to the wishes of Bhattarai who wants younger leaders to take over, former prime minister Surya Bahadur Deuba, contested securing 43 votes against Koirala's 69. Instability has held up several projects which can change the economic face of the country. Koirala has accused Bhattarai of non-performance, now it is for him to make amends. The country is faced with growing Maoist insurrection, rising prices and a stagnant economy. Having fought for democracy it is NC's duty to strengthen it.

THE STATESMAN

22 MAR 2000

Six new faces in 25-member Nepal Cabinet

Kathmandu, March 22

2813
HG-14

A 25-MEMBER Nepal Cabinet, headed by Prime Minister Girija Prasad Koirala, was sworn in by King Birendra on Wednesday.

Koirala was given the portfolios of Defence, the Royal Palace, Sports, Culture, Social Welfare and Women, state radio said.

Mahesh Acharya was given the Finance portfolio, which he left in early February over differences with former Prime Minister K.P. Bhattarai. The two disagreed over the appointment of Tilak Rawal as the Governor of Nepal's Rastra Bank.

Chakara Prasad Banstola was made Foreign Minister, and Govinda Raj Joshi Home Minister. New entrant Tirtha Ram Dangol was made State Minister for Health. In all there are six new entrants into the council of Ministers.

King Birendra approved the make up of the council after its recommendation by Koirala, 76, according to the official announcement.

Ram Chandra Paudyel was retained as Deputy Prime Minister and was also given the portfolio of Local Development, which is in charge of implementing economic projects in 4,000 villages across the mountainous country, the statement said.

Paudyel played a significant role in unifying the ruling Nepal Congress Party when Bhattarai's



New Prime Minister Girija Prasad Koirala. Photo: AFP

differences with Koirala emerged.

Bhattarai's bitter opponent Khum Bahadur Khadka, who was instrumental in forcing him to step down, was appointed Minister of Water Resources.

Most of the new Ministers are known to be personally close to Mr Koirala, and they all took part in the ouster of Mr Bhattarai.

Mr Koirala, known for his anti-Communist stance says ending the Maoist violence, aimed at overthrowing the constitutional monarchy, is at the top of his agenda. The four-year-old insurgency has claimed more than 1,200 lives.

(Agencies)

THE HINDUSTAN TIMES

23 MAR 2000

Koirala names 25-member new Cabinet

BY GOPAL SHARMA

Kathmandu, March 22: Girja Prasad Koirala was sworn in on Wednesday as Nepal's Prime Minister for the fourth time since democracy was restored in 1990. He has named a 25-member Cabinet in which the architect of the impoverished country's economic liberalisation plan, Mahesh Acharya, was appointed finance minister.

Mr Girja Prasad Koirala, who kept eight ministries including royal palace affairs and defence for himself, was appointed Nepal's tenth Prime Minister in less than 10 years on Monday following the resignation of former Prime Minister Krishna Prasad Bhattarai last week.

"His Majesty has on the recommendation of Prime Minister Girja Prasad Koirala constituted the council of ministers chaired by him (Mr Koirala) and allocated portfolios," the royal palace said in a statement late on Tuesday.

Mr Koirala is chief of the centrist Nepali Congress party which won an absolute majority in Parliament in an election last May. The party commands 113 deputies in the 205-member lower House of Representatives.

Mr Bhattarai stepped down to stave off a move by the party to dump him for his alleged failure to stamp out a bloody Maoist insurgency.

Mr Koirala, known for his anti-Communist stance, says ending the Maoist violence, aimed at overthrowing the constitutional monarchy, is at the top of his agenda. The four-year-old insurgency has claimed more than 1,200 lives.

Mr Koirala, taking over as Prime Minister for the fourth time, retained Ram Chandra Poudel from the outgoing Cabinet as deputy prime minister and gave him the key local development ministry, which is in charge of implementing economic projects in 4,000 villages across the mountainous country, the statement said.

The finance minister, Mr Mahesh Acharya, the architect of economic liberalisation embraced by Nepal eight years ago, resigned in January from the same post after disagreeing with the then Prime Minister Bhattarai over the appointment of the Central Bank governor.

Mr Acharya's resignation marked the start of the crisis that toppled the Bhattarai government.

Mr Koirala appointed 13 Cabinet ministers and 11 junior members. Govinda Raj Joshi was appointed home minister.

The Prime Minister named Chakra Prasad Bastola as the new foreign minister. He will be in charge of negotiating with Bhutan over the repatriation to Nepal of more than 94,000 refugees of ethnic Nepali origin. (Reuters)

THE ASIAN AGE

23 MAR 2000

5/6 MORE IRRITANTS

All's not well with ruling Nepali Congress

NEPALESE Prime Minister KP Bhattarai seems intent on asserting himself. But by appointing former speaker RC Poudel as his deputy and making minor Cabinet changes, he has set himself on a collision course with Nepali Congress chief GP Koirala, who had advised against any such move and wanted Bhattarai to concentrate on lowering inflation and tackling Maoists. Bhattarai is not having an easy time. Last month his finance minister Mahesh Acharya resigned on moral grounds after the Prime Minister rejected his nominee as governor of the Nepal Rastra Bank. The Prime Minister reportedly made an abortive attempt to make Acharya withdraw his resignation by offering to appoint National Planning Commission member Shankar Sharma. Within days, education minister YP Upadhyaya quit, claiming he wanted to "make way" for the younger generation but, in fact, protesting against the appointment of a younger party leader as deputy Prime Minister. Bhattarai takes over the foreign affairs ministry from RS Mahat who is assigned the finance portfolio. This could be the sequel to Bhattarai's displeasure over Mahat countering his statement admitting "security lapses" at Tribhuvan International Airport after the hijacking of IC-814.

The ruling Nepali Congress and the government are unlikely to gather strength unless Koirala and Bhattarai sink animosities. Bhattarai earned some relief last December after he vowed to resign at the "right moment". He will probably do so after signing an accord with Enron for a giant hydro-electricity project and buying new aircraft for Royal Nepal Airlines. The non-performance of the ministry is destroying the confidence of the electorate. Only younger leaders can burst the egos of the NC "duo". This is bound to happen, sooner or later.

THE STATESMAN
12 FEB 2000

Plan to elect new House leader

More may quit Nepal Cabinet

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UNITED NEWS OF INDIA

KATHMANDU, Feb. 19. — Prime Minister Krishna Prasad Bhattarai today appeared firmly on the way out as unconfirmed reports claimed more members from his council of ministers were likely to follow the 11 who resigned yesterday.

And despite Mr Bhattari crying that the manner in which rebels were seeking his removal was "humiliating", the Nepali Congress parliamentary party seems set to elect a new leader at Monday's meeting. It will register a lack of confidence in the septuagenarian leader — whom it chose less than nine months ago.

The rebels are considered close to party president Mr Girija Prasad Koirala.

Mr Bhattarai's short spell as Prime Minister has been marked by a singularly lacklustre performance and his own partymen have criticised his "weak and ineffective" style of governance. And less than three months ago, nearly 80 NC parliamentarians carried out a signature-campaign for his ouster.

But the oust-Bhattarai drive was halted after Mr Bhattarai and Mr Koirala agreed that the former would step down after the winter session of parliament pleading "health grounds".

Lately, Mr Bhattarai has not been keeping well and was bedridden the whole of last

week. During this period, he had to be carried down by his aides from his bedroom to a meeting-hall for the weekly Cabinet meeting.

Maoist blitz: Nepal celebrated its 50th National Democracy Day with strong campaigns against Maoist insurgents across the country today.

A few hours earlier, suspected Maoist rebels had bombed a security post at Ghartigaon in west Nepal, killing 15 police officers.

This is the largest number of security personnel killed in a single incident since the Communist Party of Nepal (Maoist) took to militancy to establish a Communist republic in the world's only Hindu kingdom.

In four years of the Maoist People's War, more than 1,176 people had been killed, of which 192 were policemen.

Nepali Congress members said the anti-Maoist drive had been launched to boost the flagging morale in rural areas and fight against the anti-democratic elements which erupted four years ago.

"The campaign was launched today after Mr GP Koirala's two-week tour of the Maoist-dominated districts in the country's far north west and west," NC publicity chief Mr RC Pokharel said.

Meanwhile, to mark the 50th National Democracy Day, 185 political detainees and criminals were released or had their sentences reduced or commuted.

THE STATESMAN

20 FEB 2000

Bhattacharai exit imminent

Kathmandu, February 19

FACING A no-trust move within his own parliamentary party, Prime Minister Krishna Prasad Bhattarai today appeared firmly on the way out following the resignation of eleven of his ministers.

And despite his assertion that he was being sought to be removed from office in "a humiliating manner," an upcoming meeting of the ruling Nepali Congress parliamentary party next Monday was prepared to elect a new leader after registering lack of confidence in the septuagenarian Bhattarai - whom it chose less than nine months ago.

The crisis within the faction-riven Nepali Congress resurfaced last Wednesday when 58 parliamentarians—all from among the 113 party members in the Pratinidhi Sabha—requisitioned a meeting of the NCPP to register their censure of the NCPP leader.

And when Bhattarai showed his unwillingness to attend the summoned meeting—which, he claimed, had been convened for February 21 without consulting him, eleven members of his council of ministers tendered their resignations to him late

15 cops killed

A BOMB explosion killed 15 policemen and injured 16 others in western Nepal today. Activists of the underground Communist Party of Nepal (Maoist) are suspected to have carried out the blast at Ghartigaun in Rolpa district about 250 kms from Kathmandu, police sources said. Those killed in the blast were specially trained police officers detailed for counter-insurgency duties. The policemen were apparently sleeping when the blast took place. The ultra leftists have waged a violent campaign against the Govt for the past five years which has seen more than 1000 civilians being killed over the period. Some 31 districts in western Nepal have been affected with violence. **PTI, Kathmandu**

yesterday.

Those who quit the Bhattarai ministry comprised five Cabinet rank, three ministers of state and an equal number of assistant ministers.

And there were reports, yet unconfirmed, that more resignations were likely to follow from the thirty-member Ministry.

All those who have so far resigned and others who requisitioned the oust-Bhattarai NCPP meeting are considered close to party president Girija Prasad Koirala, another septuagenarian who, along with Mr Bhattarai, currently remains at the helm of party.

GERMAN AID: The German Government has pledged 30 million dollars in aid to Nepal in 2000-01, the Cooperation Ministry has said, AFP reports from Berlin.

About 70 per cent of the aid will be dedicated to anti-poverty projects and programmes, the ministry said.

The aid was promised during three days of German-Nepalese negotiations in Kathmandu that ended

yesterday.

The two sides agreed to continue to focus on urban and agrarian development projects, family planning and strengthening small businesses. (UNI)

THE HINDUSTAN TIMES
20 FEB 2000

Bhattacharai refuses to step down

INDIA ABROAD NEWS SERVICE

KATHMANDU, Feb. 20. --
The ruling Nepali Congress
faces a crisis with the Prime
Minister refusing to resign, as
rebel party members want him
to do.

The fate of Mr Krishna
Prasad will be decided at a
parliamentary party meeting
scheduled for tomorrow where
a no-confidence motion against
him is likely to be passed.

A rift in the party surfaced
last week when a majority of
NC parliamentarians regis-
tered a no-trust motion within
the party against Mr
Bhattacharai.

Out of 113 members, 58 NC
lawmakers have signed the no-
trust motion.

The rebels accuse Mr
Bhattacharai of being a weak
leader who has been unable to
ensure administrative
progress.

"Since the majority of law-
makers are on our side, the
motion will certainly go
through," said a rebel party
member, Mr Jay Prakash
Prasad Gupta. If Mr Bhattacharai
is pulled down as the NC par-
liamentary leader, he would
have to step down on moral
grounds, constitutional experts
say.

"This will only put pressure
on him to resign on moral
grounds and not by a constitu-
tional compulsion," said
Supreme Court advocate, Mr
Mukunda Sharma.

According to constitutional
provisions, the Prime Minister
can only be ousted by a no-con-
fidence motion passed in par-
liament.

Mr Bhattacharai has announced
that he will not attend the par-
liamentary party meeting. The
reason, his press adviser says,
is to do with health reasons.

THE STATESMAN
21 FEB 2000

Nepal nails Pak embassy man in fake rupee case

By Our Political Editor

NEW DELHI: A Nepalese sting operation has netted a Pakistani upper division clerk selling fake Indian currency. Officials in New Delhi say that this can help them trace the origin of high-quality, high-denomination notes that have been flooding the market for several years. Asim Saboor, assistant secretary at the Pakistan embassy in Kathmandu, barricaded himself at his residence on Sunday and refused to come out, claiming diplomatic immunity.

Nepalese CID officials said Saboor had sold 1,000 fake Indian Rs 500 bills to an undercover officer at a park in the capital and promised to provide more bills at his residence, where he took the agent. When the police moved to arrest him, he locked himself in and called his embassy to bail him out. Pakistani diplomats now claim that Saboor has diplomatic immunity. But given his junior rank, this may not be true.

Officials said the quality of fake notes was "such that they could only have been printed in security presses", in an apparent hint that Pakistan was indulging in massive printing of fake notes to abet its terrorist activities against India and weakening the Indian economy.

Giving details of the arrest, *The Kathmandu Post* said Saboor was suspected of stashing millions of fake currency notes in his rented house located in less than 100 metres east of the residence of Nepalese foreign minister R. Sharan Mahat. The stand-off between the Nepalese police and Pakistani embassy officials continued through Sunday night. A second secretary in the Pakistan embassy, Mohammed Raza Jalil, reportedly threatened the police not to inform the press about the incident declaring "it would be the biggest disaster in the 40-year history of Nepal-Pakistan relations".

Reports said the undercover operation was initiated two weeks ago when a woman inspector established contact with Saboor asking to buy Rs 50,000 in fake Indian bank notes in exchange for Nepalese currency. Saboor even claimed he could offer fake Indian currency up to Rs 20 million which he had been stashing in his apartment.

Indian officials hope that the Nepalese police will be able to arrest and interrogate Saboor and provide help in tracking down coun-

Kathmandu flights, decision on airport security soon

Business Times Bureau

NEW DELHI: Indian Airlines (IA), which has suffered considerable losses because of the hijack episode, may get some respite with the government likely to allow resumption of flights to Kathmandu in a week. Official sources said aviation minister Sharad Yadav had directed that the services to Kathmandu, suspended after the hijack of a Kathmandu-Delhi flight on Christmas eve, be resumed early.

Although Kathmandu is not as lucrative for IA as Gulf routes, the carrier is breathing easy because Kathmandu operations rake in huge revenue during December and January, the peak season.

The government is preparing the ground for resumption after reviewing security arrangements at Tribhuvan airport in Kathmandu. This will be on the agenda at a high-level meeting convened by Mr Yadav later this week. The meeting will review the existing security in some key airports. As for Kathmandu, the government will examine whether IA can have its own security arrangement at the ladder point while boarding the aircraft there.

► See Edit: Burden of Proof, Page 12

terfeiters who have been targeting Indian currency for several years now. Intelligence officials have long suspected that given the massive scale of the operation and the good quality of the currency, Pakistani intelligence was actively involved in it. They have in the past made several seizures of such currency from Pakistani operatives involved in militancy and intelligence operations in India. India is deeply worried about anti-Indian activities of Pakistani embassy officials in Nepal, who are using the Himalayan kingdom to mastermind, support and execute terrorist operations.

There is clear evidence of Pakistan's illegal activities in Nepal, an official spokesman of the ministry of external affairs said. Such activities are going on for some time and figured in discussions between external affairs minister Jaswant Singh with his Nepalese counterpart during the former's visit to Kathmandu in September.

Nepal's PM calls for unity to curb Maoist insurgency

Kathmandu, Jan. 9: Nepalese Prime Minister Krishna Prasad Bhattarai sent letters to all political party leaders urging cooperation to curb the Maoist insurgency, officials said on Sunday.

"The Prime Minister has sent the letters to the different political party leaders, including the parliamentary political parties, seeking their support to end the Maoist acts of terrorism," one official said. The call came after Maoists stepped up their campaign in Jumla, Rolpa and Kalikot in the far northwestern region and executed nine policemen and seriously injured a further 10 policemen.

Home ministry spokesman Gopendra Bahadur Pandey said that the Maoists, attacked the Striking police centre at Rarali village in Jumla district, 380 km northwest of Kathmandu, the centre was looted of 17 rifles, three shotguns, three revolvers, ammunition and hand-grenades.

Prime Minister Bhattarai had formed a high-level committee to hold talks with the leaders of the extreme Left-wing insurgent. But the Maoists had not responded to Mr Bhattarai's call for a peaceful solution which has already cost more than 1,070 lives since the Maoists launched the "People's War" in 1996. Of the 1,070 killed, at least two-thirds were

Maoists while other victims included ruling party activists, village council chiefs and civilians.

The Maoists also executed 12 people from the major political Opposition Nepal Communist Party-United Marxist and Leninist. NCP-UML general secretary Madhav Kumar Nepal has strongly criticised the Maoists and described the killing of innocent people as nothing short of revolution. Mr Pandey said the letter was aimed at attracting the attention to the insurgencies.

However, NCP-UML activist Meghani Kharel criticized the government alleging it had arrested and was holding innocent people on suspicion of being Maoists radicals.

"So long as these people are not released, there is no meaning in the Prime Minister appealing for cooperation," she said.

Meanwhile, more than 10,000 Muslims in Nepal on Sunday attended ritual prayer meetings to celebrate Id-ul Fitr and the end of Ramazan at mosques across the country, and amid calls for peace. Prime Minister Krishna Prasad Bhattarai said he wished that the festival would bring peace and prosperity to all the Nepali people. The message was supported by Nepali Congress president Girija Prasad Koirala. (AFP)

THE STATESMAN
10 JAN 2000

In sheep's clothing

ONE MEASURE of a SAARC nation's commitment to good relations with other member countries of that South Asian body is the size of its embassy. By that reckoning, Pakistan is deeply committed to cementing ties with Nepal. Its embassy in Kathmandu has 25 registered diplomats — and that's excluding Nepalese support staff and Pakistanis without diplomatic privileges. What, you may well ask, accounts for this massive Pakistani diplomatic presence? Could it be trade? Not really. These diplomats are not trade counsellors, nor are there massive trade links between the two countries. Could it be that Nepal and Pakistan have strong cultural ties? Perhaps. But it is hard to see how an increasingly fundamentalistic Islamic military dictatorship could have that much in common with the world's only Hindu kingdom.

Over the last fortnight a new answer to the question of Pakistan's massive diplomatic presence in Kathmandu has emerged. It turns out that the Pakistani diplomats posted in the Nepalese capital are not diplomats at all. Fourteen of them are actually ISI agents operating under diplomatic cover. One of them, Asam Saboor, was arrested by the Nepalese authorities after they discovered that he was circulating forged Indian currency. Two others, Arshad Cheema and Zia Ansari, went to the departure lounge of Kathmandu airport on Christmas Eve and handed over a package to a passenger on IC 814. We cannot be certain what was in the package because Cheema and Ansari used diplomatic immunity to bypass the security checks at the airport. But we can guess.

The government of Nepal is smart enough to realise that Kathmandu is not the most sought-after posting in the Pakistani foreign service because Pakistani diplomats are all aspiring mountain-climbers or avid yak-lovers. It must know that the Pakistani embassy in Kathmandu is a base for launching terrorist acts on India and the headquarters for forgery operations. It must also know that the Nepalese capital boasts one of the world's largest ISI stations (including several undercover agents who do not appear on the diplomatic list). If Kathmandu is serious about ensuring that the terror of IC 814 is not repeated, then a good first step would be to ask Islamabad to withdraw those members of its embassy staff who engage in activities incompatible with their diplomatic status. Only then should Indian tourists feel secure enough to return to Nepal.

THE HINDUSTAN TIMES

12 JAN 2000

NEPAL TODAY

Caught Between Bhattarai And Koirala

By JB LAMA

POLITICAL instability and uncertainty continue to plague Nepal despite the popular mandate the Nepali Congress received in the May elections. The eight-month-old ministry headed by KP Bhattarai has been described as a lame duck because of the old rivalry between two bigwigs, Bhattarai and party president GP Koirala, which is very evident. Last month disgruntled Koirala loyalists launched a signature campaign against Bhattarai for his failure to drop corrupt and tainted ministers and stopped short only after he promised to resign at the "right moment".

The compromise was short-lived. Koirala has resumed criticising Bhattarai for not providing proper direction to his government. However, this old love-hate relationship is unlikely to lead to an actual breach. The party is known to unite only when out of power but ties are likely to be strained if the Prime Minister insists on reshuffling the Cabinet. He is particularly keen to induct former speaker RC Poudyal as his deputy. Koirala does not think it necessary and wants Bhattarai to function "with more seriousness".

PAY OR ELSE

It is being suggested that the "right moment" will come only after the Bhattarai government signs an accord with the US-based Enron for the \$7 billion Karnali-Chisapani hydel project, considered to be one of the world's largest. The motive is obvious — kickbacks. Enron made its offer four years ago but withdrew because of continued instability. It was renewed after Koirala took over in April last year.

But there is a bigger stake in the proposed plan to streamline the national flag-carrier, Royal Nepal Airlines Corporation, which is on the verge of being grounded. It is running international flights with a single B757 Boeing. Bhattarai would like to see the deal for a new aircraft struck while he is in the saddle.

The Prime Minister minces no words. When the Indian Airlines Airbus from Tribhuvan International Airport on 24 December was hijacked, he admitted "security lapses", much to the annoyance of his foreign affairs minister, RS Mahat, who, in a belated statement, described arrangements as "satisfactory". But Bhattarai should know better because he heads a committee which monitors security at the TIA following warnings by embassies of possible terrorist activities.

A local fortnightly, *Himal*, reports that when the Prime Minister was asked what he thought of the Kalapani issue — in which India is accused of occupying some Nepalese territory — he said, "I heard of Kalapani only two months ago. Neither have I seen Kalapani nor will I have the desire to go and see it." On the issue of Bhutanese refugees living in eastern Nepal, his comment was: "This is an old issue which cropped up during the pan-

The author, who was on the staff of The Statesman for 42 years, contributes regularly.

chayat days. With a little help from India it can be easily resolved; after all it is not a big issue."

Everybody admits corruption is the main cause of political instability. At a recent interaction programme organised by the Forum for Protection of Public Interest, Bhattarai said even Prime Ministers of smaller countries than Nepal received 10 times his salary. Whatever he earned was sufficient for him, he said, but for poor, ill-paid "peons" it was difficult to make ends meet.

Criticised for openly encouraging corruption at a by-election rally last month, he complained the media was misquoting him; what he actually intended to convey was that he would ignore civil servants accepting Rs 100 or less as consideration for work done as this was not a big crime like accepting a bribe of Rs 10 lakh. Word on the street has it that at least during the panchayat system the situation was not as bad because lowly government employees accepted whatever was offered. In the democratic government bureaucrats openly set terms — pay or else.

COMMISSION RAJ

Many have suggested legislation to deter corruption, even a public boycott of corrupt people and launching of street campaigns, but this is easier said than done. It is difficult to purge society of this deep-rooted malaise at this stage. The lead, if any, for a constructive campaign should come from politicians themselves. Only if they are prepared to function in accordance with established norms of conduct can they refurbish their image and set an example for future generations.

Appropriate emphasis on unemployment notwithstanding, this and rising prices are causing widespread discontent and frustration. The government can employ only so many and job opportunities are limited. Poor villagers are said to be selling their land to send their sons abroad. Among the passengers who died in the collision between a Saudia aircraft and a chartered Russian plane some years ago near Delhi

more than 50 were unskilled Nepalese workers who had spent a fortune to secure employment through local agencies. Nepal and Qatar are to sign an accord on safeguarding the rights of Nepalese workers. A recent report in the government daily, *Rising Nepal*, suggested that "it is foreign employment and not tourism and water resources which has become the country's economic mainstay".

Some youths in western Nepal are reportedly desperate

to leave to avoid Maoist pressure to join them. The authorities are aware of the threat to the country's stability but are yet to wake up to the fact that it is real. For the first time on 4 January, nine policemen were killed in Jumla district adjoining Tibet, suggesting Maoists are widening their area of operation. So far they were confined to West Nepal districts of which 14 have been declared extremist-infested.

Their subversive activities — destruction of vital electric and communication towers — have cost the government crores of rupees.

The rebels refuse to negotiate. Their 40-point charter of demands include immediate measures to check inflation and an end to rampant "commission-raj". Since February 1996 when they made their presence felt, about 750 have been reportedly killed. In extremist-

related violence, more than 100 policemen, 200 Nepali Congress workers and civilians have lost their lives so far.

Rebels are also making it difficult for local contractors to construct roads, forcing the authorities to call in the army to complete the job. The explanation is that it is to prevent explosives, used for construction works, from falling into extremist hands.

TASK AHEAD

Koirala opposed the former Surya Bahadur Thapa government's proposal to enact an anti-terrorist act arguing that since the "insurrection" was born out of poverty and economic deprivation it had to be tackled accordingly. His thinking was simple: since the Nepali Congress successfully fought against the oppressive Rana regime and the panchayat system it would easily contain radical Left insurgents.

With 113 seats in the 205-member lower house of Parliament, the ruling party faces no immediate threat from the main Opposition Communist Party of Nepal (United Marxist-Leninist). The Communists split before the May election, so did the pro-monarchy Rash-

triya rrajatantra Party. The NC too would have followed suit had it not been for the fact that dissidents could not muster 40 per cent members to beat the anti-defection law. Surprisingly, the RPP, which has the reputation of having split and patched up umpteen times, has once again emerged to become a third force.

No one sees a likely economic upswing unless the Nepali Congress functions as a coherent team. There is no dearth of foreign aid from donor-countries. The party will gain popularity if it is able to contain the Maoist threat, arrange the honourable repatriation of over 100,000 Bhutanese refugees and check the galloping inflation.

The release last month of Bhutanese human rights and pro-democracy movement leader Tek Nath Rizal after 10 years' imprisonment is significant. But this is unlikely to lead to any softening of Thimphu's stand. Bhutan has made it clear it will only accept genuine citizens. One must continue to hope for an amicable settlement. Perhaps India could help with a solution.

