

Thinking Ahead:

A Plan for the Post-Conflict Reconstruction of Nepal

By Anga R. Timilsina | September 21, 2005

As the king, politicians, and Maoists fiddle, Nepal is rapidly becoming a failed state. An even-bloodier phase looms ahead in the conflict, which has claimed more than 12,000 lives to date. Prospects for peace in Nepal's ten-year-old Maoist insurgency look as bleak as ever. Even so, Nepal needs to be prepared for post-conflict reconstruction.

Why Plan Now?

First, as one popular saying goes, "Out of every crisis comes the chance to be reborn." Sooner or later, there will be a renewal for Nepal, and there are several reasons to be optimistic. It is unlikely that the Royal Nepalese Army (RNA) will defeat the Maoist rebels, and it is equally unlikely that the Maoist rebels will defeat the RNA and march into Kathmandu. The ongoing Maoist insurgency in Nepal is not simply a "law and order problem" or a "security problem" but is very complex with social, political, and ethnic dimensions. No lasting solution to the insurgency can rely principally on force.

Since Nepal's insurgency problem has no military solution, there are several reasons to believe there will be a peaceful settlement within the next 10 years. First, Nepal's civil society has been pressuring both the king and the Maoists to nonviolently resolve the conflict by drafting a new constitution. These civic groups want to expand the political space open for all actors—the king, the Maoists, and the mainstream political parties—in hopes of finding a democratic way out of the current crisis and demobilizing the insurgents.

The second reason to plan now for reconstruction is the heightened international attention on the crisis in Nepal and a growing consensus that the country's conflict can't be resolved militarily but instead requires a negotiated settlement. Third, seven political parties comprising more than two-thirds of the Nepalese people have started a movement for the

restoration of democracy and the peaceful conclusion of the conflict.

By himself, the king cannot resolve Nepal's discord. Some Nepalese supported the king when he took over the country on February 1, 2005, claiming that he could control the Maoist insurgency problem within three years. But the Maoist problem is very complex, and the king is not likely to succeed militarily. After support for the king's coup d'état wanes, the Nepalese people can broker a bloodless pact, reclaiming democracy in the process.

The increasing participation of people in the movement for the restoration of democracy will force the king to seek a way out of the current crisis. He will be forced either to restore the dissolved parliament and hand over power to the Prime Minister elected by the restored parliament or to negotiate with both the political parties and the Maoists, leading to elections for a constituent assembly.

For their part, the Maoists have realized that they can't assure a victory over the RNA and are thus ready for a compromise solution. In a recent interview with the *Washington Times*, Baburam Bhattarai, the chief ideologue and No. 2 leader of the Maoist insurgents in Nepal, said, "We are not attempting a final military victory right now but are working for a negotiated political settlement either directly for a democratic republic or for the election to a constituent assembly." He cited two reasons for favoring a compromise solution. First, a large section of the urban and rural middle classes in Nepal are against the revolutionary change proposed by the Maoists. Second, India and China, Nepal's two huge



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neighboring states, are also not supporting the Maoist revolution.

However, the conflict will continue if the king is simply aspiring for more power and is not serious about bargaining at this moment. The king's strongest card in this power struggle is the RNA, which currently enjoys unrestricted access to state power and resources and is operating under direct royal command. Given this cozy relationship with the army, many feel the king is not ready for peace talks because they will curtail the dictatorial power that he currently enjoys. But combat fatigue will eventually force the Maoists and the king into discussions because a peace agreement will represent the only win-win situation for both parties.

Nepal will face serious post-settlement challenges. The economic and human costs of the civil war are staggering. The economy is collapsing, per capita income—among the world's lowest—is stagnant, and the country's tourism industry is silently inching toward death. Moreover, infrastructure and security essential to foreign-funded development have been severely damaged, and the human rights situation is spiraling out of control. Thousands of rural Nepalese are seeking refuge in India or in Nepal's urban enclaves.

The experiences of other countries that have emerged from sustained civil conflict show that careful planning for the post-conflict reconstruction phase is required, because sustaining peace is harder than achieving peace. The most common legacy of a civil war is another civil war. Nearly 50% of peace restorations in Africa last less than a decade. This is because the challenges facing countries emerging from conflicts are daunting. Besides the normal developmental challenges, countries recovering from war must contend with widespread insecurity,

damaged social fabrics and infrastructures, and weak government institutions.

The success of any negotiation between conflict participants is a matter of both psychology and pragmatism. The availability of a plausible post-conflict reconstruction plan can lubricate the bargaining process toward a resolution, especially if the plan has secured buy-in from the affected grassroots populations, political parties, and institutions.

Challenges for the Reconstruction of Nepal

The challenges facing Nepal can broadly be divided into four categories: humanitarian, security, governance, and economic development. The major humanitarian challenges include the return of refugees and displaced persons, the establishment of property rights, and the demobilization of combatants and their reintegration into society.

According to local non-governmental agencies, there are currently about 200,000 displaced people including 40,000 children.

About 27,000 displaced children are working in risky jobs (such as working as a porter and in stone quarries, coal, sand, and red soil mines), and 30% of the Maoist militia is below 18 years old.

Maoist rebels have destroyed the title deeds of rural landowners and have occupied most of the properties of those who have fled. Returning properties to rightful owners will be an early post-conflict challenge.

The transition from military to civilian life requires a rapid assessment of the opportunity structure and a profiling of the needs of ex-combatants. To avoid a resurgence of hostilities, ex-combatants should be provided economic reintegration assistance in the form of productive assets (particularly land and capital), training, and employment.

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Nepal's security challenges include clearing landmines, disarming the Maoist rebels, integrating the Maoists into the RNA, and reforming the security sector. Both the Maoists and the RNA utilize landmines to defend themselves. The Maoists have also terrorized people by using landmines to blow up civilian vehicles and business establishments. For its part, the RNA has planted landmines to protect its barracks from sudden attacks by the Maoists.

The Maoist rebels are currently used to power from their gun barrels, so disarmament will be a big challenge for post-conflict Nepal. Not only must the rebels be integrated into the Royal Nepalese Army, but the security sector must also be reformed. Such reforms must include redefining civil-military relations, building respect for the civilian leadership, requiring transparency and accountability in the RNA, and revamping promotions and leadership development. Currently promotions in the RNA are biased toward loyal subjects or those with ties to the Royal family.

At the level of governance, Nepal's main challenges include forming a transition government including the Maoist rebels, writing a new constitution, and strengthening institutions of local government. It is now widely recognized that the current constitution of Nepal doesn't provide enough authority and power to the local governments. Decentralization and other political reforms to strengthen the capacity of local government institutions could serve to create a new forum for resolving a wide range of grievances. The role of the monarchy lies at the center of the constitutional discussion. The Maoists have called for the establishment of a republic, while the mainstream political parties are also leaning towards a democratic republic. This issue must be resolved before other reforms can occur.

Economic development challenges include rebuilding Nepal's infrastructure, mobilizing revenue, formulating new policies for sustainable growth, and securing sufficient foreign aid for postwar reconstruction. The war has destroyed or severely damaged critical infrastructure such as suspension bridges and communications systems and has curtailed access to basic services such as education and health care. Currently, there are two revenue collection systems in Nepal: one run by the rebels, the other run by the government. These, of course, must be merged.

Economic growth in Nepal is very sluggish and has served to disproportionately reward the rich. The most recent Nepal Living Standard Survey reveals that the Gini coefficient, a measure of economic inequality, has gone up from 0.34 in fiscal year 1995/96 to 0.41 in fiscal year 2003/04. Post-conflict Nepal must pursue a more broad-based growth that combats rather than reinforces inequalities. Only growth that reduces social and economic disparities can blunt the attractiveness of revolution and address the root causes of conflict.

Sustaining a peace settlement requires providing everyone a stake in the political process and a viable livelihood.

Given these daunting challenges, Nepal needs a plan for post-conflict reconstruction. The international community, development donors, the king, the Maoists, the mainstream political parties, and Nepal's civil society all have a stake in developing a plan to reduce the risk of relapse into conflict. If the king is not ready for a compromise solution, the Maoists and mainstream political parties should carve out a plan for a post-conflict Nepal, and the international community and civil society should provide strong support for the plan.

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Conclusion

Many issues must be resolved in the development of a postwar reconstruction plan: How should the Maoist rebels be integrated into the Royal Nepalese Army? Who should monitor a cease-fire and oversee the transition? What mechanism should be devised for drafting a new constitution and holding elections? How can sufficient foreign aid be allocated for Nepal's reconstruction? What should be the new macroeconomic and political framework for Nepal? These hard questions can be addressed in the context of a negotiated settlement. Whether the conflict ends soon or drags on depends on the combatants, but, clearly the time to think about post-conflict in Nepal is before the shooting stops.

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