

POLITICAL ECONOMY, CONFLICT AND DEMOCRACY: A CASE OF NEPAL

Abdul Sattar

Outreach Coordinator, Khudi Pakistan a Youth Led Organization

Corresponding Author:

Abdul Sattar

Outreach Coordinator,

Khudi Pakistan a Youth Led Organization

sattar_ch85@hotmail.com

Abstract: Nepal is facing serious problems of political instability and may get into civil war again if the chronic political issues remain unresolved. The aim of this paper is to study the relationship between political instability and socio-economic structure and existing political economy. It also aims to highlight that democracy without equality and fair distribution of resources cannot flourish and sustain. Paper gives historical background of political instability and lack of democratic consensus, and draws its relationship with the existing centralized political economy, inequality and unfair distribution of resources in Nepal. The research depends on the secondary data and journal articles, books, reports; newspapers are consulted and researched in this regard. The data indicates that the conflict and political instability in Nepal is due to the equality and centralized political economy. If Nepal does not have considerable and radical changes in socio-economic structures the conflict and political instability is likely to persist.

Key Words: Nepal, Maoists, Political Instability, Democracy, Civil War, Socio-Economic Structure, Political Economy

INTRODUCTION

The relationship between political economy and democracy has become the limelight of both scholarly and political debates. It is generally accepted that inequality and unfair distribution of resources can cause complex conflicts and pose serious challenges to peaceful political process. The survival and sustainability of democratic process is largely dependent on how it brings about equality and fair distribution of power and resources. Democracy is more likely to be under threat in unequal societies. It could not work and deliver where resources are concentrated in few hands. This most likely creates grievances among the masses and democracy and its narrative might not get space among the people. There is no bigger threat to democratic process than inequality and unfair distribution of resources. It requires wider structural changes in any society. Fragile and meager democratic situation in third world countries is usually due to this phenomenon. Nepal has been facing serious issues regarding political development. It has a long history of political instability. It has faced the most violent conflict of South Asia (Nightingale and Rankin 2009). It is still in quest of constitution, democracy and peace. The reasons behind the civil war, conflict and lack of democratic culture in Nepal was largely due to

centralized political economy and concentrated socio-economic structures.

Methodology

It is a qualitative research primarily focusing on academic works. The Secondary data like journal articles, books, reports and newspapers are consulted. Historical background of political instability, democratic process and political economy is discussed and analyzed. A brief historical context of political instability and political development in Nepal from 1990 to 2015 is given. One portion is dedicated to discuss political economy, inequality, poverty and centralized socio-politico-economic structures and how these issues are hurdles for democracy and peaceful political process in Nepal.

Quest for Political Stability: A Brief History of Nepal (1990 to 2015)

People's Movement victory in 1990 put an end to a Party-less Panchayat System. That was the high time for socio-economic changes in the society. The new born democracy required proper attention and care, which was central to socio-economic change. It was unfortunate that the leadership in Nepal could not realize the importance of such changes which was needed for functioning of democracy. In such a situation democracy could not flourish and there was a likelihood of erupting conflicts. That was what happened in Nepal (Bhattarai 2004). Nepali

Congress emerged as the largest party and the Communist Party of Nepal –Unified Marxist Leninist (CPN-UML) could managed to be second largest party in elections (Koirala, et al . 2005).

Democracy was restored but there were not considerable changes in socio-economic structures and frameworks. Democracy could not seem delivering which ultimately pushed Nepal into Civil War. Conflict started emerging within the political parties and inter parties disputes became obvious. Communist Party of Nepal (Maoist) decided to get away from political process and launched a militant struggle against monarchy with the slogans of democracy, equality and fair distribution of resources (Bhattarai 2004).

The CPM (M) started militant struggle in 1996 against landlords and monarchy (Bhattarai 2004). It was the most violent conflict of South Asia (Nightingale and Rankin 2009). They happened to be killing the rich locals terming them the exploiters. The social and political activists also became the victims of their attacks and violence (Lawoti 2007). They assaulted the police station in different districts of Nepal. The Maoists in 2001 attacked the military the very first time after they decided to launch militant struggle and fueled the conflict even higher. They kept fighting and had serious attacks and damages to the government. They later signed an agreement with different political parties. After a year they also signed an accord with different political parties the popular Seven Party Alliance (SPA), (Hatlebakk 2009).

In 2008 elections CPN (M) emerged as the largest electoral political party by securing 38.2 % seats of the total elected seats. Nepali Congress could get 19.1 %, CPN-UML could have 18.1% and Madhesi People's Right had 8.8 % seats. 28th May 2008 was a historic day when the Constituent Assembly set to meet for the first time and resolved to put an end to long lasted monarchy in Nepal transforming the country into a federal democratic republic. (The Carter Centre 2014). After that a clash emerged on a resignation of the president in 2009. CPN (M) resigned on the issue. The hopes of people were quite high and there seemed a commitment to take the country forward and to shun away civil war, militancy and violence. It was prompted with beautiful commitments like fair distribution, bridging class difference, rule of law, economic welfare and security etc. It was a ray of hope for the people of Nepal. It was quite unfortunate that soon the power struggle among the parties started. The Nepali Congress and CPN-UML took Maoists as a threat for their future and accused them for

stealing the public mandate by violence. The Maoists on the other hand was in quest of absolute power since they only took less than 40 % of the total seats. The differences started emerging and there was high level of polarization .The Maoists happened to be forming a coalition government in August 2008 and Prachanda was the Prime Minister (PM) but the tenure could not last for long. The rift took high on the Prachanda's decisions to oust the then Chief of Army Staff. The president Ram Baran Yadav cancelled the PM's decision and as a protest the Prime Minister resigned .A new coalition of 22 parties was formed and Madhav Kumar (M.K) became the new Prime Minister. India was also alleged to fuel that political 'development'.The Maoists launched protest both in house and in streets and there was a complete political deadlock. It was not possible to develop constitution without Maoists. The initial deadline of forming constitution was May 2010 which had to be extended due to the differences among the parties. Prime Minister M.K had to resign. The parties kept splitting in different factions. The constitutional committees were not as powerful as they were supposed to be. The final decision making power remained with the top leadership of the parties. Furthermore they had very weak outreach. They could not educate the people on constitutional development and issues regarding it (The Carter Centre 2014).

A new political development took place in 2011 and a coalition was formed and the Maoist leader Baburam Bhattarai became the Prime Minister. He was quite active and viable in the prevailing political situation. The Maoists wanted the Maoists combatants to get integrated in Army but the opposition opposed it. There were leaks that Prachanda claimed to trick the UN and certify much more numbers of soldiers than the actual ones during the civil war. The developments went against the Maoists. In 2012 the tenure of Constitutional Assembly extended and Supreme Court order and ruled that to be the last extension. Efforts were made to reach some conclusions but identity based activists started protesting as they took that as a last chance for them. The deadline passed but the leadership could not reach a conclusion and the crisis remained ceaseless. During that splits and rifts continue among the political parties. In March 2013 Chief Justice Khil Raj Regmi was appointed as a new 'non-political' prime minister. Khil Raj did not resign from the Post of Chief Justice which brought another controversy. There happened to be second election in November 2013 with the efforts of Interim Election Council.

The election results remained quite different from 2008 as the Maoists and Identity based parties could not perform well. Nepali Congress and CPM-UML performed much better (The Carter Centre 2014).

Maoists alleged the election to be rigged and rejected the election but later decided to join the assembly. The Maoists could hardly get 80 out of 575 and remained a third party behind the Nepali Congress and CPM (UML), (Dawn 2013); (Ekantipur 2015). Sushil Koirala of the Nepali Congress was elected as new Prime Minister of Nepal. The constituent assembly started working on drafting the constitution and committed to complete it till January 2015 (The Carter Centre 2014). There seemed consensus on constitutional development among the political parties but there were still apprehension and Nepal had to go a long way (Ekantipur 2015).

Political Economy, Conflict and Democracy

Inequality happened to be one of the biggest problems of the so-called modern world. The world despite of huge development, progress and 'economic growth' is still a place of inequalities and disparities. This creates grievances among the marginalized people and classes, and fueled the conflicts in societies. Democracy faces a lot of problems in conservative and centralized political economies. It is destined to fail without fair distribution of resources and addressing the grievances of all classes and segments of society. Nepal faced the same situation. The restoration of democracy could not manifest itself into fair distribution of resources and equality in Nepal which ultimately led even severe and violent conflict in society.

The socio-economic situation of Nepal was quite unjust and unfair (Hutt 2004). Nepal happened to be among the poorest countries in the world; 60 percent of its people live in absolute poverty (Bhattarai 2010). Along with poverty Nepali society was much more unequal. Land ownership patterns were also the reasons of inequality and reflect the feudal system. The peasants had no voice in state affairs. The state did nothing for the welfare of the people. Democracy in result of so-called success of the People's Movement remained less participative (Lawoti 2007). The upper caste hegemony and its relationship with power and political economy had historical traces in Nepal. The ruling class has always prompted that (Hachethu, et al. 2008). Class struggle was quite obvious and there was no change in social structure. The poor were taught that they would remain poor. Even the restoration

of democracy in 1990 could not bring considerable changes in this regard. The ruling elite never bothered the poverty of the people (Brandt 2010). Low caste especially Dalit's and women remained in quest of share and participation in power (Nightingale and Rankin 2009). Rise of identity politics was an issue which required attention and considerations. The expectations of Marginalized classes, Madhesis, Janjatis, Women and Dalits remained unmet. The political economy and power structure did not allow their voices and concerns heard and addressed which ultimately disturb democracy and struggle for democratic state and society (The Carter Centre 2014).

Democracy is not something to study in isolation. It has significant relationship with socio-economic structure, the existent power centers and political economy. Democracy cannot work if there are not considerable and substantial changes in socio-economic structures. That was what happened in Nepal. Power centers remained centralized so were the resources. The new conflicts were likely to erupt in such conditions. The situation and the centralized political economy led the conflicts to emerge and democracy could not find its way to flourish since the way to democracy went through the people and their welfare. This is to realize that democracy has significant relationship with the existing political economy of any country or society. Though in 1990 democracy was restored but the political economy remained unchanged and centralized. The dream of fair distribution of resources could not come true. All the existing circumstances, socio-economic structures, existing political economy posed serious threat to democracy and peaceful political process. The chronic and deep rooted socio-economic issues were not addressed that became biggest threat to democracy and peace in society. It led Nepal to a ceaseless civil war, conflict and political instability. The Maoists movement was a considerable and violent expression of those grievances which attracted the masse in the name of equality, justice and fair distribution of resources. The Maoists launched the insurgency after the state repeatedly ignored their demands, and received support from the population ignored by the state. The small group captured and exploited the state since very beginning. They set the standers of rights and duties. This remained one of the biggest reasons of distrust between state and society and many of the present day conflicts. Major chunk of population including local nationalities and segments have no voice and share in power. Such kind of

discrimination and exclusion were the reasons of many of the conflicts and became the hurdle for democracy (Lawoti 2007).

Nepal was in quest of socio-economic restructuring which could not be paid attention. The structures ultimately became threat to democracy and political process. Democracy was termed as "bourgeoisie democracy" (Bhattarai 2004). The economic inequality might lead instability and the instability could be termed as mother of such kind of movements. It was well known that the insurgency erupted from the areas that were comparatively less stable. The low socio-economic indicators also helped the rebels to hire the guerillas to fight. Less prosperous areas had greater conflict because the recruitment of the guerillas was easy, that was what happened in Nepal (Hutt 2004).

Discrimination based on caste and ethno linguistic divisions were also the reasons that fueled the Maoist movement in Nepal (Acharya 2009). The movement fascinated the marginalized and disadvantaged groups to join the Maoists (Urepti 2010). They also stood against the discrimination based on caste and gender. All those factors attracted the people to Maoists (International Crisis Group 2005).

In April 2015 the earthquake hit the country and put biggest economic loss. It was one of the worst earthquakes in the history of South Asia. It would ultimately deteriorate the socio-economic situation of the country. It would also take years to rebuild the economy of the country (Kennedy 2015); (Al Jazeera 2015). The impact will get deep rooted in socio-economic structure and will have political manifestations in upcoming days.

The data indicates that the centralized political economy, inequality and less political and economic participation fueled the conflict at different levels and posed serious threat to democracy and peaceful political process. It is high time that the major stakeholders in Nepal resolve all outstanding issues especially the deep rooted socio-economic structures as soon as possible. If they happened to be failing in doing so, it will lead Nepal to more conflicts and complexities which will have serious implication for the masses of the Nepal. The future of Nepal belongs to democracy but it should not be ignored that democracy without equality and fair distribution could not flourish and sustain. This is what the history of Nepal says.

CONCLUSION

Centralized and conservative political economy and inequality happen to be biggest threats to

democracy in Nepal. Nepal has a long history of political instability and civil war which has significant relationship with existing socio-economic structures and political economy of the country. Nepali society needs radical changes in its socio-economic structures for political stability, peace and democratic process. Without addressing the issues of poverty, inequality and marginalized segments of society democracy in Nepal might not find its way to flourish which will pose serious threat to Nepal and its society. Democracy has to be restored and functional in Nepal but it needs radical changes in socio-economic structures where all segments have equal share and participation.

REFERENCES

- Acharya, Avidit Raj
2009 The Maoist Insurgency in Nepal and the Political Economy of Violence. Woodrow Wilson School of Public and International Affairs.
- Al Jazeera
2015 The Economic Impact of Nepal's Earthquake Available at <http://www.aljazeera.com/programmes/countingthecost/2015/05/economic-impact-nepal-earthquake-150501120857758.html>
- Bhattarai, Keshab Prasad
2004 Local Dynamics of Conflict and the Political Development in Nepal: A New Model for Conflict Transformation. Center for East and South East Asian Studies, Lund University.
- Bhattarai, Keshab
2010 Models Of Political Economy And Long Term Growth And Redistribution in Nepal: A lecturer in Economics hull University Business School.
- Brandt, Jed
2010 Political Instability in Nepal. Global Research, Center for research on Globalization. Available at <http://www.globalresearch.ca/political-instability-in-nepal/18864>
- Dawn
2013 Nepal's Maoists Agree to Join Assembly, Ending Impasse Available at <http://www.dawn.com/news/1076109>

- Ekantipur
2015 Major Parties Near Consensus on Six Provinces
<http://www.ekantipur.com/2015/06/04/to-p-story/major-parties-near-consensus-on-six-provinces/406130.html>
- Ekantipur
2015 Parties for Package Deal on Statute, National Government
<http://www.ekantipur.com/2015/06/01/to-p-story/parties-for-package-deal-on-statute-national-govt/405939.html>
- Ekantipur
2015 UCPN (M) forms 3 commands for protests
<http://www.ekantipur.com/2015/02/01/to-p-story/ucpn-m-forms-3-commands-for-protests/401132.html>
- Hatlebakk, Magnus
2009 Explaining Maoist Control and Level of Civil Conflict in Nepal in a Working Paper. CMI working paper Bergen. Available at: <http://www.cmi.no/publications/file/3498-explaining-maoist-control-and-level-of-civil.pdf>
- Hachhethu, Krishna, Sanjay Kumar, and Jiwan Subedi
2008 Nepal in Transition. A Study on the State of Democracy. International Institute for Democracy and Electoral Assistance. Stockholm. International Idea.
- Hutt, Michael
2004 Himalayan people's war: Nepal's Maoist rebellion. Bloomington: Indiana University Press.
- International Crisi Group
2005 Nepal's Maoist: Thier aims, Structure and Strategy.
http://www.crisisgroup.org/~media/Files/asia/southasia/nepal/104_nepal_s_maoists_their_aims_structure_and_strategy.pdf
- Koirala, Bhaskar, Ram Prasad Gyanwaly, and Shyamal Shrestha
2005 The Relationship between Political Instability and Economic Growth in Nepal (1975-2003) Submitted by: Institute of Integrated Development Studies (IIDS), Kathmandu, Nepal.
- Kennedy, Bruce
2015 Nepal Earthquake rocks its economy, BS News, May 8, 2015. Available at <http://www.cbsnews.com/news/how-nepals-earthquake-has-shaken-its-economy/>
- Lawoti, Mahendra
2007 Contentious politics in Democratizing Nepal. Contentious Politics and Democratization in Nepal, New Delhi: Sage Publications.
- Nightingale, Andrea and Katharine Rankin
2009 Landscapes of Democracy: The Cultural Politics of Governance in Nepal: A research project of The Royal Society of Edinburgh International Exchange Award. Available at http://www.ajnightingale.com/cms/uploads/brief_001.pdf
- The Carter Centre
2014 Political transition monitoring in NEPAL. 2009-2014
- Urepti, Bhuwan Chandra
2010 Nepal' Trnasion to Democratic Republic State:2008 Contituent Assembly. Delhi: Gyan Publication.
- Whelpton, John
2005 A History of Nepal. Cambridge University Press.