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**Rehabilitation in Nepal:
Unresolved Consensus and hidden reasons**

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Disclaimer:

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Acronyms:

CA	Constituent Assembly
CAT	Convention Against Torture
CDO	Chief District Office
CPA	Comprehensive Peace Agreement
CPN - M	Communist Party of Nepal - Maoists
CPN-UML	Communist Party of Nepal – United Marxist Leninist
CRC	Convention of Rights of Child
CPWD	Convention on Rights of Persons with Disabilities
DAO	District Administration Office
DSA	Daily Service Allowance
GDP	Gross Domestic Product
IDMC	Internally Displaced Monitoring Center
IDP	Internally Displaced People
MoPR	Ministry of Peace and Reconstruction
NGO	Non-Government Organisation
NPC	National Planning Commission
PLA	People Liberation Army
UN	United Nations
UNCRC	United Nations Convention on the Rights of the Child
UNICEF	United Nations Children’s Fund
UNMIN	United Nations Mission in Nepal
UNDP	United Nations Development Programme
VDCs	Village Development Committees

Abstract

Prospects for rehabilitation of millions of conflict affected people have been left in a standstill due to lack of consensus and mistrust among the political leaders at the political level. Although rehabilitation is an important component of peace process, it seems to be getting lost due to hegemony of Kathmandu-centric issues such as election of a new Prime Minister, constitution making and integration of combatants into security forces. This research aims to explore the reasons behind lack of interest/reluctance among Nepal's policy makers to view rehabilitation as an important issue in current peace process. By doing so, this paper argues that even after the Peace Agreement, the power relations and status quo in Nepal remains unchanged. The power to make decisions for the rest of the country still rests on the hegemony of powerful actors over the less powerful ones and when it comes to fundamental changes of attitudes and behavior towards governance and people needing rehabilitation, political party leaders still demonstrate resistance to structural change and are Kathmandu-centric as it was before the civil war.

Relevance to Development Studies

Post-conflict rehabilitation is recognized as a crucial peace-building and development issue at the global, regional and national level. The components that rehabilitation touches upon such as rebuilding society, creating conditions for socio-economic development or establishing institutions to resolve and manage conflicts have become the mainstay of large array of research for development practitioners as well as academic researchers. At the same time, looking at rehabilitation in Nepal from the perspective of political leaders and analyzing this issue from political economy perspective and "conflict syndrome" makes this research significant for further research on rehabilitation in Nepal.

Keywords

Post conflict, rehabilitation, political economy, hegemony, conflict syndrome, mistrust, socio-economic inequality, poverty, civil war, peace agreement, development, Nepal.

Chapter 1

Introduction

1.1 Contextual Background and Indication of the Problem

The Maoist rebellion, also known as “people’s war”, which emerged in Nepal in 1996 and lasted till 2006 can be understood as symptomatic of the nation’s struggle for democracy - a struggle that has continued intermittently in Nepal since the middle of the twentieth century. Nepal’s Maoist conflict has its origins in the nation’s social and economic inequalities, and in the failure of parliamentary democracy (Cottle and Keys 2007:45). Similarly, civil war in Nepal is the outcome of development failures over the past few decades combined with corruption and short-sightedness of Nepal’s political leaders, which have led to the social, economic and political exclusion of large segments of population (Sharma 2006; Deraniyagala 2005).

The number of people living below the poverty line in Nepal in the year 2003-2004 was 31%. The poverty incidence and inequality in Nepal is also spatial as much as it is social. There are regions where poverty is higher and lower level of development as compared to other regions. The data also shows that poverty is highest in mid western and far western regions with percentage of people living below the poverty line as 45% and 41% respectively as compared to western region with 27% (Government of Nepal 2005). About 70% of land area is covered by hills and mountains, while the remaining 30% of land is found in Terai, which is suitable for agriculture. According to Sharma (2006) “...despite the importance of agriculture as a major source of employment and national income, it has not received more than 26% of development expenditure in any development plan since the mid-1950s” (Sharma 2006:1241). Thus, the developmental plans of Nepal shows that some regions are ignored in development activities and are concentrated in only selected regions. Some researchers argue that failed development strategies perhaps contributed to political greed and ethnic discrimination, which led to civil unrest.

This civil unrest which led to full fledged war from 1996 onwards resulted in more than 13000¹ deaths, high levels of political violence and human rights violations (Bohara et al. 2006; World Bank 2007), and more than 70,000 people² displaced. However, this conflict ended in 2006 when the Government and the Maoists came together to end the war and find a peaceful solution which resulted in signing of the Comprehensive Peace Agreement (CPA)³ in

¹ Statistics collected by the Informal Sector Service Centre (INSEC). Text available at www.insec.org.np/pics/1247467500.pdf.

² According to the Norwegian Refugee Council report 2010.

³ The full text of the agreement is available at www.nic.gov.np/download/interim-constitution.pdf.

November 2006. The Agreement formalised the commitment of both sides to ensure peace and constitutional change, while providing for the return and rehabilitation of all people affected by the conflict (NRC 2010:45).

Over two years later, in April 2008, democratic elections voted in members to the Constituent Assembly, which became mandated with writing Nepal's new constitution. Three major political forces emerged, with the Maoists enjoying a plurality. This gave them the prerogative of forming a new government. The Constituent Assembly was primarily tasked with producing a new constitution within two years of signing the Peace Agreement, with the aim of addressing aspirations of the second *Jana Andolan* (People's Power movement) (Garcia 2008:42). Instead of constitution making, intense power struggles in 2008 and 2009 between the main political parties created an unstable environment which has seriously hampered implementation of the peace process. The coalition government formed in the wake of the elections and headed by the Maoist leader, Pushpa Kamal Dahal (also known as Prachanda) ended after only nine months. Since May 2009, the Maoists have left the government and have largely blocked the legislative process. They are pressurising the "care taker" government to address a range of issues atop the Maoist's agenda: restoration of "civilian supremacy", integration and rehabilitation of Maoist army personnel, limits on presidential authority and social, economic and security reforms. The political stalemate till now remains unresolved (UN 2010). Over the past few months, the peace process has remained largely stalled due to tensions and mistrust between the Maoists, government and the army. Ban-Ki-Moon - the UN Secretary-General mentions in a report to the Security Council that "the major disagreements that have brought the peace process close to a standstill remain unresolved, increasing the risk of its collapse" (UN Report 2010:42).

The dilemmas and sharp differences on key political, economic and social issues among the political parties represented in the Constituent Assembly in April 2008 raise serious doubts about whether the writing of the constitution for a federal democratic republic of Nepal would be completed by May 2010 as stipulated (Thapa et al. 2010:65). According to Kantha (2007) "...there is absence of a shared vision among the parties sharply divided in their approach and goals. Nepal's latest transition that involves multiple layers of competing demands has made restructuring of the state a highly contested process" (Kantha, 2007:22). Amidst all these political "peace processes", which are directed towards Kathmandu centric issues, there is a greater need for people affected by conflict in rural areas who are waiting to be rehabilitated, as the war has come to an end.

Millions of Nepalese beside those living in Kathmandu had to bear the brunt of conflict. Kathmandu didn't see the bloodshed which other regions had to witness. Kathmandu being the seat of the government and where most of elites reside was kept safe and secured from the effects of conflict compared to other areas. People in rural areas who witnessed killings, disappearances, loss of property and other violations of human rights in addition to their poverty and desperation, came to cities in order to seek shelter and protection either from the brutality of the Maoists or state army. Today, there are thousands of internally displaced people who are either unable or unwilling to return home, even after the peace agreement. The IDPs have chosen to stay in

their area of displacement, mainly in urban areas, where some have managed to integrate and find jobs. However, many others, including displaced children and women in particular, are struggling to find proper accommodation or access to basic services in cities. While the government's 2007 IDP policy provides for return, reintegration and resettlement, the government has only offered limited assistance to those seeking to return. The policy has still not been implemented effectively across the country. Similarly, there are also people living in rural areas that are not internally displaced but are severely impacted by the conflict. There is currently no policy formulated or any rehabilitation programme designed for these kinds of people.

To make matters worse, the ongoing lack of consensus among major political leaders regarding the integration of former Maoist guerrillas has hampered the peace process and prospects for reconciliation and rehabilitation of millions of conflict affected people. Rehabilitation is an important component in the peace process but it seems to be getting lost due to political mistrust among major political parties and differences in their perspectives on rehabilitation and re/integration.

1.2 Research Objective

The main objective of this research is to explore the reasons behind lack of consensus on rehabilitation by the three major political parties in Nepal - Congress, CPN⁴-UML and CPN⁵-Maoists. This research aims to explore the different opinions produced and communicated by political leaders from these three major political parties and will look at the problem of rehabilitation from a political economic perspective. The production part would analyse how this discourse on rehabilitation are being produced and who it is targeted at. The different opinions of political parties will be more exploratory in nature.

1.3 Research Question

My main research question will try to answer the question:

- Why and how the concept of rehabilitation has been communicated by different political parties in “post conflict”⁶ Nepal?

⁴ Communist Party of Nepal – United Marxist Leninist

⁵ Communist Party of Nepal – the Maoists

⁶ There are doubts that Nepal has entered into the phase of post conflict. There are still many political challenges to overcome to describe Nepal as a post conflict country. Due to mistrust among the political parties and Maoists, threatening to start the war again, the Nepal peace process is still in a vulnerable state.

Underlying this research question are several other related inquiries that ask:

- What are the different opinions of the three major political parties regarding rehabilitation in Nepal? Why there is an absence of rehabilitation policy in Nepal? And what are the historical reasons behind the silences and failures to act upon absence of rehabilitation policy in Nepal?

Although these related questions are touched upon and do help in my research's analysis, time limitations in conducting interviews and gaps within existing academic literature about Nepal's rehabilitation prevented them from being fully addressed within the scope of this research.

1.3 Justification of the research

Rehabilitation is a highly contested term. The concept of rehabilitation started as during times of first world war, when the Hague Convention assigned some responsibility to do something meaningful by the occupying powers that exert an effective authority over the occupied territories. The case of Nepal is different in this context, since war ended in Nepal not as either of the conflicting party as a winner or a loser but the war ended due to the mutual peace agreement between the government and the then guerrilla fighters (ie.the Maoists). The absence of the rehabilitation policy, even after four years of signing the comprehensive peace agreement, makes the case of Nepal interesting. As compared to other conflict-affected countries, the term rehabilitation is complex in the Nepalese context, with many different types of 'structural damages' already involved. My research will try to analyse the various perceptions from different political parties, focusing on how they perceive rehabilitation in Nepal and why they have not moved this issue forward despite of being mentioned in the Comprehensive Peace Agreement (CPA).

1.4 Research Method, data collection and analysis

For my research methodology, I have used mostly qualitative data based on interviews with political leaders, UN staffs, civil society and donor organisations. Regarding interviews with political leaders, two were from the Congress Party who are both members of the Constituent Assembly and Members of Parliament, and one was the Chief Whip of the Party. From the UML party, I interviewed two political leaders. One was the Foreign Affairs Advisor to the Prime Minister and one was the Chief Whip and Member of Constituent Assembly. From the CPN-Maoists, I interviewed a woman who is a member of Constituent Assembly and Member of Parliament. From the civil

society, I interviewed the Director of national Human Rights NGO known as CAHURAST⁷, but who was also a former member of the Maoist party. To get the donor perspective, I interviewed Country Director of the Canadian Cooperation Office and from UN are staffs working on the rehabilitation issues at UNDP and UNMIN. I referred to secondary data where I felt that it was necessary to back up my primary finding and to gather more information related to my research topic.

The details are discussed below:

- a. Qualitative Interviews - I conducted qualitative interviews using snowballing approach with Members of Parliaments and Constituent Assembly members belonging to three major political parties in Nepal, (ie. UML, Congress and the Maoists) to get their perspective on rehabilitation. The interviews with political leaders were conducted in Nepalese so that the true essence of what political parties intended to say did not get lost while speaking in English. However, I have used the term rehabilitation both in English and Nepalese to see if and how they perceived the word in similar and in a different way.

In order to triangulate claims made by various political parties, I also took interviews with civil society members, the UN Mission in Nepal (UNMIN), UNDP and donor organisation. Similarly, I also had the opportunity to interview with the former Maoist combatant commander to know his view and what he sees as essential for the combatants living in the cantonments waiting to be rehabilitated.

- b. Secondary data – I have used various relevant literatures from various journals, thesis, research papers, newspapers, speeches, reports, TV interviews etc to gain more knowledge on the peace process, political economy and rehabilitation.

1.5 Scope and Limitation of the Study

I had difficulty to take interviews with many political leaders. One reason was because of time limitation and another reason was because when I was conducting my research it was election time, so I had difficulty reaching many political leaders. Therefore, my research findings are the outcome of the perspectives of those limited political leaders who I could get a hold of during my one month period of research data collection. But in order to triangulate data, I used concept papers of these political parties, views from civil society, UN, a Maoist combatant as well as relevant literature reviews.

⁷ Campaign for Human Rights and Social Transformation (CAHURAST)

I also had the difficulty to generalise an ideology of a particular political party when it comes to rehabilitation in Nepal. There are various ideologies and perspectives within one political party in Nepal, so my research may not be sufficient to generalise the epistemic position of a whole party by just taking into account the perspectives of one/two person from the same political party.

Chapter 2

Theoretical Framework and Literature Review

I will be using both conceptual and analytical frameworks under the broader umbrella of the theoretical framework in this research. The conceptual framework (section 2.1 and 2.2) aims to understand how the concept of Rehabilitation and Political Economy has been defined globally by different authors. The analytical framework (section 2.3 and 2.4) presents an introduction to Gramsci's theory of Hegemony, where I used different quotes from his 1971-Selection from Prison Notebook in order to analyse the interaction between political economy and rehabilitation in Nepal. Rothstein's concept of conflict syndrome will also be another analytical tool to look at ongoing mistrust among the political parties after the Peace Accord. .

2.1 Rehabilitation

According to Dardel et al (2006),

“...on the eve of the First World War, the then international community adopted in 1907 the Hague Convention. Together with the earlier adopted international legal norms on the behaviour of states in times of war it assigned some responsibility to the occupying powers that exert an effective authority over the occupied territories. The very fact of the military success – no matter if the war has been justified or not, accepted positively by the occupied people or not, triggers the automatic burden of responsibility to do something meaningful for the post-conflict rehabilitation of the occupied country/countries”(Dardel et al 2006:8).

According to Gennip (2005) “...since the end of the Cold War, western governments, international development and lending institutions, the United Nations and NGOs are increasingly aiming to support countries torn as under by war to move from dependence on humanitarian relief to a reconstruction process and ultimately into a long-term development phase” (Gennip 2005:57). He identifies four pillars of post-conflict rehabilitation which are: security and establishment of legitimate and stable security institutions, justice and reconciliation, social and economic well-being, and governance and participation. (Gennip 2005:57).

A holistic definition of Rehabilitation as defined by REDRESS (2009:10) is:

“That compasses all sets of processes and services and states should have in place to allow a victim of serious human rights violations to reconstruct his/her life plan or to reduce, as far as possible the harm that has been suffered.....States should be obliged to establish a rehabilitation system

that incorporates at least physical and psychological services, and social, legal and financial services, which should be available to any person who might need them...”

Linking Rehabilitation to Development and under the UN Human Rights Treaty Law

Anderson (2001) mentions that “...the concept of relief, rehabilitation and development notion got connected in the 1980s to bring together different mindsets of the long term development organizations, relief and peace building NGO’s” (Anderson 2001:638). Green and Ahmed (1999:192) is of the view that “...relief, rehabilitation and development can all take place simultaneously within a state – emergency relief or post-conflict rehabilitation in some regions and development in others. These three concepts are not generally recognised as separate but overlapping and complementary”. Green and Ahmed mention that “the rationale behind the conceptual and strategic linking of relief, rehabilitation and development is the belief that relief and rehabilitation programmes can and should include development objectives. Development can limit the need for subsequent emergency relief; ‘relief’ can contribute to development, especially reduction of future vulnerability to certain types of catastrophe; and ‘rehabilitation’ can ease the transition between the two” (Green and Ahmed 1999:193).

Rehabilitation as a form of reparation made its way into some treaty law in the mid 1980s and has only to begun to be incorporated consistently into international human rights law in the new millennium. It is the Convention Against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (1984) (CAT) first gave a prominent place to rehabilitation when compensation shall include the necessary means for the fullest rehabilitation that is possible for a torture survivor. After CAT, the term rehabilitation made its way into the human rights treaty law and conventions such as UN Convention on Rights of the Child (CRC), Convention of Protection of Migrant Workers (CPMW) and Convention on Rights of Person with Disabilities (CPWD)⁸ (REDRESS: 2009:11).

Critical thoughts on rehabilitation

According to Green and Ahmed (1999:189), “.....rehabilitation is a term too narrowly specified, too short term and too fragmented with no macro strategic or conceptual frame. It is usually based on inadequate knowledge of history, priorities and dynamics of the afflicted country”.

REDRESS (2009:58) mentions that international instruments are still struggling to provide an explicit working definition of rehabilitation. Instruments such as basic principles state that rehabilitation includes “medical

⁸ REDRESS. Rehabilitation as a Form of Reparation under International Law. December 2009.

and psychological services as well as social and legal services” , but fail to mention other provisions such as financial or economic, and neglect to provide definition on what each of these services means (REDRESS 2009:58). Another problem in defining rehabilitation within the treaty law is whether the term goes beyond medical and psychological care and whether it excludes other types of services, and if so which ones. Therefore, there are competing concepts of rehabilitation at stake even at the global level (REDRESS 2009:58).

Taking a critical perspective, Green and Ahmed (1999) mention “.... since the mid-1980s, the concept of rehabilitation has not changed rapidly. It is still understood and conceptualised in terms of programmes as similar to that of people affected by natural disasters. In a post- war era, the situation of people needing rehabilitation is entirely different, as prolonged conflicts corrode the social, political and economic institutions. They involve questions not only about what to reconstruct but also about how to do so in order not to recreate the unsustainable institutions and structures that originally contributed to the conflict” (Green and Ahmed 1999:190)

Green and Ahmed (1999) criticises the short term nature of rehabilitation and deem it very short sighted. They comment that because of the lack of long-term resource commitment by the international community on rehabilitation, “many rehabilitation programmes are little more than crisis management interventions. There is also a lack of clarity of what types projects would come under the rehabilitation programmes in post conflict societies/countries” (Green and Ahmed 1999:193).

Countries such as Mozambique, Rwanda, Uganda, Ethiopia, Somaliland and Eritrea are currently in the transition period of post-conflict rehabilitation. The situations of these countries are still fragile. There remains little understanding of how conflict-affected societies should be helped to rebuild their countries. This is partly because the term rehabilitation is still narrowly defined and conceived in terms of centralised infrastructural development – a legacy of Western Europe’s experience (Green and Ahmed 1999:190).

Rehabilitation should have interacting economic (especially livelihood rebuilding), social (stress and perceived inequity reducing) and political (reconciliation and legitimacy restoration not least by rehabilitating basic services including user friendly, personal security oriented civil police and magistrates courts system) (Green and Ahmed 1999:189). Gennip, however argues with other authors in building rehabilitation in post conflict societies, where he believes that “a reasonable degree of peace and security is the absolute *sine qua non* for economic, political and cultural reconstruction to commence” (Gennip 2005:58).

2.2 Political Economy

Collinson (2003) mentions that “...political economy analysis is concerned with the interaction of political and economic processes in a society: the distribution of power and wealth between different groups and individuals, and the processes that create, sustain and transform these relationships over time” (Collinson 2003:3). Power and vulnerability are therefore

analysed as a political and economic *process*, in terms, for instance, of neglect, exclusion or exploitation, in which a variety of groups and actors play a part” (Collinson quoting Le Billion 2003:3)

Vulnerability, in this context and in a post-conflict society should be understood in terms of powerlessness and not only in terms of material need or the failure of basic ‘entitlements’ (De Waal 1997). Power and powerlessness in any society determine the distribution of access to food and other basic commodities or assets among and within various groups. Those who do not have access to power cannot safeguard their basic political, economic and social rights. They may be too vulnerable to even protect themselves from violence. Vulnerability and power are therefore analysed as a political and economic process, in terms of neglect, exclusion or exploitation, in which a variety of groups and actors play a part (Collinson quoting Le Billion 2003:17).

Linking the concept of political economy to the African countries, Arrighi mentions that “...the primary responsibility for the African tragedy lies with African elites and governments. The alleged propensity of the elites and ruling groups of Africa are to be blamed for ‘bad policies’ and ‘poor governance’” Arrighi (2002:6). In order to support this claim of his, he borrows the idea from Robert Bates’s published book in 1981 called *Markets and States in Tropical Africa*. Arrighi mentions that in Bates’s view “state officials in newly independent African countries used the powerful instruments of economic control that they had inherited from colonial regimes to benefit urban elites and, first and foremost themselves” (Arrighi 2002:6).

Arrighi further mentions:

“...alleged propensity of the elites and ruling groups of Africa for ‘bad policies’ and ‘poor governance’. In order to support this claim of his, he borrows the idea from Robert Bates’s published book in 1981 called *Markets and States in Tropical Africa*. He mentions that in Bates’s view “state officials in newly independent African countries used the powerful instruments of economic control that they had inherited from colonial regimes to benefit urban elites and, first and foremost themselves” Arrighi (2002:6).

However, Spear (2005:17) questions:

“whether the economic sustainability of peace processes forces the analyst to consider the place of the state in the international political economy and the potential of the state for development. She mentions that despite the apparent success of a number of D, D, R & R⁹ process in Africa over the last decade, there are still issues as to whether the political economy of the country can provide for all citizens, particularly those who feel entitled to reward after years of struggle”.

⁹ Disarmament, Demobilisation, Return and Rehabilitation

2.3 Hegemony

For my analytical framework I would like to use the concept of hegemony as proposed by Gramsci. Hegemony, according to Gramsci (1971):

To assert hegemony, the ruling class must be able to defend its own corporate interests by universalising them, by ensuring that these interests can at least apparently become the interests of thesubordinate groups (p.181)

Hegemony could imply both consent and coercion, but first the ruling class would try to apply consent rather than domination, integration rather than exclusion, and co-optation rather than suppression (Riaz and Basu quoting Gramsci 2007:47). However, Gramsci also reminds us that consent of coercion exists in all societies. Gramsci says that “the ruling class refers the voluntary consent of the subordinate masses but when the masses do not comply or do not consent, the apparatus of state coercive power ‘legally enforces discipline on those...who do not consent’” (Gramsci 1971:12). This is the reason why ruling classes first attempt to impose a general direction on social life of the masses through their ideology. But if this fails, then coercion becomes the tool they apply in order to make the masses comply with their interests.

Gramsci also mentions that when it comes to government power, hegemony was more effective in attaining and maintaining dominance than the force itself. Gramsci (1971) mentions that “...even before attaining power a class can (and must) lead, when it is in power it becomes dominant, but continues to lead as well. There can and must be a 'political hegemony' even before the attainment of government power” (Gramsci 1971:57).

Gramsci talks about how in the parliamentary regime, hegemony plays an important part as a combination of force and consent. Gramsci (1971) says “...combination of force and consent exercises the hegemony on the parliamentary regime. The force and consent both balances each other reciprocally, where force do not try to predominate excessively over the consent...” (Gramsci 1971:80). He further elaborates that “... the attempt, indeed is always made to ensure that force will appear to be based on the consent of the majority...” (Gramsci 1971:80). Here, he refers to how a certain issue which is important to the ruling parties/elites is portrayed as if it is based on the consent of the majority.

2.4 Conflict Syndrome

Another analytical lens of my research is from what Robert L. Rothstein’s calls the “Conflict Syndrome”. According to Rothstein (2006), “...conflict syndrome consists of a set of attitudes, assumptions, and beliefs that become embedded over decades of bitter conflict and are difficult to unlearn even if some kind of peace agreement is signed. The syndrome, when taken as a

whole, can exert a powerful influence on most peace processes and inform the choices each side makes (Rothstein 2006:1). Rothstein mentions that "...by distrusting the opposite side's motives by default, cheating for fear of being cheated, and asking the other side to prove its good faith by making large initial concessions, among other things, can generate a peace process that can easily become a race to the bottom" (Rothstein 2006:1).

Rothstein used this concept of "conflict syndrome" in order to analyse one of the reason behind the failure of Israel and Palestine Peace Process even after signing the Peace Agreement, known as the Oslo Peace Accord. Through lens of "conflict syndrome", he tried to analyse why each side behaved as it did in the Israel-Palestine Peace Process, ie. why each side made the choices that increased the likelihood of the accords' failure. While talking about the primary aspect of conflict syndrome, Rothstein (2006) says "...risks and uncertainties in the peace process are so high that one cannot expect either side to make full commitment. There are great doubts about the other's willingness to implement commitments, each side has fears about the other side's ability to get a substantive agreement through domestic political processes and both sides are unhappy about the terms of any agreement and constantly seek to push its limits, renegotiate its terms, and get the other to move first. The parties to the conflict may seek to use the peace process for their own ends..." (Rothstein 2006:12). He however, cautions the reader that conflict syndrome is just one aspect of looking at the lack of consensus among the political leaders during the peace process. The reasons behind the failure would consist of many other historical, political, economic and social factors. So conflict syndrome is not the sole factor in determining the potential cause of peace process failure but is one way of looking at mistrusts among political leaders after the peace agreements.

Chapter 3

Rehabilitation: A political challenge in Nepal

In this chapter, I will try to explain the different opinions of three major political parties for people needing rehabilitation in order to understand their origin and different ideologies. This will offer us perspective on why there is lack of consensus and mistrust among the parties – the syndrome which is coined by Rothstein (2006) as the “conflict syndrome”. Then, I will look at why rehabilitation is still a political challenge in Nepal and will briefly touch upon the challenges in rehabilitating the IDPs and lack of consensus on rehabilitation of Maoist combatants in the cantonments. After that I will share some of debate, disagreements and conflicts among the parties from their own perspective which reflects the concept of conflict syndrome and hegemony.

3.1 Political Background of Political Parties

(i) The Nepali Congress Party

The Nepali Congress Party - one of the largest parties of Nepal was founded in the year 1947. They were elected to office in 1959 where the party government tried to liberalize society through a democratic process. In the 1980s, the Nepali Congress Party left its socialistic economic program in favor of a mixed economy, privatization, and a market economy in certain sectors. Its foreign policy orientation was to non-alignment and good relations with India (US national library 2010). It led the democratic, so called the Jana Andolan I¹⁰ in the year 1990, in partnership with leftist forces to out throw monarchy and establish parliamentary democracy. In 22 November, 2005, with 12 point understanding, it worked together with CPN-UML and the CPN-Maoist to end King Gyanendra's takeover of the government. The success of 2006 Jana Andolan II¹¹ abolished the monarchy and successfully reinstated the parliament which led to the formation of Federal Republic of Nepal. Nepali Congress became the second largest party in the country, after the Maoist Party as a result of the 2008 Constituent Assembly elections. They received 110 out of 575 elected seats in the Constituent Assembly¹² (CA).

¹⁰ Known as People’s Movement I

¹¹ Known as People’s Movement II

¹² As per data shown in Interparliamentary Union. Available online: <http://www.ipu.org/parline/reports/2386.htm>

ii) Communist Party of Nepal (Unified Marxist–Leninist)

The Communist Party of Nepal (Unified Marxist-Leninist), also known as CPN (UML), is one of the largest communist parties in Nepal. The party was created in January 6, 1991. CPN (UML) was a product of the Jana Andolan (People's Movement) where communists, together with the Nepali Congress, played a leading role in installment of a constitutional democracy in Nepal (Thapa 2007). People's Multiparty Democracy was adopted at the party programme. In December 1994, CPN (UML) formed a minority government, which lasted only for nine months, where Madhav Kumar Nepal (current care taker prime minister) became the Minister of Foreign Affairs. In 1997, CPN (UML) participated in a non-Nepali Congress government, where they held the Deputy Prime Ministership. In 2003, as King Gyanendra dissolved the parliament and sacked Deuba as a Prime Minister, the CPN (UML) took a part in forming the five party protest movement. But again later when Deuba was reinstalled as Prime Minister, CPN (UML) joined the provisional government. This government was again dissolved by Gyanendra in the same year. After that in 2006, CPN (UML) became a major part of the Seven Party Alliance and the People's Revolution to fight again the absolute monarchy in the country and restore multi –party democracy.

CPN (UML) believes in a moderate left attitude. It played a major role in bringing Maoists to the negotiating table in the year 2006. However, the party has not been able to maintain a firm stance on many issues, especially on drafting the interim constitution. UML has been blamed for showing the dual nature of the leadership in many issues and having firm stance. In the Constituent Assembly of 2006, the CPN (UML) won a total of 103 seats out of 575 elected seats¹³), placing third behind the CPN (M) and the Nepali Congress¹⁴.

(ii) Unified Communist Party of Nepal (Maoist)

UCPN (M) is a Nepalese political party, who are seen are radicals and believes in the Maoist form of Communism. They are left wing forces who contested in the 1990 parliamentary election but they were able to secure less than 5% of the total votes. After that they decided not to be part of the democratic system and rejected the 1990 constitution. Since then they started to demand the abolition of the constitutional monarchy. They became an underground party in 1994, which was founded and is currently led by Pushpa Kamal Dahal (popularly known as Prachanda). In February 1996, they declared

¹³ As per data shown in Interparliamentary Union. Available online: <http://www.ipu.org/parline/reports/2386.htm>. Accessed on 20 October 2010.

¹⁴ The information about the party was downloaded from academic dictionaries and encyclopedias from the website: <http://en.academic.ru/dic.nsf/enwiki/318744>. Accessed on 20 October 2010.

people's war to replace the government institution with the revolutionary peasant regime (Sharma 2006). In 2005, the CPN (M) formed a pro-democratic alliance with several other mainstream political parties in opposition to the absolute monarchical dictatorship of King Gyanendra in order to seek a peace accord¹⁵. The political parties joined hands with the Maoists against the king and then after that followed huge popular uprisings and protests, general strike and several violent clashes between protesters and the Nepalese Army. The monarchy was finally abolished after King Gyanendra agreed to step down from this power. The peace agreement was signed in 2006 as CPN(M) agreed to lay down their arms and participate in the new electoral process. The Maoists' aim in the 'People's War' is to establish a 'civilian supremacy' in Nepal. The Maoists believes that their war has been to abolish feudalism and imperialism¹⁶.

The Communist Party of Nepal (Maoist) became the largest ruling party during the Nepalese Constituent Assembly election in the year 2008. They won 220 seats in Nepal's special assembly, making them the single largest party in the 601-member assembly (Calgary Herald 2008). However in May 4, 2009, the Maoist Prime Minister Prachanda resigned due to conflict with the Nepalese President regarding Prachanda's decision to sack the chief of the Nepalese Army ¹⁷.

3.2 Rehabilitation – A Political Challenge

Rehabilitation of conflict affected people in Nepal is turning out to be major political challenges. After the country suffered 13000¹⁸ deaths, more than 70000 people displaced, and numerous infrastructures destroyed, it is a surprise that the country has not been able to formulate a rehabilitation policy yet. The political leaders are showing lack of interest in the rehabilitation of conflict affected people in rural areas and those who are internally displaced. Due to the current political stalemate that is taking place in Kathmandu, millions of poor and marginalised Nepalese are left in jeopardy. The Peace Accord that was signed in the year 2006 does mention about rehabilitation of conflict affected people, but unfortunately till now the socio-economic conditions of those discriminated against and marginalised remains the same.

¹⁵ [New Left Review - Achin Vanaik: The New Himalayan Republic](#)

¹⁶ Downloaded from http://www.ucpnm.org/english/about_us.php. Accessed on 25 October 2010.

¹⁷ Pokharel, Tilak (2009). "[Nepal's Premier Resigns After Power Struggle Over Army Chief](#)", New York Times <http://www.nytimes.com/2009/05/05/world/asia/05nepal.html>. Retrieved 01 November 2010

¹⁸ Statistics collected by the Informal Sector Service Centre (INSEC). Document available at www.insec.org.np/pics/1247467500.pdf

Some are even worse off since they are displaced, their family members have been killed and lost their properties.

The Ministry of Peace and Reconstruction, the government body which is in charge of implementing the rehabilitation programmes in the country categorises the people needing rehabilitation as follows:

1. IDPs
2. Deceased family
3. Displaced People
4. Wounded during the war
5. People kidnapped by the State and Maoists
6. Those arrested without any proof
7. Combatants in the cantonments
8. Widows of those killed
9. Orphaned
10. Those whose property was confiscated
11. Other different conflict affected people

According to the Peace Minister, the programme for rehabilitation are formulated either for the people displaced internally by conflict or for those former ex-combatants who are living in various cantonments. There have been no programmes for those who are outside of these categories.

In the name of rehabilitation for conflict affected people, the government has formulated a National Policy on Internally Displaced People (IDP) in the year 2007. The objective of IDP is “to create a conducive environment for safe, voluntary and dignified return of displaced persons or construction and rehabilitation of social, economic infrastructures for their settlement in other locations”¹⁹. As per the policy, for the IDPs, the government is supposed to provide four months of food/certain amount of money to buy food, school support for their children until high school and some amount to reconstruct their houses. In my opinion, these are more of relief packages than long-term rehabilitation. This points out to the fact that the concept of rehabilitation in Nepal is still taken in terms of relief support, rather than the long term socio-economic rehabilitation of the people.

From my interview with various policy makers regarding the issue of rehabilitation, I found out that different political leaders viewed rehabilitation in different ways and interpreted the meaning differently (detail can be found in chapter 3.4). When they talk about rehabilitation, they are narrowly focused on integration of Maoist combatants into the security forces and their rehabilitation / management rather than those millions of others who are in desperate need of basic needs. The current political deadlock among the three parties is about how the integration of former combatants should be resolved. This is the foremost priority in the minds of policy makers. According to Dambar Chemjong, Peace Minister of Nepal, the issue of rehabilitation of

¹⁹ As per the National IDP policy of 2007

“other” conflict affected people beside the people in cantonments is being sidelined due to intense power struggles between the three major political parties (Maoist, Congress and the UML). These power struggles are one of the reasons why the issue of rehabilitation for Maoist combatants and other conflict affected people (including the IDPs and non IDPs) is in a standstill till now. The Peace Minister has also mentioned that the government has not been able to decide on a national policy on rehabilitation because of differences of opinions on how, who and when to integrate former combatants into the security agencies.

I feel that the above explanations are only superficial regarding the absence of rehabilitation policy in Nepal. However, when I dig deeper, I have come to the realisation that issue of rehabilitation is linked with the political economy aspect. The legacy of unequal power relations and the hegemony of political elites that have existed in Nepal over many decades is still continuing and it rules the political and economic lives of country and people. In this context, the issues of the poor and marginalised are hardly taken into consideration since the overall interest of the state is to maintain the status quo and not challenge the hegemony of the elites and ruling class/caste. Chapter 4 will analyse deeper into issues of rehabilitation from the perspective of political economy.

3.3 Rehabilitation and Integration of Internally Displaced and Maoist Combatants Living in Cantonments

3.3.1 Internally Displaced People

The Nepalese government formulated the IDP policy in 2007 recognising that there are 70,000²⁰ internally displaced people due to war who have been unable or unwilling to return to their place of origin. Several problems lie in its implementation. The IDP policy deals mostly on the return package for the people ie. for those people who are IDP now but wish to return home. Another problem of this “return package” is that it is only limited to those who are able to officially register in the local government offices when they go back home. In many districts, up to half of IDPs have been unable to register for assistance (IDMC 2010:20)²¹. According to one of my interviews with a civil society member - since there are limited accesses to basic services in rural areas, the returnees go back to towns and cities in search of work. Similarly, many IDPs have chosen to stay in their area of displacement, mainly in urban areas, whereas some have already found jobs and some are looking for work.

²⁰ As per official government report IDP policy 2007

²¹ As mentioned in the IDMC report 2010: A profile of the internally displaced situation, Nepal. 28 January 2010

According to the OCHA (2007) "...a study conducted in late 2006/early 2007 in Mahendranagar, Dhangadhi, Nepalgunj and Pokhara municipalities' shows that out of the total number of displaced households currently residing in the four municipalities, more than 59% do not want to return to their place of origin. Other vulnerable groups such as children and women are struggling to find decent accommodation and/ or access to basic services in the area of displacement (OCHA 2007:7). Displaced women, particularly widows, suffer from significant discrimination, making them highly vulnerable to further impoverishment and forcing many to resort to prostitution (IDMC 2010:10). Similarly, more than three million people have been identified as requiring urgent food assistance, according to the WFP report of 8 September 2009.

Although the national IDP policy mentions about return, integration and resettlement of the IDPs, the assistance can only be taken by those who are seeking to return. According to one of my interviews from the donor organisation:

"The IDP policy has still not been disseminated effectively across the country. Without completion of registration at the local government office, they will not be able to take the limited reintegration assistance provided for by the Government. Many IDPs are not even aware that they are entitled to these facilities. Similarly, there have been cases reported where the non-IDPs register themselves as IDPs in order to receive package offered in the policy whereas the actual IDPs receives nothing".

The problem in registering the accurate number of IDPs and absence of systematic monitoring of population movements, either by national authorities or international organisations, has made it difficult to estimate the accurate number of people displaced during the war or the number still displaced at the beginning of 2010.

In order to get the accurate number of IDPS, the government set up a Displaced Persons Identification Committee in a number of districts in 2007 to collect and compile information on IDPs. IDMC mentions that "...due to the lack of clear directives to implement the IDP Policy, resulted in identification being taken over by the ad-hoc district committees who rather represents the political parties and civil society organisations..."(IDMC 2010:12). The process of registering has been described as uneven and incomplete. They were required to return to their home districts to submit a registration application, but it was reported in many NGO reports that they faced difficulty in getting a confirmation letter from VDC²² secretaries, especially from those who relocated to district headquarters. Due to an absence of information dissemination or awareness spreading by the government, many IDPs are not even aware of the chance to register, while others have been told that they have missed registration deadlines (as was narrated to me by one of the member of donor organisation). According to IDMC "... various surveys shows that only 61 per cent of IDPs had heard of the existence of return and rehabilitation packages, only 35 per cent were aware of the policy and none

²² Village Development Committees

could identify specific rights and entitlements it provided” (IDMC 2010:15). This also shows how centralised the development institutions in Nepal are. Despite of the policy formulation, which was “made in Kathmandu”²³, the implementation has been weak. It also shows that the issue of IDPs has been taken less seriously by the state, as the state is caught up with ‘more important’ issues such as making several rounds of talks and meetings on who is going to be the next prime minister, how to share power among the political parties, and other Kathmandu centric issues where as rest of the country is struggling to meet the basic human needs/rights.

3.3.2 Challenges in “Rehabilitation” of IDPs

The Kathmandu centric state of Nepal started to provide return packages to IDPs only at the end of 2007. By November 2008, a little over 28,000 of the 35,000 IDPs who were able to go back home and register could receive some form of assistance (IDMC 2010:13). The limited assistance involved a subsistence allowance, payable for four months, and some money for transport (NPTF 2008:24).

The main challenges faced by those who do return may include inadequate livelihood opportunities, discrimination (especially for single women and those with babies), and unresolved housing, land and property issues. According to an assessment by the Nepal IDP Working Group, more than a third of returnees reported facing alarming or poor livelihood conditions. These conditions are mostly related to the basic human needs such as access to food, health and/ or education. In many districts, access to basic services is still not accessible since there is a lack of such facilities in many rural areas and the ones which are present do not have the capacity to provide the services.

The coordination on IDP matters among different ministries and local government agencies has been described as poor. According to IDMC “...the central level coordination mechanisms envisaged by the IDP policy, i.e. a Central Guidance Committee to be headed by the Minister of Home Affairs and a Central Program Coordination Committee to be headed by the Chief Secretary, never materialised” (IDMC 2010:16). The Ministry of Peace and Reconciliation was supposed to monitor the overall implementation of the policy but instead the local IDP Identification Committees were merged into the existing District Programme Coordination Committees. Later the Local Peace Committees (LPCs) were established to coordinate the return and relief packages of the government. According to the IDMC report of 2010 and from various interviews that I conducted, it has been found that the LPCs are was formed in many districts, their effectiveness is seriously lacking due to lack of financial support from the central government, lack of capacity of District

²³ All policies are made in Kathmandu. There is accusation from various civil society members who wants decentralisation in Nepal, who says that development in Nepal is very Kathmandu centric. All policies and planning are done in Kathmandu, without considering the realities that exists at the grassroot level.

Administrative Officers (DAO), and due to ideological differences among and between the political parties. Similarly, since the local peace committees consist of political members, the decision to provide assistance has political biases and it has been said that local peace committees try to give assistance to those belonging to a certain party and that the funds are mismanaged. Similarly, looking at the Gramsci's perspective, the hegemony in managing of funds and establishment of committees formulated in the capital shows how Kathmandu-centric politicians still dominate the politics of entire country.

Apart from the above mentioned problems, it can be said that the registration of IDPs is politicised. As per IDMC, "...for some IDPs, getting a letter of confirmation from the VDC Secretary as a proof that they are IDPs can be difficult, since the VDCs are remotely located. Similarly, due to the lack of coordination, the CDOs have had very little gaps in receiving the information from the MoPR. Last but not the least there is no systematic system for IDP identification and registration, and no reliable data is set to describe the situation of IDPs in Nepal" (IDMC 2010:57)

3.3.3 Integration and Rehabilitation of Maoist Combatants

In the current political debates, major source of disagreements among political leaders is about the integration of Maoist combatants into the national army. Each party seems to have their own opinion and methodology regarding integration and rehabilitation of the Maoist combatants. The Maoists party have been demanding that all of their combatants who are in the cantonments must be integrated into the national army, while the other political parties want them to be integrated into other security bodies apart from the army. The Maoists are also saying that their combatants should be integrated as per the international experiences rather than the existing recruitment standards of the security agencies. This has caused major differences in negotiation because other political parties like Nepali Congress and CPN-UML want the integration to be at par with national and international security "recruitment standards".

Another point of disagreement is on the Maoist's demand of 'mass entry' of its combatants into creation of separate army within the security forces. The opposition party (Congress and UML) believe that creating a separate group would be detrimental to national sovereignty. There are also confusions regarding the number of Maoist fighters to be integrated into the national army and the rank to be given to them.

Although the word "rehabilitation" is mentioned in the CPA, there is little assistance provided by the government in the name of rehabilitation. The Peace Ministry who in charge of managing the day to day needs of combatants in the cantonments provides certain packages for them in various locations around the country. There are seven main camps and five other surrounding camps in different parts of Nepal. The Peace Ministry and the UN have been providing them with certain packages until there is negotiation on their integration and rehabilitation. Particularly, the Peace Ministry is in charge of management of the cantonments. The support that Peace Ministry is providing

the combatants are: Rs. 5000²⁴ every month as a compensation for food, provision of other basic facilities such as temporary housing, water, electricity and basic medical care for those in need (however after talking to one of the combatant leaders, he mentioned that medical, housing and other facilities provided are very minimal and the quality is not good). However, the way the cantonment is managed and the quality of service provided is entirely another issue which I won't be dealing within the scope of this research.

Similarly, the UN agencies have come up with their own programmes in the name of rehabilitation. UNDP and UNICEF are providing the returned combatants and IDPs with certain relief packages. The packages are limited to provision of transport/DSA allowance to those who return to their villages²⁵, counselling and referral services, vocational training, health training, education till high school and training for micro enterprises. According to UNDP, the counsellors help the individuals choose a rehabilitation option suitable to their abilities and personal interests. However, there are no data available on how many have returned to their villages and how many of have received access to rehabilitation packages. Similarly another question arises is if the combatants will be able to cope in such activities which provides with less income and if they are able to integrate in a village as a civilian if they do not get offered employment in the market. There is a possibility that they may turn into taking back the arms again if their expectations are not matched and if they are thrown back into poverty, discrimination and vulnerability yet again, as they were before they took arms to join the Maoists.

3.4 “Conflict syndrome” - Mistrust among the political parties

According to Robert L. Rothstein (2006), usually post-conflict countries have a peculiar character among the political parties which he coins the term as "conflict syndrome". Nepal is not an exception to this conflict syndrome. There is mistrust among the major political parties, there is a fear of being cheated, and there are questions on other party's motives – particularly related to the integration of Maoist combatants into the security forces and blaming each other for hampering the peace process. Even after negotiation of the peace process, political parties are having hard time developing trust amongst each other. The conflict syndrome specifically holds true in the current context, especially because the former insurgents who were fighting against the

²⁴ Equivalent to 50 euros

²⁵ There is no concrete data on the number of people who return to their villages. It is partly due to the lack of information from the IDP who do not know about the services they will get once they register, partly due to lack to government facilities in rural villages for registration and partly due to manipulation of number of IDPs by various political parties in order to get the benefit in the name of IDPs.

government before are now the largest elected political party of Nepal. Mistrust and blame have delayed the process of constitution-making and taken its toll on the people who are in dire need of assistance and rehabilitation. Due to this mistrust among the political parties, they do not trust the other party to a leadership role to lead the government and nomination of a new Prime Minister in Nepal has been futile even after 14 rounds of election in the Constituent Assembly. This mistrust among the parties has stagnated the issue of rehabilitation and integration. The parties are head to head regarding the issue of combatant's integration into the national army, whereas mentioned previously, Congress and UML want different strategies for integration of former insurgents into the security forces, but Maoists are demanding their own agenda of integration into the army. This shows distrust. Each side is questioning the motive of the opposite side's motives, and there is a fear of being cheated on by the other party. There is a clash in attitudes and perception differences among and between various political leaders in Nepal and this negative attitude is leading Nepal towards political and economic stagnation.

The following perspectives from various political parties reflect the concept of “conflict syndrome” where it shows how one party blames another regarding similar issues. The following dialogue also shows that their concern is still very Kathmandu-centric and they care less about the socio-economic lives of people living in rural areas. Mr. Rajan Bhattarai, Foreign Advisor to the Prime Minister from the UML party blames the CPN (Maoist) party as the perpetuator of violence, and calls them a violent party, whose cadres still carries the weapons openly with them. He calls them an obstacle to the current peace processes in Nepal. He says:

The Maoist party should honour the values and norms of the competitive multi-party democracy, where every party can compete with themselves in a healthy way. That was the parameter of 12 point understanding and the peace process. But the Maoist party are not allowing any other party to carry forward the peace process forward until they themselves do not get elected as the ruling party. This is simply autocracy, which shows that they are not democratic in any way.

He further mentions:

The Maoists have not even given up the violence yet. They have the youth paramilitary wing known as YCL (Young Communist League)²⁶ and they should be dissolved and disarmed. Maoists are yet to give up the violence and come to a democratic framework. The Maoists do not seem to abide by the 12 point understanding and thus seems to have lost the faith and trust of other political parties. Maoists have not been able to fully

²⁶ YCL is the youth wing party of the Maoist. They are often blamed to have carried the arms and resorting to violence.

transform themselves as a peaceful party²⁷. Because of this reason, there is a trust deficit among the political parties with the Maoists.

In order to restore trust with the Maoists, the UML have asked the Maoist leaders to fulfil the following conditions:

1. Return of properties which were confiscated by the Maoists during the war
2. Rehabilitation and integration of Maoist ex-combatants
3. YCL barracks to be dismantled

According to the Constituent Assembly member and Member of the Parliament, Pampha Bhusal from the Maoist party in turn blames the Congress Party and the UML for trying to maintain the previous status quo and not wanting changes in the new constitution for an egalitarian society. According to her:

Congress and UML do not want a society/country which is inclusive of the oppressed and marginalised class/caste/gender/ethnicity. They want the hegemony of the elite as it has been ruling since centuries. They want an elitist ruled country. During the war, there were more people killed by the State than from our side, the State have captured the properties of many people as well, but no one talks about their responsibility to return those properties. They only want to blame us. They are doing this so that we would look bad in front of other people but people have shown that they support us through the voting result of last election, which made Maoists the ruling party.

Different sides of the story from different parties

Different people from different political parties have described the term rehabilitation from their own perspective. The difference is particularly prominent when the issue is about the rehabilitation of the Maoist combatants in various cantonments. As per my understanding from various interviews that I conducted, the term rehabilitation is understood by the policy makers specifically is in terms of resettlement and re/integration of conflict affected people rather than the globally defined meaning of rehabilitation. The different sides also show the conflict syndrome where they show the mistrusts in other parties motives and blame each for the current political deadlock.

²⁷ Peaceful here means without violence

UML Perspective:

Mr. Rajan Bhattarai, Foreign Affairs Advisor to the Prime Minister of the UML party mentions that:

Until and unless the issue of integration is resolved, the Maoists do not want to talk about rehabilitation of other conflict affected people. They have blocked other national issues and put integration as their foremost priority. The major issue on the peace process is the integration of combatants into the security forces, not only the in the National Army. There are four organs in the security forces- Armed Police, Nepal Police, Intelligence Department and the Nepal Army. Among these four security agencies, the Maoist army will be integrated. Those who do not meet the criteria for integration, as per the national standard and those who do not want to be integrated will be considered appropriate for rehabilitation. UNMIN has mentioned that there are approx. 19602 cadres, but the number is yet to be verified. Although Maoists say that they need to be integrated into the army, I think they misunderstood as this is not the provision in the CPA²⁸.

Regarding the rehabilitation packages, the Maoists are reluctant to take this issue forward. There are still many discussions and debates going on regarding this issue. Rehabilitation could consist of providing the ex-combatants with formal education, vocational training, seed money/loan facility to establish their own work and other livelihood opportunities but what should consist in the package is still not yet decided. It is because the Maoists do not want to solve this issue quickly. They are too much focused on integration of their cadres into the National Army. But this goes beyond the agreement in the CPA. It is mentioned that they will be integrated as per the norms and regulations of national security agencies.

This perspective of UML shows that for them the foremost important issue in the peace process is the issue of integration rather than the broader agenda of common people needing rehabilitation. It seems to be that the aspirations of people living in rural areas who are in desperate need of basic needs are hardly even taken into consideration. It shows the Kathmandu-centricness of the political leaders.

Congress Perspective

Ms. Uma Khadka, Member of Parliament and the Constituent Assembly from the Congress party feels that Maoists ex-combatants need to be brought under the special Committee as soon as possible and integration should follow certain norms and principles. The concept paper of the Congress party echoes her voice and notes down the party's perspectives as follows:

²⁸ Comprehensive Peace Agreement

Although rehabilitation of conflict affected people is important, the issue has not been carried forward due to lack of consensus among the political parties regarding the management of the Maoist cadres. There is no Government at the moment and until and unless this political deadlock on the management of Maoist cadres is solved, the question of rehabilitation of other conflict affected people remains to be looked at.

The above sentence shows that for congress the dominating issue now is also the issue of integration of the Maoists. This means the issue is still about power sharing rather than focusing towards the people in rural areas. People in rural areas are hardly been taken into consideration despite of desperate need of rehabilitation in those areas who bore the brunt of conflict the most.

She mentions:

The Maoist army combatants must be immediately brought under the Special Committee formed by the Council of Ministers. The Special Committee should monitor, control and direct them after formulating an operating manual, action plan, timetable and code of conduct.

I would see the formation of one commission after another, formulating code of conduct rather than implementing that is in hand shows the reluctance of political leaders to bring changes in the society and especially in rural areas. Similarly, code of conduct, commissions could also provide grounds for elite-centered political leaders to remain in power and maintain their hegemony over the general masses through codes and rules.

She further says:

The maximum possible number of Maoist army for integration into the security forces should be fixed within a week before determining how many combatants would be integrated in which security agency. The process to allow individual Maoist army combatants to choose an option – voluntary discharge, rehabilitation and possible integration – should be started as soon as possible. Options for rehabilitation or/and reintegration back to the society should be made available for those who do not meet the required standard and norms of security agencies.

At the same time, the Nepali Congress disagrees with the Maoists in terms of the way the Maoist leaders want the ex-combatants to be integrated into security forces. The dialogues and blame-game proves the conflict syndrome in Nepal. The Concept paper of Congress blames the Maoists for mis-interpretating the Peace Accord:

The Maoists has misinterpreted the Comprehensive Peace Accord (CPA) and Agreement on Monitoring of the Management of Arms and Armies by presenting their own views. The Maoists say that they are not required to meet the standard norms of the security agencies. According to them,

the combatants should be integrated as many as they wished. They also want a separate security bodies of the combatants to be set up.

The Maoist party, have created a number of suspicions on various issues, and they have failed to present itself as a dependable and trustworthy party, who can carry forward the responsibility of taking the peace process forward to a meaningful conclusion and completing the peace process forward and completing the constitution-drafting process within a stipulated extended time frame.

The Maoists Perspective

The Maoist party disagrees with the Congress regarding their proposal of integration and rehabilitation of the Maoist ex-combatants in the cantonments. They stand to their ground saying that each and every Peoples Liberation Army (PLA)²⁹ member in all cantonments should be asked whether they would like to be integrated into the security forces or would they like to do something else with their lives.

According to the Maoist's concept paper recently published in July 2010, it is mentioned that:

Other parties such as congress and UML do not want peace and stability in the country, they want the status quo and elite centric development to remain as it was in the previous constitution. They are greedy for power and status rather than concern for development. They do not want our (Maoists) party to win the election, so they are dillydallying the issue of rehabilitation and integration, so that our party will look like an irresponsible party in front of the general masses of people. They also do not want to resolve the issue of integration soon. They know that the delay will cause frustrations among the combatants waiting to be integrated in the cantonments. They are using this cheap strategy so that they could turn the frustrated combatants against the Maoists. It is the whole question of politics and power.

To determine the number of PLA members to be integrated into the security agencies, the Special Committee should ask each and every PLA member in all the cantonments to allow them to make voluntary choice on whether they want to be rehabilitated back into the society or not. Those remaining, who do not want to be rehabilitated, should be the number for integration into the security agencies. This is the scientific way to determine the number for integration.

Another major point of disagreement between the Maoist and the UML is regarding the structure of Nepal Army after integration of PLA forces. Maoists are demanding that there should be a formulation of a separate national army. They do not believe in the PLA integration into the existing Nepal Army.

²⁹ The Maoist defines their Maoist army as the Peoples Liberation Army (PLA)

rather they are proposing that a new army should be formed comprising security forces of both the Nepal Army and the PLAs.

Departing from the perspective of the Congress and UML party's point of view, the concept paper of the Maoists quote as follows:

It must be clear that the 'standard norms' as stated in the CPA with regards to army integration denote the standard norms for integration, not the standard norms adopted by the security agencies for recruitments. The words have been manipulated by the other parties' in order to delay the peace process. The standard norms for integration should be defined on the basis of the originality of Nepal's peace process and not the new version of other political leaders is saying.

As for the question of the modality of integration, the Maoist put forward their perspective as follows:

It is quite clear that the integration as mentioned in the CPA³⁰ is a special provision for integration, not individual recruitment. Our party's view is that the easiest, simple and appropriate model would be to create a separate special entity comprising of security agencies or a force (corps) comprising of the PLA members.

The above mentioned are reflections of dialogues from various parties, which proves that all the parties wants to maintain their hegemony. They are doing this by selling their ideologies to the general masses to maintain the status quo as it is in the current state. They are only bringing forward issues which are superficial and do not talk about structural changes in political economy of Nepal. Secondly, it proves that the mistrust among the parties is so deep that it seems hard to fill the vacuum that has been created. The conflict syndrome proves true in this context. My next chapter will look at the how and why the political and economic situation of Kathmandu was and is now, what are the historical reasons behind the rise in conflict. I will also look at the issue of rehabilitation and failure to rehabilitate the conflict affected people from the perspective of political economy.

³⁰ Comprehensive Peace Agreement

Chapter 4: Hegemony and Nature of Nepalese State

4.1 Political Economy of civil war in Nepal

Prontzos (2004) mentions "...with extreme inequalities in wealth go extreme inequalities in power. This concentration of economic and political power in the hands of a few is inevitably in inverse proportion to the poverty and powerlessness of the majority. Those who have such economic power seek not only to hold on to it at almost any cost, but also to increase their domination....Their hold on political power is one key element in maintaining their domination. These dynamics are the most important underlying causes of structural violence...." Prontzos (2004:319)

The political economy examines "...economic forms of class relations with the state, which is a vital force in reproducing economic and wider inequality" (Karki 2001:37). Political economy approaches talks about class and mode of production as central concepts and view politics as an expression of socio-economic process.

The basic foundation of Nepalese society is agriculture where more than 80 percent of the total population are engaged in this sector. The characteristic of Nepalese agrarian production relations can be broadly described as peasant, semi-feudal and capitalist forms of production (Cameron et al. 2001:223). Semi feudal relations still play a significant role in the underdevelopment of Nepalese agriculture and economy of the country as whole. In Nepalese agrarian relation, tenants in many rural areas are forced to till larger landowner's land and the surplus is not accumulated as profit. They work on bare subsistence family needs, where their tenancy right is insecure (Karki 2001:56).

In contrast, Kathmandu - the capital and centre of the country, which houses the seat of government, enjoys most of the facilities. One of the example of Kathmandu centric development shows the reality that the city is provided with better facilities (such as schools, colleges, health facilities, public works etc.) than any other parts of the country. This accentuates and reinforces the inequalities that distinguish Kathmandu from the rest of Nepal. Kathmandu is now the centre of wealth and power, where the central state apparatus and government resides, and through which the ruling class is able to control the distribution and allocation of resources that are available to the state in combination with its considerable private resources (Cameron et al. 2001:76). Therefore, it is no surprise that people residing in other parts of the country and especially in rural areas felt and still feels heavy exclusion and marginalisation from every aspect of state-led development. Various literatures claim that civil war in Nepal is an outcome of this uneven process of

development that has led to the social and economic exclusion of large segments of the population (Karki and Seddon 2003; Deraniyagala 2005).

Looking back into the history, Nepal has been an authoritarian state for a long time. Struggles for democratisation since the 1950s finally resulted in the emergence of multi-party democracy and the introduction of a new constitution in 1990. Democracy brought expectations of greater political freedom, social mobility and economic advancement. In practice however, the expectations were met with empty promises, without any positive changes in the lives of the common people. While democracy gave access to political power to the professional middle classes, left wing-parties and representatives of marginalised social groups remained sidelined from the elite dominated political processes (Deraniyagala 2005:52).

After democracy, rather than progress, Nepal started to lack in development activities and overall performance of the country declined. For example, there was poor agriculture performance, and slow growth in labour intensive manufacturing which contributed to high unemployment, poverty, and inequalities. At the national level, unemployment rate reached about 17 percent, while over 32 percent of the economically active population were underemployed. Poverty levels rose from 33 percent in 1976-77 to 42 percent by 1995-96 (Sharma 2006:1244). As the unemployment remained very high, particularly in rural areas, and as there was no other alternative source of employment, frustrations and resentments among unemployed youths rose. These frustrated youths were mobilised by the Maoists in their fight against the political and economic system (Sharma 2006). Therefore, the Maoists war was started due to the accumulation of failed development strategies over the past few decades, that political leaders and elites failed to acknowledge, partly due to vested interests, partly due to the lack of intellectual depth (Sharma 2006:1247) and partly due to hegemony of the elites and unwillingness to show the status quo.

Another reason for civil conflict is unequal spatial development and the absence of the state in certain geographical areas (eg in rural areas). This is another key point to understand the Maoist movement, and especially their success in establishing control over various parts of the rural areas in a short span of time. The state is not only absent in remote areas but also in various other sectors as Riaz and Basu (2007:137) quotes Lawoti: 'the state's reach and influence in development, service delivery, administration, and security is severely limited. The state does not have any effective presence in many sectors and regions. The Maoists chose the areas of mid-western hills of Rukum, Rolpa, Salyan, Jajarkot as their first point of insurgency, where the state was and is absent as the facilitator of development (as reflected in low per capita income of these districts³¹. For centuries these regions, which is mostly inhabited by the members of marginalised ethnic and caste groups were and are still heavily neglected by the state (Riaz and Basu 2007:137-138).

³¹ Mid- Western districts such as Rolpa, Jajarkot and Salyan had 25,19 and 17 percent respectively of the average income of Kathmandu in 1996.

In contrast to the rural areas, the majority of the economic activities are concentrated in Kathmandu. The situation of Nepal is similar to how Bates's analysed political economy's linked to African crises. My lens of looking at the current crisis in Nepal from the perspective of political economy is also similar to Bates's point of view. I have argued in my research how Kathmandu city (the capital) is the centre of all resources. I have tried to show the political economy link by analysing how the ruling class controls the distribution and allocation of resources that are available to the state. The political leaders do not challenge the existing status quo, since the current status quo benefits from them and on are good terms with the elites. It is disheartening to realise that although the war ended in 2006, where newly elected representatives from new political parties have emerged, nature of the state have not changed. As mentioned by Cameron et al (2001:82), the hereditary aristocracy maintains the ultimate control of the state and hence the formal politics in Nepal and is heavily involved in both arms and administration and a substantial landowning group.

I strongly want to emphasise that I contest the Bates's solution to the problem. According to him, the ultimate solution to end the political hegemony of the elite is by "dismantling the state power and leaving the peasantry free to take advantage of market opportunities". I do not agree to the solution, as I find it pessimistic, neo liberal and anti- statist. Arrighi (2006:9), also criticises Bates's market-oriented solution in which he argues that after implementation of market led policies, it actually led to external shocks in African crisis leading to further deepening the crisis. However, my view is that although in Nepal the state is more extractive in nature, benefiting only the elite and powerful and the politicians themselves, I am not suggesting the solution to be market-oriented. I propose that the state should be more powerful than the market, should be pro-poor, welfare-oriented by making the role of the state stronger to work towards the poor and marginalised. I believe in decentralisation of the current centrally dictated state, which favours only the elites. The structural causes of the problems needs to be looked at, which has been dominating since centuries in Nepal rather than the technical quickfix. Therefore, although I borrow the concept from Bates regarding the political economy of the state, I disregard his solution to the larger problem - which is more structural and historically-rooted in the politics and economics of the country.

4.2 Political Economy Approach to Rehabilitation

Integration of Maoist combatants and rehabilitation of other conflict affected people has not move forward substantially since the signing of the peace agreement in 2006. The issue has been treated with less political urgency compared to the issue of government formation, constitution making and power sharing between the parties. According to Bhattarai (2010), even the Maoist-led government did not feel the urgency to expedite the process since they did not want to lose their strength either by integrating them sooner or by bringing the combatants under the government command.

Many authors have written about the connection between the political economy of Nepal and rise of civil conflict. Here, in my research, I tried to build the connection between rehabilitation and political economy and how political economy has influenced the issue of rehabilitation in Nepal. I would like to emphasise that even after the signing of the peace agreement and change in the state apparatus, the hegemony of elite and higher caste still rules the politics and economics of the country. I have assumed in my research that, although the issue of rehabilitation is of great importance to solve the ongoing political, social and economic problem in the country currently, the issue has been sidelined by the political parties since they cannot divert their dominating agenda away from Kathmandu centric politics. This shows the centre-periphery relation of Nepal, where center dominates the periphery and the hegemony of ruling elites. This also proves the submissiveness of elected political leaders towards the needs of Kathmandu city rather than millions of other conflict affected Nepalese who are living in rural areas in poverty and deprivation. This Kathmandu-centric-ness proves that despite political changes, the leaders still follow the status quo of their previous elitist position while people affected by the conflict are continuing to languish in poverty, deprivation and marginalisation. According to Denskus (2010:54), the current changes are reminiscent of the post-1990 situation when a newly democratized Nepal produced a “good governance bubble” in Kathmandu, but was unable to address many problems and grievances that led to violent conflict.

Most of the political players seem to agree that the best way forward is to cooperate with the international aid organizations for various “rehabilitation programmes”. It is not a surprise as Nepali politicians have been a passive recipient of aid since 1950s. Devkota (2007:294) writes “...since the fifties, Nepal’s dependency on foreign aid has been heavy and even in recent years about two –thirds of the annual budget is supported by foreign donations, including loans and grants. The major recipient of aid has been sectors such as transport, irrigation, communication, education and agriculture. It is estimated that the total foreign debt have reached to US\$ 3.12 billion in 2005. The debt to GDP ratio – an indicator of the country’s ability to pay back its debt – was 45.3 per cent in 2004-05”. In the current post conflict scenario of Nepal, where a major budget is required for “peacebuilding”, especially at the grassroot level and the peripheral areas, there has been only few programmes implemented in the name of rehabilitation and/ or peace-building. These includes: trainings for few Maoists in demobilization camps, human rights trainings for the army, and some gender empowerment workshops for female civil society “leaders”. In my opinion this is not what rehabilitation is about. The nature of governing the elite’s practices in Kathmandu nowadays seems different, but “when it comes to fundamental changes of attitudes and behaviours toward the governance and citizens of Nepal, many of the socioeconomic institutions have demonstrated bureaucratic resilience, or resistance to structural change” (Denskus 2010:54).

In the name of rehabilitation, there are numerous foreign delegations visiting the country, budgets (limited that we have) are being spent for workshops in five-star hotels and increasing information sharing, awareness raising and meetings that may have led to creation of jobs for increasing

“peacebuilding” NGOs but hardly to a sustainable vision for the country and those affected by conflict in rural/peripheral areas.

Rehabilitation in Nepal is seen as a technical process rather than looking at it as political conflicts. Limited programmes of rehabilitation as put by the Peace Ministry of Nepal does not address the root causes that gave rise to conflict in the first place. It does not talk about long term development strategies, but rather dwells on technical quick-fixes. It does not address the need for social change or look into the aspect of political economy and power relationships that exist in the Nepalese society that led people to carry weapons for justice and equality. The debate of political parties and donor agencies are more concerned about bringing the vision of western style democratic vision in Nepal through never-ending workshops on constitution making, dialogue for democracy, giving training to Constituent Assembly members on awareness on gender, human rights, peace-building technical approaches etc. It hardly takes into account the fundamental challenges that have kept Nepal “poor” for more than fifty years even after booming of development industry in Nepal.

Moreover political changes in Nepal seem to be caught up in creating one Commission after another in the name of solving the current “political” problem. Few examples are creation of Commission of Indian and Nepali politicians to review trade agreements, a Commission to deal with minority issues in the process of writing the constitution, another Commission is developing to situate different scenarios around the idea of “federalism” for the country (Denskus 2010:58), and a Commission for the management of arms and armies in the cantonments among others. This way of managing the policy process in Nepal could also be seen as hegemony of bureaucratic elites to be / remain in power as a head of those commissions and govern as per the elitist agenda rather than the progressive ones.

The concept of rehabilitation in Nepal has been merged into the other programmes/ policies of development rather than a separate important issue that needs to be addressed. The word rehabilitation has become like a token which is incorporated into few development programmes, which are already being implemented in various regions of Nepal. Similarly, spending resources (time and money) on creation of new institutions, commissions, and administrative arrangements have not been able to take into account the vision of social change. It could also be a survival strategy of political elites that may bring to the forefront a part of the problem rather than solutions. Even if there are few honest politicians who came into power in recent elections, it is too early to say how much the elite structure and their hegemony which has been dominating Nepali politics and economy for a long time, are open for a change that rest of the marginalised and repressed common Nepalese living in peripheral areas aspires for.

Rehabilitation of those millions of people affected by conflict means shifting the attitudes, policies of the state towards those who have been excluded and marginalised since centuries. The true rehabilitation will not take place until there is transformation in the society at many levels such as decreasing the hegemony of political elites, decrease in socio-economic inequalities between the centre (ie Kathmandu) and peripheral areas, decrease in the caste/class/ethnicity discrimination rather than just integration of

handful of conflict affected people into the society in the name of integration and or peace building activities. The discourse on rehabilitation should try to bridge the gap between the horizontal and vertical inequalities that exists in a society. Until and unless the hegemony of political elites residing in the centre are challenged, there will always be a fear of getting back to the crisis, as it did in 1996 - due to poverty, deprivation, exclusion and marginalisation. To understand this hegemony, my topic below will dip deeper into the history on how the elites has been maintaining the hegemony to rural the general masses. To understand the hegemony, we need to look at the historical analysis on how Nepalese state has been as extractive state.

4.3 Extractive nature of Nepalese state

Nepali state since the 18th century has remained a extractive state representing only a small segment of the society and is disconnected from the larger society that it rules (Raiz and Basu 2007:124). The state has represented the interest of the landed gentry, rural elites and bourgeoisie in Nepal (Karki 2001).

The state is expected to provide, in addition to human security, ‘positive political goods’ such as an independent judicial system to adjudicate disputes to enforce the rule of law and to protect the most fundamental civil and political rights, functioning education and health care system; and transportation infrastructure. In absence of all or any of these, the state can be characterised as an ‘extractive state’. The Nepali state has failed to demonstrate that it has a stake in long-term development of the country (Riaz and Basu 2007:129-130). The lack of infrastructural development, low level of employment, and unequal distribution of resources bears testimony to this fact. Even today, the efforts of the state, have in reality been directed towards “extraction and maintenance of political stability rather than genuine popular participation” (Cameron et al. 2001:57). Deraniyagala (2005:56) quoting Cameron et al. (2001) also argues that state in Nepal has acted as an extractive state, in the sense that extracting rents from peasants and landholders has been central to its existence. The government employment was also granted as a form of patronage in order to ensure the cooperation of important local families in the maintenance of law and order and adequate collection of taxes from the villages. There was a heavy patron-client relationship rather than merit of efficiency at all levels of government (Cameron et al. 2001:32).

The state also accommodated various regional and local authorities into the power structure through selective provisions of autonomy for local elites and distribution of patronages to powerful entrepreneurs. The Nepali society is divided along various castes, linguistic and geographical residency lines while ruling segments of the society are small in numbers. As its formation, the ruling classes was composed of the military hierarchy of Gorkhas (Thakuri and Chetri) and Brahmin attendants as advisors and Newars as business and trading community. The higher caste also supervised the political system and had and has been extracting surplus both in kind and labour from low-caste

artisans (Riaz and Basu 2007:130). Baral supporting the claim of Nepal state as an extractive state mentions that "...historically the rulers who were identified with the state imposed their own social and political codes that helped perpetuate the subject political culture and caste-based social and political traditions" (Baral 2008:15). The general Nepalese people were deprived of all rights even to question the rulers. Cameron et al. (2001:82) points out that hereditary aristocracy maintains the ultimate control of the state and hence formal politics in Nepal is heavily involved in both arms and administration and as a substantial landowning group. Many of these landowners are active in regional and local politics and have heavy influence of local and regional administration. This provision of hegemony as per the caste hierarchy provided an ideological legitimacy to the process of extraction of revenues and labour by the state and elites (Riaz and Basu 2007:136).

Mahendra Lawoti (2003) mentions that despite the democratic changes in the political sector of Nepal, the hegemony based on caste/class hierarchy have not changed much:

High caste Hindu elite males from the hills overwhelmingly dominate power positions in politics, administration, judiciary, parliament, academia, civil society, industry/commerce, local government, and education. Jointly high caste Hindu elite and Newar constitute 37.2 percent of the population, but in 1999 they held more than 80 percent of leadership positions in the important areas of governance (Lawoti 2003:52)

Even though Maoists claims to be an inclusive party to have incorporated people from various marginalised and excluded caste/ethnicity/gender, the leadership and higher positions still seems to be dominated by the upper castes/ethnicity.

Apart from hegemony of higher caste/class groups in politics and economics of Nepal, it is also important to note the lower level of state investment in social sector and infrastructure where majority of population is being deprived. For instance, Nepal government expenditure on health as a percentage of total government expenditure is just 9.2 percent and public expenditure on education as a percentage of total government expenditure, 2000-2007 is just 14.9 percent (UNDP 2009). It is noteworthy to remember that most of these facilities are situated in Kathmandu and other cities rather than rural areas. The infrastructure for health and education lacks severely in rural and remote areas.

Apart from lower level of state investment towards the developmental sector, nature of Nepalese state has been extractive historically as well as in the present. Even after democratisation, state is showing rent seeking, corruption and predatory behaviour and this has undermined or cut down the limited budget resources available for long- term economic development for the country, redistribution and poverty reduction says Deraniyagala (2005:56) quoting Murshed et al (2005).

All these extractive natures of the state and lack of development strategies points out to scepticisms from various authors that Nepal could be heading towards the failing state. In recent days, there have been talks going on in the media that the Nepalese state has failed. Over the decades in Nepal, the

gradual erosion of State's capacity to deliver is matched by the militant movement until 2006 and the current failure of political parties to present a solution to the socio-economic and political problems faced by the whole nation. But whether or not we should see Nepal as a failed state is a matter of another debate and requires much more extensive research and is beyond the scope of this research.

4.4 Centre – Periphery

Levitt (2005:195) borrows the idea from Raul Prebisch where he mentions that “the trade relationship between central and peripheral countries is the original centrepiece of the Prebisch doctrine”. He talks about Latin American structuralism from the perspective of political economy. He mentions that “the centre-periphery system is a single economic system whose bi-polar evolution favours technological development of the central metropolitan countries”. Levitt (2005:196) mentions that “...the centres generate and the peripheries receive technology and consumption styles. The centres generate business cycles and macroeconomic policies; the peripheries receive external shocks, which they cannot absorb without creating external and internal disequilibria due to their fragile and vulnerable economic structures”.

I would like to apply this concept of centre-periphery approach to the current context of Nepal where I view Kathmandu as being the centre and other areas as the periphery. Kathmandu being the centre of the government office and economic activities are dominant in formulating policies for entire country. Kathmandu is the most developed than other regions and are equipped with better facilities (such as schools, colleges, health facilities, public works etc.). Kathmandu being the centre of wealth and power, the ruling class is able to control distribution and allocation of resources. In this light, I see Kathmandu as the centre of dominance, whereas other peripheral areas are highly undeveloped, dependent on policies and decisions of Kathmandu for every kind of development. When there is a political problem in Kathmandu, the peripheries are the one to receive highest shock due to their highly fragile and vulnerable structure. The peripheries just receive passively what Kathmandu has to offer.

4.5 “Hegemony” of ruling elites

To understand the hegemony of the elites in Nepal, I would like to dig deeper into the history of Nepal. In order to maintain the hegemony, the ruling class have universalised their interest through careful creation of various layers of myths until 1990 that presented Monarch as the descendent of the Hindu God Vishnu. Similarly the Hinduisation of culture further consolidated during the Rana regime, which established a legally sanctioned hierarchical social order

based on Hindu caste ranking (Riaz and Basu 2007:130). Religious rituals and practices among the subjugated ethnic minorities did indicate organised resistance to such construction of hierarchy (Cameron, 1998:12). The State also accommodated various regional and local authorities into the power structure through selective provisions of autonomy for local elites and the distribution of patronages to powerful entrepreneurs. The hierarchy of caste provided an ideological legitimacy to the process of extraction of revenues and labour by the state and elite groups in the eyes of many despite the resistance from below (Riaz and Basu 2007:136). Despite of Nepal being declared republic, and is in the process of writing of a new constitution now, nature of Nepalese State as an extractive state have not changed much and still maintains hegemony of ruling classes over the masses. Although the recent revolution brought many changes politically, it is still maintaining the hierarchical and centralised political system and dominated by the elites. Riaz and Basu (2007:139) also reiterate that the nature of post 1990 and post 2006 Nepali State is no different than how it was in terms of its disembeddedness of state from the society. Nepalese economy has been facing bleak prospects and the situation is still worse in mid and far western regions, which is most inhabited by the marginalised caste/ethnic groups. The lack of development in these regions as compared to other places in Nepal shows that inequality in Nepal is ‘not only social but also spatial’ (Murshed et al, 2005), while on the other hand it shows that the Nepali state is ‘weak, limited and absent in certain geographical areas’ (Raiz and Basu 2007:135).

Currently after the change in the state structure which was brought about by the revolution in 2006, major concentration of political leaders is still very much Kathmandu-centric. It’s been more than four years since the peace agreement was signed in 2006 but till now the political leaders have not been able to come into consensus on what should be incorporated into the new constitution and which leader to be elected as a Prime Minister from which political party. Even after the revolutionary changes in the state structure, the hegemony has remained the same as it has maintained the hierarchical and centralised political system that is riddled with conspiracies and dominated by a patron-client nexus (Sharma 2005 quoted in Raiz and Basu 2007:136). The traditional elites and upper caste still continues to dominate the state apparatus (Deraniyagala 2005:52).

The current state in terms of elite hegemony over the general masses of the people is no different than the previous Nepal where the government changed 14 times from 1990 to 2006. Karki (2001:52) mentions that “...in South Asian context very often, intellectual elites formulate ideology, business elites give financial support and political elites take the leadership role”. Nepal is not different than this. The political process is still very much city centered and elites and political leaders still have the hegemony over general masses of the people. It is because the majority of the political leaders are the same. Karki (2001:59) quoting a vernacular weekly known as *Janastha* of 4 February 2000 which stated that 60% of former *Pancha*, who ruled Nepal for 30 years under autocratic *Panchayat* until 1990s political change, had joined the CPN (UML), ML and two more other major parties of Nepal. It is more of the situation of ‘old wine in a new bottle’ as mentioned by Karki (2001: 35), when it comes to “new” political changes in the state structure of Nepalese state.

In popular political debates connecting state development strategies, CPN (UML), stated that “the semi-feudal and semi-colonial nature of exploitation and oppression in the Nepalese society has been hindering the progress and prosperity of the people, ...and despite several political changes, the fundamental aspect of the national economic, social and cultural situation has not changed significantly” (Karki 2001:58). The situation has not changed much in the present context.

By wearing the lens of Gramsci’s concept of hegemony and looking at the extractive nature of the Nepalese state, it is understandable how politics and economics has been going hand in hand in order to address interests of the elite at the expense of poor people in Nepal. In my analysis, this is also one of the reasons why the issue of rehabilitation has not been taken seriously by the political leaders. Most of them do not see rehabilitation as much of a bigger important issue to address, since the “old-leaders-in-a-new-position” themselves never have been development oriented. The major concern for them has always been Kathmandu oriented/related issues and power sharing. It will be disheartening to see that 10 years of civil war didn’t bring any structural changes in the socio-economic lives of the people in rural areas and at the political level. Unless and until the hegemony of ruling elites are challenged, and changes are made structurally which gave rise to the conflict in the first place, the true essence of rehabilitation of conflict affected people will still remain a far-fetched dream.

However, as a public policy student, I do have some recommendations to the policy makers, which may help address ongoing problems of rehabilitation to some extent. The following chapter will talk about the recommendations.

Chapter 5

Conclusion and Recommendations

5.1 Conclusion

Post conflict rehabilitation in Nepal is posing a critical challenge. Firstly, the concept of rehabilitation in Nepal is understood by policy makers in terms of relief and return rather than long term development. Secondly, rehabilitation is seen as a technical solution rather than addressing the structural and underlying socio-economic problems. Thirdly, major political leaders in Nepal are indulged in mutual accusation rather than assuming collective responsibility to move the peace process forward. Suspension of the Constituent Assembly (CA) elections again and again illustrates this fact. Strong impulse among political parties to lead the country, hegemony, monopoly and domination has blocked the peace process largely.

My paper has acknowledged that cause of civil war in Nepal was the outcome of interaction of political, social, economical and historical factors. The economic grievances especially arising out of poverty and marginalisation and hegemonic elite centred development process, together with extractive nature of Nepalese state have played a major role in rise of the armed rebellion. This paper tries to argue that even after the Peace Agreement, the power relations and status quo in Nepal remains unchanged. The power to make decisions for rest of the country still rests on the hegemony of powerful actors over the less powerful ones – ie. people in rural areas, left out and marginalised. Similarly, when it comes to fundamental changes of attitudes and behavior towards governance and people needing rehabilitation, political party leaders still demonstrate resistance to structural changes and are Kathmandu-centric as it was before the war.

The true rehabilitation will not take place until there is transformation in society at many levels which challenges this hegemony of political elites. Rehabilitation should focus on decrease in socio-economic and spatial inequalities between the centre and periphery, decrease in caste/class/ethnicity discrimination and building social capital rather than just integrating the handful of conflict affected people back into society in the name of rehabilitation. The true nature of rehabilitation should try to bridge the gap between horizontal and vertical inequalities that exists in a deeply divided Nepalese society.

5.2 Policy Recommendations

People in Nepal are still struggling to meet basic human needs such as food, water, education, health care, shelter and other basic essentials. As war in Nepal has ended, people are aspiring for positive development in their lives,

especially those living in rural and remote areas, who bore the brunt of conflict the most. Without structural changes in the socio-economic and political system, it is not possible to bring holistic positive changes in lives of those marginalised.

Most post-conflict rehabilitation programmes have a tendency to focus mostly on political, economic and security issues while cultural aspect are hardly taken into consideration. Nepal has more than 100 ethnic groups, who have been historically marginalised by higher caste people. This ethnic division needs to be taken into account by the government while formulating programmes so that it doesn't lead to further discrimination of those ethnic people who have been subjugated since centuries.

Regarding IDPs, there should be a non-politicised system of offering rehabilitation packages to the IDPs. The process should be made easier to register IDPs themselves. The government should come up with a programmes not only for return and reintegration but also taking socio-economic development packages into consideration, ie. for those who cannot or do not want to return. Similarly, those people who were in villages during the time of conflict, should be paid attention to since they are the one who witnessed the bloodshed, kidnappings, torture etc from either of the conflicting parties. The economic, social, psychological programmes/policies need to be formulated for them. In most of the conflict affected countries, the women are the one who are victimised the most. Nepal is not an exception to this. Women affected by conflict include unmarried mothers, victims of rape or girls who joined the Maoist army. In a patriarchal society like Nepal, these women are not easily accepted back by the society and their family members when they return. Rehabilitation in these types of situations must involve counselling for both the victims and their families and communities, as well as providing education and economic opportunities for these women.

Regarding the integration of former combatants into the society, policy makers should keep in mind that former combatants may feel that since they made personal sacrifices during the war, there should be positive changes in their lives after the peace agreement. Some combatants are even recruited by the Maoists at a very early age who have low levels of education and fewer skills to compete in the market for job opportunities. Many suffer from physical and psychological problems. These facts should be kept in mind in order to reintegrate them into the society. They should be provided employment opportunities. Similarly, reintegration is a family affair. The assistance provided should not be aimed at the combatants alone but should also include dependents, since many have people who are dependent on them as breadwinners.

In order to reduce the hegemony of political elites and Kathmandu centric governance, the centralised system of decision making, planning and budget distribution from Kathmandu needs to be dissolved. There is a need for decentralisation in Nepal. Therefore, in my perspective each local government units should be strengthened and assigned the power to formulate, execute programme with financial capacity to implement policies as per the local requirement.

In the end, I would like to say that for rehabilitation to be successful, the policies should target the entire population in areas where conflict affected

people are to resettle, irrespective of whether they have been externally or internally displaced, have participated in the conflict as combatants, or remained in villages during the time of conflict. The policies and programmes should be as decentralised as possible and focus on building social capital among the communities affected by conflict and prioritise the local needs rather than what policy makers in Kathmandu thinks the need is at the local level.

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