

With Agnipath, New Delhi keeps the anti-India pot simmering in Kathmandu

On one of his trips to New Delhi after the 2015 earthquake, the then Indian ambassador to Kathmandu, Ranjit Rae, met Prime Minister Narendra Modi at his official residence. The first question that Modi asked Rae was: “Why don’t they like us?” We have done so much for Nepal, and this is how they respond, he claimed.

Modi was speaking as the prime minister, but his anguish was also a reflection of the frustration within the Rashtriya Swayamsevak Sangh, the organization in which he was ideologically baptized and trained as a *pracharak* before being sent to the Bharatiya Janata Party. Nepal was then close to finalizing a new constitution and was emphatic in choosing to be a secular republic. The RSS and its affiliates had been trying very hard to push the country into becoming a “Hindu Rashtra” again. Kathmandu alleged that pressure was being brought upon by the leaders of India’s newly elected BJP government in one-to-one meetings as well. (Sri Sri Ravi Shankar even openly canvassed for Nepal to be a Hindu Rashtra.)

Contrary to popular belief in India, it was only in 1962 that Nepal had been declared a Hindu Rashtra by King Mahendra. Tulsī Giri, the first prime minister under the country’s party-less panchayat system of 1960, had been a member of the RSS and he had told Rae that it had been his idea to make the country a Hindu Rashtra. During that period, a close relationship developed between India’s Hindutva groups and the Nepalese royalists. Nepal’s status as a Hindu Rashtra meant Mahendra could claim the divine right to rule as an avatar of Vishnu. King Birendra, who succeeded Mahendra, was even declared the Vishwa Hindu Samrat by the Vishwa Hindu Mahasangh, an affiliate of the Vishwa Hindu Parishad.

Over time, the idea of Nepal being a Hindu Rashtra became inseparably linked with the country’s unpopular monarchy. When India’s Hindutva organizations were pushing for Nepal to become a Hindu Rashtra again, they failed to make that fundamental connection. After it was pointed out to them, people like Sri Sri Ravi Shankar altered their campaign to one for a Hindu republic. That strategy failed, rather spectacularly, aided in great measure by pressure from Western countries, especially the US, for Nepal to remain a secular state, and also by a dominant communist presence in Nepali politics.

The China card

While the communists have been a force in Nepali politics since the 1990s, it is not they who have been responsible for China’s increasing influence over the country. All of Nepal’s rulers, even its monarchs, have played the China card. In 1951, when the Chinese Communist Party walked into Tibet, removing the buffer between the countries, the Indian government under Jawaharlal Nehru responded by placing 17 check posts along the Nepal-Tibet border. But by 1969, things had moved so much between Nepal and China that Kathmandu asked New Delhi to withdraw its soldiers from those posts. Nevertheless, considering the physical barriers to connectivity between Nepal and China, and Nepal’s close cultural, social, political and economic ties with India, there had remained an unstated understanding between Beijing and New Delhi that Nepal fell under India’s unquestioned umbrella of influence.

That moratorium was broken in 2015, when Beijing started playing an active role in Kathmandu. In 2017, Nepal signed on to China’s Belt and Road Initiative. Even though Nepal has not launched any project under the BRI since joining, China has initiated multiple infrastructure projects in the power, highways and railway sectors in the region. Such has been the resultant influx of high-spending Chinese tourists that places like Pokhara now have widespread signage in Mandarin.

While the economic advantages and geopolitical balancing were what enticed Kathmandu into cosying up to Beijing, China's intervention in Nepal has not been as benign. Beijing has backed Nepal's communist parties and has also taken a strident position on the Nepalese government's foreign policy choices.

The most prominent example of this is Nepal's ratification in February of a compact with the Millennium Challenge Corporation, a \$500 million American grant for building electricity transmission lines and improving roads, after five years of keeping it on hold. It is a development grant, but the US had been building pressure on Nepal, even warning Kathmandu to ratify the compact by 28 February or it would have to "review its ties" with the country.

Local protests against the American grant turned violent after China made at least two statements against it, on one occasion even calling it "Pandora's box". Insinuating that the US was using Kathmandu as part of its Indo-Pacific Strategy to contain China, Beijing said it opposed "coercive diplomacy and actions that pursue selfish agendas at the expense of Nepal's sovereignty and interests."

Indian insensitivity

Meanwhile, India has been trying in recent months to make amends for its overbearing and interfering stance on Nepal. In August, Nepal formally awarded the West Seti hydropower project and the Seti river project—joint storage projects totalling 1,200 MW that were twice abandoned by China as "financially unfeasible"—to India's NHPC. Also last month, the foreign secretaries of the two countries met in New Delhi to discuss issues ranging from boundary matters to energy cooperation. The meeting also discussed a review of the Treaty on Trade and Transit and the construction of an LPG pipeline from Motihari in India to Chitwan in Nepal.

But this attempt at deeper engagement with Kathmandu has not been helped by New Delhi's other policy blunders, such as the imposition of the Agnipath scheme on Gorkha soldiers from Nepal who want to join the Indian Army.

Gorkha soldiers from Nepal served in Maharaja Ranjit Singh's army in the Punjab region in the early 19th century, and were referred to as *Lahure*, after Lahore, Singh's capital. After the East India Company defeated Nepal in 1815, the Treaty of Sugauli of 1816 allowed the British to recruit Gorkhas as soldiers. This continued after India's independence, with the Nepali government allowing the country's soldiers to serve in both the British and the Indian armies. Currently, there are around 30,000 Gorkha troops from Nepal in the Indian Army, serving on the same terms and conditions as the Indian soldiers. Another 130,000 retired Gorkha soldiers receive their pensions in Nepal from the Indian Army, a figure estimated to be in the range of Rs 4,500 crore, which is equivalent to 2% of Nepal's GDP. This is an important constituency of extended Indian influence in Nepal.

Under the Agnipath scheme, India will recruit short-term contracted soldiers who will be released from service after four years without any pension or other benefits. A maximum of 25% of them may then be recruited again as soldiers in the army. Kathmandu has refused to give its approval to the recruitment of Gorkhas under the scheme, which was to begin in August. The reservations conveyed to the Indian side were that the Nepali people are not interested in short-term contracts and that those who are demobilized after four years may pose a security threat—such as by joining Maoists—thereby imposing a heavy social and political cost on Nepal.

On 23 August, Nepal's foreign minister Narayan Khadka told Indian ambassador Naveen Srivastava that Nepal would take a position regarding the scheme after consulting political parties and other stakeholders. But on 15 September, a Nepal foreign ministry spokesperson said that a decision on "the issue has been put on hold until the new government comes into place" after the November general election. A day earlier, Indian Army chief Gen. Manoj Pandey had said the vacancies allocated to Nepal's Gorkhas would have to be "redistributed" to others for the time being if the country does not allow the recruitment rallies before the cut-off dates.

The issue, which imposes a temporary hiatus on the recruitment of young men in Nepal who have limited attractive employment opportunities otherwise, is unlikely to be resolved easily. And the whole controversy reflects poorly on the Indian policymakers who devised the Agnipath scheme without taking into account the considerations of Nepal.

But then, insensitivity has been a hallmark of Indian policy and utterances towards its smaller neighbour. The late Sushma Swaraj, as foreign minister, spoke of India as an “elder brother” to Nepal, but for Kathmandu that would have sounded as patronizing as “big brother”. Other ministers like Rajnath Singh are fond of invoking “*roti-beti ka rishta*” with Nepal, a phrasing that seems to negate Nepal’s identity as a sovereign country. If Nepal is the same as India in every possible way, then what is its national identity? That insecurity has led to a rise in anti-India rhetoric as a nationalist trope in Nepal. New Delhi has abetted that narrative through the overbearing behaviour of some of its diplomats, who Kathmandu’s chatterati have started referring to as “Indian viceroys”. The image of India’s intelligence operatives posted in the embassy has been no better and has created an unfavourable public impression about New Delhi.

After Nepal declared itself a secular nation in its new constitution in 2015, the Modi government’s petulant response was to impose a blockade on the country, which led to a major humanitarian crisis. I was visiting Kathmandu for a conference during that period and the scenes even in the most affluent areas of the Nepali capital were not pleasant. Anger against India was near-universal in the Kathmandu Valley at that time. That pot may not be boiling at the moment, but it remains simmering. National sentiment in Nepal can bubble over and turn against India on the slightest pretext—a situation New Delhi must avoid at all costs.

With China’s shadow looming large, India also cannot afford to cede its interests in Nepal. That would require more than just a security-centric approach. New Delhi may not be able to match the hard power and deep pockets of Beijing, but India has always had its soft power as an example of a democratic country with a harmonious, plural society. India may never regain its old primacy over Nepal, and it may have to get used to a diminished role as an influential player instead of a dominant one, but retaining any attractiveness for its smaller neighbours will be very difficult if the Indian government keeps scoring self-goals like Agnipath.

Obiter dictum

It is important to understand Nepal’s dynamics with India and China, and the Indian perspective is best explained by Ranjit Rae’s [Kathmandu Dilemma: Resetting India-Nepal Ties](#). For Nepal’s ties with China, Amish Raj Mulmi’s [All Roads Lead North: Nepal’s Turn to China](#) provides an in-depth understanding. And for a more current take, in March I spoke to Kanak Mani Dixit [for a podcast](#) I host at the Centre for Policy Research.

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