



ASIA MAIOR

Vol. XXXIV / 2023

Asia in 2023: Navigating the US-China rivalry

Edited by
Michelguglielmo Torri
Filippo Boni
Diego Maiorano

viella

A large, intricate, light-colored floral or mandala-like pattern is positioned in the bottom right corner of the cover, partially overlapping the text area.

CENTRO STUDI PER I POPOLI EXTRA-EUROPEI “CESARE BONACOSSA” - UNIVERSITÀ DI PAVIA

ASIA MAIOR

The Journal of the Italian think tank on Asia founded by Giorgio Borsa in 1989

Vol. XXXIV / 2023

Asia in 2023: Navigating the US-China rivalry

Edited by
Michelguglielmo Torri
Filippo Boni
Diego Maiorano

viella

Asia Maior. The Journal of the Italian Think Tank on Asia founded by Giorgio Borsa in 1989.

Copyright © 2023 - Viella s.r.l. & Associazione Asia Maior

ISBN 979-12-5469-681-1 (Paper) ISBN 979-12-5469-682-8 (Online)

ISSN 2385-2526 (Paper) ISSN 2612-6680 (Online)

Annual journal - Vol. XXXIV, 2023

This journal is published jointly by the think tank Asia Maior (Associazione Asia Maior) & the CSPE - Centro Studi per i Popoli Extra-europei «Cesare Bonacossa», University of Pavia

Asia Maior: The Journal of the Italian Think Tank on Asia founded by Giorgio Borsa in 1989 is an open-access journal, whose issues and single articles can be freely downloaded from the think tank webpage: www.asiamaior.org.

The reference year is the one on which the analyses of the volume are focused. Each *Asia Maior* volume is always published in the year following the one indicated on the cover.

Paper version	Italy	€ 50.00	Abroad	€ 65.00
Subscription	abbonamenti@viella.it		www.viella.it	

EDITORIAL BOARD

Editor-in-chief (direttore responsabile):

Michelguglielmo Torri, University of Turin.

Co-editors:

Filippo Boni, The Open University.

Diego Maiorano, The University of Naples «L'Orientale».

Associate editors:

Axel Berkofsky, University of Pavia;

Giulio Pugliese, University of Oxford and European University Institute;

Emanuela Mangiarotti, University of Pavia;

Pierluigi Valsecchi, University of Pavia.

Consulting editors:

Elisabetta Basile, University of Rome «Sapienza»;

Kerry Brown, King's College London;

Peter Brian Ramsay Carey, Oxford University;

Rosa Caroli, University of Venice;

Jaewoo Choo, Kyung Hee University (Seoul, South Korea);

Jamie Seth Davidson, National University of Singapore;

Ritu Dewan, Indian Association for Women Studies;

Laura De Giorgi, University of Venice;

Kevin Hewison, University of North Carolina at Chapel Hill;
Lucia Husenicova, University Matej Bel (Banská Bystrica, Slovakia);
David C. Kang, Maria Crutcher Professor of International Relations, University of Southern California;
Rohit Karki, Kathmandu School of Law;
Jeff Kingston, Temple University – Japan Campus;
Mirjam Künkler, Swedish Collegium for Advanced Study – Uppsala;
Noemi Lanna, University of Naples «L'Orientale»;
James Manor, School of Advanced Studies – University of London;
Aditya Mukherjee, Jawaharlal Nehru University;
Mridula Mukherjee, Jawaharlal Nehru University;
Parimala Rao, University of Delhi;
Guido Samarani, University of Venice;
Marisa Siddivò, University of Naples «L'Orientale»;
Eswaran Sridharan, Institute for the Advanced Study of India, University of Pennsylvania;
Arun Swamy, University of Guam;
Akio Takahara, University of Tokyo;
Edsel Tupaz, Harvard University alumnus, Ateneo de Manila University and Far Eastern University;
Sten Widmalm, Uppsala University;
Ather Zia, University of Northern Colorado;

Book reviews editors:

Elena Valdameri, ETH Zürich;
Aurelio Insisa, University of Hong Kong;
Luciano Zaccara, Qatar University.

Editorial secretary:

Chiara Benini

Graphic project:

Nicola Mocchi.

Before being published in *Asia Maior*, all articles, whether commissioned or unsolicited, after being first evaluated by the Journal's editors, are then submitted to a double-blind peer review involving up to three anonymous referees. Coherently with the spirit of the double-blind peer review process, *Asia Maior* does not make public the name of the reviewers. However, the reviewers' names – and, if need be, the whole correspondence between the journal's editors and the reviewer/s – can be disclosed to interested institutions, upon a formal request made directly to the Editor in Chief of the journal.

Articles meant for publication should be sent to Michelguglielmo Torri (mg.torri@gmail.com), Filippo Boni (filippo.boni@open.ac.uk), Diego Maiorano (dmaiorano@unior.it); book reviews should be sent to Elena Valdameri (elena.valdameri@gess.ethz.ch).



ASSOCIAZIONE ASIA MAIOR

Steering Committee: Filippo Boni, Marzia Casolari, Matteo Fumagalli, Michelguglielmo Torri (President).

Scientific Board: Guido Abbattista (Università di Trieste), Domenico Amirante (Università «Federico II», Napoli), Elisabetta Basile (Università «La Sapienza», Roma), Luigi Bonanate (Università di Torino), Claudio Cecchi (Università «La Sapienza», Roma), Alessandro Colombo (Università di Milano), Anton Giulio Maria de Robertis (Università di Bari), Thierry Di Costanzo (Université de Strasbourg), Max Guderzo (Università di Siena), Giorgio Milanetti (Università «La Sapienza», Roma), Paolo Puddinu (Università di Sassari), Adriano Rossi (Università «L'Orientale», Napoli), Giuseppe Sacco (Università «Roma Tre», Roma), Guido Samarani (Università «Ca' Foscari», Venezia), Filippo Sabetti (McGill University, Montréal), Gianni Vaggi (Università di Pavia).



CSPE - Centro Studi per i Popoli extra-europei
"Cesare Bonacossa" - Università di Pavia

Steering Committee: Axel Berkofsky, Arturo Colombo, Antonio Morone, Giulia Rossolillo, Gianni Vaggi, Pierluigi Valsecchi (President), Massimo Zaccaria.



viella

libreria editrice

via delle Alpi, 32

I-00198 ROMA

tel. 06 84 17 758

fax 06 85 35 39 60

www.viella.it

NEPAL 2020-2023: FROM THE INSTITUTIONAL CRISIS
TO NEW POLITICAL PATHS

Matteo Miele

University of Florence & CSEAS, Kyoto University
matteo.miele@unifi.it

The article analyses some of the main events in Nepal between 2020 and 2023 in order to outline the political and economic framework of the Himalayan country during the pandemic and the political-institutional crisis that led to the dissolution of the Communist Party of Nepal and the return of Sher Bahadur Deuba as prime minister of the country. In fact, the institutions of the republic had to deal with the chaos triggered by the internal struggles on the communist front and in particular between K.P. Sharma Oli and Pushpa Kamal Dahal. The House of Representatives was twice dissolved and twice the dissolution was overruled by the Supreme Court. In terms of foreign policy, the question of the territory of Kalapani remained a decisive point in the long crisis with India. Oli maintained a clear pro-Chinese orientation, while Deuba's position was more open to improve the relations with India and also with the United States. The appointment of Dahal as prime minister at the end of 2022, the subsequent new break with the Marxist-Leninists and the important visit to India of the Maoist leader all seem to confirm a rapprochement with New Delhi.

KEYWORDS – Nepal; India; China; Kalapani; Belt and Road Initiative; Ukraine.

1. Introduction

The article aims to describe the political and economic scenarios of Nepal between 2020 and 2023. During these years the country was the subject of a serious political and then institutional crisis. In the period of the pandemic which also hit the Himalayan country, the internal difficulties of the Communist Party of Nepal reverberated on the institutional level with the House of Representatives dissolved twice according to procedures later defined as illegitimate by the Supreme Court. The split – which seemed definitive – between old and ailing Prime Minister K.P. Sharma Oli and the Maoist leader Pushpa Kamal Dahal paved the way for a new government, headed by Prime Minister Sher Bahadur Deuba in the summer of 2021. Deuba then led the country to the 2022 elections within an alliance that also included Dahal. The alliance won the elections, and, surprisingly, contrary to the general expectation that the position of prime minister would remain with Deuba, Dahal returned to the government as prime minister in late 2022. He was supported by almost the entire House of Representatives, including

Oli's Marxist-Leninists. In February 2023, however, the Marxist-Leninists left the coalition due to disagreements over the election of the president of the Republic.

In terms of foreign policy, these years saw the aftermath of the crisis with India related to the territory of Kalapani which even led to an amendment of the Nepalese constitution. Oli's pro-Chinese positions were not openly denied by Deuba, especially at the United Nations. Deuba, however, certainly set himself up with a more balanced policy. On 27 February 2022, the Nepalese Parliament finally ratified the Millennium Challenge Corporation's Nepal Compact and, in April 2022, Deuba went on an official visit to India. Dahal's visit to New Delhi confirmed the rapprochement with India, which strengthened cooperation between the two countries in various fields. Following the Russian invasion of Ukraine, nonetheless, Nepal openly sided with Ukraine.

Writing this article, I have relied on official reports and press releases published by the Government of Nepal or by other Nepalese, foreign or international institutions. Furthermore, Nepalese and international newspapers were also consulted.

2. Foreign policy

2.1. *The Kalapani crisis: the constitutional amendment*

The ongoing border issue with India was one of the recurring themes in the difficult definition of the relationship between Kathmandu and New Delhi [Paudyal 2013:35-48]. A border dispute around Kalapani territory [*República*,¹ 2019, 7 November; *República* 2019, 9 November; *República* 2019, 12 November; *República* 2020a, 3 January], a small region of Km² 35 between the Nepalese state of Karnali and the Indian state of Uttarakhand, had flared up again in 2019. Indeed, following the revocation of the special constitutional status of Jammu and Kashmir and the establishment of the union territory of Ladakh, the Survey of India had published a new official map of the area on 2 November 2019, which included the disputed territory as Indian [Gaha Magar 2019].² This led to a harsh condemnation by the Nepalese parliament between the end of December 2019 and the beginning of January 2020 [*República* 2020b, 3 January; *The Himalayan Times* 2019,

1. Writing this article, I have largely consulted the paper edition of *República*, therefore the dates of the articles may not coincide with those of the online edition. However, when the online edition has been consulted, it is indicated as *myRepública*.

2. To be precise, a few days after the first publication, the Survey of India published a second new map, i.e. the 9th edition [Government of India 2019]. Only, the first map indicated the Kali River. The new map traced the course of the river but did not indicate its name [Gaha Magar 2019].

24 December]. Also in January 2020, the Indian Ministry of External Affairs reaffirmed the correctness of the map [*Repubblica* 2020a, 3 January]. In June 2020, the two houses of the Nepalese parliament voted unanimously in favour of a constitutional amendment that changed the country's emblem, correcting the map it contained [Ghimire 2020, 9 June]. The new map clearly showed those areas that were disputed with India, i.e. Lipulekh, Kalapani and Limpiyadhura, as Nepali territories [*Al Jazeera Media Network* 2020, 18 June; Mohan 2020, 13 June].³

If the border issue with India reached the point of having to amend the Constitution, the reaction of Nepalese political leaders to the border problems with the People's Republic of China – as had already been the case in recent years – was decidedly more nuanced. In 1961 the Kingdom of Nepal and the People's Republic of China had signed an agreement which was to resolve border issues [GSCPRC 1961]. The agreement had come after the completion of the Chinese occupation of Tibet and the flight of the Dalai Lama to India in 1959. In recent years there have been Chinese encroachments, particularly in the district of Humla, but the Nepalese government has so far preferred to maintain a decidedly conciliatory attitude, without harsh proclamations or clear-cut positions, although this has affected the population and has been denounced by a local member of the parliament, Chakka Bahadur Lama [Giri 2020, 23 September; Giri 2021, 23 October].⁴

2.2. *Hong Kong and Xinjiang*

The pro-Chinese position of the Oli's government was also underlined in relation to Nepal's position regarding the Chinese government's crackdown on pro-democracy protests in Hong Kong. In July 2020, Nepal sided with 52 other countries in support of the Hong Kong National Security Law during the 44th session of the United Nations Human Rights Council [Albert 2020, 6 July]. In the same international forum, two years later, in October 2022, despite the prime minister being Deuba, the Nepalese representative again expressed himself in favour of the People's Republic of China by voting against the initiation of a debate on the human rights violations of the Uyghur minority in Xinjiang [*France 24/AFP* 2022, 6 October].

2.3. *Millennium Challenge Corporation's Nepal Compact*

A few months after Deuba's appointment as prime minister, on 27 February, 2022, the Nepalese parliament finally ratified the Millennium Challenge Corporation's Nepal Compact [Millennium Challenge Corporation 2022],

3. The copy of the updated constitution is available on the Nepal Law Commission website (<https://lawcommission.gov.np/>).

4. Within the framework of Sino-Nepalese relations during the Oli government, it is worth mentioning the agreement reached on the height of Everest at the end of 2020 [*Voice of America* 2020, 8 December].

i.e. a US aid of 500 million dollars to the country that had been signed in September 2017 [Millennium Challenge Corporation 2017]. Oli's Government had then postponed the issue for years. Indeed, several members of the Nepal Communist Party feared that money could be a tool to involve Nepal in the US-sponsored Indo-Pacific Strategy [Pradhan 2019, 23 December; Pradhan 2019, 22 December]. The return to government of the Nepali Congress and in particular of Deuba unblocked the situation [Millennium Challenge Corporation 2022]. The days leading up to the ratification of the compact had been characterized by violent protests in Kathmandu [Sharma 2022, 20 February].

2.4. *Deuba's visit to India*

Deuba travelled to India on 1 April 2022 for a three-day visit [Sharma Poudel 2022, 8 April]. It was his first visit abroad during his new tenure as prime minister [Sharma Poudel 2022, 8 April]. The India-Nepal Joint Vision Statement on Power Sector Cooperation was issued at the meeting with Indian Prime Minister Narendra Modi [Government of Nepal, Ministry of Energy, Water Resources and Irrigation 2022]. The text declared the willingness of both governments to strengthen cooperation in the energy sector, after Nepal had begun exporting hydroelectric energy to India in 2021 [Sharma Poudel 2022, 8 April; Sharma Poudel 2021, 27 December].

2.5. *Dahal's visits abroad*

At the end of 2023, Dahal became the new prime minister. Initially, his government was supported by almost all political parties present in parliament, but just a couple of months later the Marxist-Leninists left the majority. We will have the opportunity to talk about this more carefully in the following pages. As regards the Nepalese foreign policy during the first year of the new government, the visit to India between 31 May and 3 June 2023 should certainly be noted [Embassy of India, Kathmandu, Nepal 2023]. The meeting with Modi coincided with a clear strengthening of relations with the southern neighbour, expanding cooperation in many areas, including the energy and infrastructure sectors [Embassy of India, Kathmandu, Nepal 2023; Pandey 2023, 5 May; *The Kathmandu Post* 2023, 1 June]. The Transit Treaty – which expired in 2019 – was renewed, opening access to Indian inland waterways for Nepal [Kathuria and Srinivasan 2023; *The Wire* 2023, 1 June] and an agreement was finalized for the export of 10,000 MW of electricity to India in 10 years [Embassy of India, Kathmandu, Nepal 2023]. Indian Foreign Minister Subrahmanyam Jaishankar then signed the agreement in Kathmandu on 4 January 2024 [*The New Indian Express* 2024, 4 January]. Among the many projects announced in June, also the construction of two bridges between the two countries and an agreement on cross-border digital payments were included [Embassy of India, Kathmandu, Nepal 2023].

Dahal's visit to China, which only took place in September 2023, was interpreted by several analysts as less significant [Giri 2023, 27 September; *The Kathmandu Post* 2023, 1 October]. This visit took place within the framework of a relationship that was seen as decidedly less open and collaborative than it was in previous years with Oli [Tiwari 2023, 27 October]. In particular, Nepal decided not to join Xi Jinping's Global Security Initiative [Gupta 2023, 28 September].

2.6. *The Russian invasion to Ukraine*

The position of the Nepalese government to openly support Ukraine during the invasion unleashed by Russia in February 2022 should also be noted. This further underlines Deuba's caution in the international arena. Nepal voted in favour of different United Nations General Assembly resolutions on Russia's illegal invasion of Ukraine, i.e. ES-11/1 (2 March 2022), ES-11/2 (24 March 2022), ES-11/4 (12 October 2022). However, the government abstained from voting on the resolution ES-11/3 (7 April 2022). In South Asia, the Kingdom of Bhutan and the Maldives did the same, while India and Pakistan always abstained. Bangladesh only voted in favour of United Nations General Assembly resolutions ES-11/2 and ES-11/4 and abstained in the other two votes [United Nations, Digital Library]. On 12 October 2022, this is what the Permanent Representative of Nepal to the United Nations Amrit Bahadur Rai declared in the General Assembly: «My delegation is deeply distressed by the protracted violence and conflict in Ukraine. It has posed a serious threat to international peace and security. Nepal's position on Ukraine remains clear: The principles of sovereignty, territorial integrity, political independence and non-aggression, as enshrined in the Charter of the United Nations, are inviolable and must be fully respected by all Member States at all times. There cannot be any ifs, ands or buts. [...] Based on Nepal's long-standing principled position on the inviolability of the sovereignty, territorial integrity and political independence of all States and its unwavering respect for international law, the rules-based international system, the United Nations Charter and the values of world peace, my delegation will vote in favour of draft resolution A/ES-11/L.5 before us today» [United Nations, General Assembly 2022].

3. *Domestic policy*

3.1. *The institutional and political crisis of 2020-2021*

The strong political tensions that had shaken the Nepal Communist Party in 2019 [Mehta 2019, 20 December], were resolved in March 2021 with the dissolution of the political party. The Nepal Communist Party was born not even three years earlier, in May 2018, from the unification of the two main

forces of the Nepalese extreme left, the Communist Party of Nepal (Unified Marxist-Leninist) and the Communist Party of Nepal (Maoist Center) [*República* 2018, 18 May]. Unification was the outcome of an electoral alliance [*The Rising Nepal* 2017, 4 October] which had enabled K.P. Sharma Oli to win the election and become prime minister in February 2018. The leadership of the party had been shared between Oli and Dahal (known as Prachanda), but not so the position of prime minister, although Maoists claimed the existence of an unofficial agreement which provided for a changeover of the two politicians at the helm of the government [*República* 2019, 21 November]. However, Oli denied the existence of this kind of agreement [*República* 2019, 21 November]. The conflicts then continued the following year until they culminated in the dissolution of the House of Representatives – and not of the National Assembly – in December 2020 by the President of the republic and at the request of Oli [Adhikari & Masih 2020, 20 December]. In November, Dahal had levelled harsh accusations against Oli up to that of not having duly supervised corruption related to the management of the pandemic [Pradhan 2020, 14 November]. The choice of the head of state to dissolve the House of Representatives was therefore contested by the faction of Dahal and his ally, the former Marxist-Leninist Prime Minister Madhav Kumar Nepal [*The Kathmandu Post* 2020, 20 December]. The two thus sanctioned a de facto split, redefining the leadership and the basic dual structure (Marxist-Leninist and Maoist) of the Nepal Communist Party around themselves [*The Kathmandu Post* 2020, 22 December]. However, the dissolution of the House of Representatives was overturned by the Supreme Court on 24 February 2021 [Pradhan & Giri 2021, 24 February]. In fact, the judges disputed the reasons that Oli had provided to request the dissolution and decreed the unconstitutionality of the choice [Pradhan & Giri 2021, 24 February].

A few days later, on 7 March 2021, the Nepal Communist Party was formally dissolved following another decision of the Supreme Court which cancelled the registration of the party itself in 2018, since it had essentially the same name of a small political party previously founded and registered [Pradhan 2021, 7 March; Ghimire 2021, 8 March]. The political crisis that had accompanied the pandemic was finally to lead to Oli's defeat in parliament, in the vote of confidence in the House of Representatives on 10 May 2021 [*Nikkei Asia* 2021, 7 March]. Only 93 votes against 124 [*Nikkei Asia* 2021, 7 March]. In any case, on 13 May, Oli was reappointed prime minister, as no alternative majority had been found in parliament and with the Communist Party of Nepal (Unified Marxist-Leninist) being the leading party by number of seats [*France24* 2021, 14 May; *The Himalayan Times* 2021, 15 May].

The institutional situation in the young Himalayan republic became even more problematic when the week following the inauguration of the new government, the House of Representatives was again dissolved by the

President again at the request of Oli [Giri *et al.* 2021, 22 May]. In early June, Oli twice increased the number of ministers in his government [Giri 2021, 11 June]. At his side, there were also some exponents of the Janata Samajbadi Party, including in particular the faction of Mahanta Thakur. The Janata Samajbadi Party was born in April 2020 from the unification of the Samajbadi Party Nepal and Rastriya Janata Party Nepal [Pradhan 2020, 9 July; Pradhan 2020, 23 April]. The new political scenario, however, led to a new split, formalized in August with the formation of the Loktantrik Samajbadi Party Nepal by Thakur [*The Kathmandu Post* 2021, 20 August]. Against this backdrop, two new decisions of the Supreme Court put a definitive end to these last attempts by Oli to remain at the centre of the Nepalese political panorama. On 22 June 2021, not even two weeks after the second appointment of the new ministers, the Supreme Court in fact declared the new appointments of ministers illegitimate [*The Kathmandu Post* 2021, 22 June]. According to the judges, in fact, the appointments violated article 77, section 3, of the Nepalese Constitution [*The Kathmandu Post* 2021, 22 June].⁵ The following month, on July 12, the Supreme Court intervened again to annul the dissolution of the House of Representatives. This time the judges also ordered the appointment of Sher Bahadur Deuba as the new prime minister [*Nikkei Asia* 2021, 12 July]. The following day, the old leader of the Nepali Congress was sworn in as head of government for the fifth time [*The Times of India* 2021, 13 July].

The Congress thus returned to the guide of Nepal after more than three years of opposition which had seen it in serious political difficulty. The 2017 elections, despite an excellent result in the proportional share, had marked a tough defeat for the Nepali Congress in the single-member seats. The vote had relegated Deuba to the opposition of a government that had managed to control two-thirds of parliament in June 2018. This had meant for Oli the possibility of changing the constitution with his parliamentary majority alone [Koirala 2018, 2 June]. The ruinous management of the pandemic, the never-silent internal conflicts and finally the clumsy, if not wicked, management of the institutional crisis were all factors that favoured Deuba's return to power, with the support of Dahal and Madhav Kumar Nepal [Ghimire 2021, 18 July; *The Himalayan Times* 2021, 18 July].

3.2. *The 2022 elections*

The general election was finally held on 20 November 2022 [*The Times of India* 2021, 13 July; Sharma 2022, 20 November]. The Nepalese Parliament

5. According to Article 73(3) of the Constitution: «In case the office of Prime Minister falls vacant pursuant to clause (1), the same Council of Ministers shall continue to act until another Council of Ministers is constituted». For the text of the Constitution of Nepal, I have relied on the English translation available on the website of the Nepal Law Commission (<https://lawcommission.gov.np/>).

consists of a lower house (the House of Representatives) and an upper house (the National Assembly). 165 of the 275 members of the House of Representatives are elected under the first-past-the-post electoral system. The remaining 110 members are instead elected with a proportional system on a national basis (article 84 section 1 of the Constitution). For the proportional share, the electoral law provides for a threshold of 3% [Giri 2021, 26 August; *The Kathmandu Post* 2021, 29 August]. The upper house, on the other hand, is made up of 59 members elected by the federated states (56) or appointed by the President of the Republic on a proposal from the government (article 85 clause 1 of the Constitution). The members of the National Assembly have a term of six years, but they are renewed by a third every two years (article 86 section 3).

The governing coalition therefore decided in August 2022 to also form an electoral alliance [*The Kathmandu Post* 2022, 5 August]. Alongside the Nepali Congress there was therefore the Communist Party of Nepal (Maoist Centre) of Dahal, the Communist Party of Nepal (Unified Socialist) founded in August 2021 by Madhav Kumar Nepal [*Online Khabar* 2022, 7 December], the Janata Samajbadi Party and the Rastriya Janamorchha [*The Kathmandu Post* 2022, 5 August]. Later, the Loktantrik Samajwadi Party, Nepal also joined the coalition [*myRepubblica* 2022, 9 October].

The Nepali Congress won 57 seats in the majority share and got over 2.7 million votes in the proportional share [Election Commission, Nepal]. The main opponent of the governing coalition was obviously the Communist Party of Nepal (Unified Marxist-Leninist) which obtained the most votes (about 2.8 million), but only 44 seats in the majority share [Election Commission, Nepal]. The third party by number of votes and seats was the Communist Party of Nepal (Maoist Centre): 18 seats in the constituencies and about 1.8 million votes [Election Commission, Nepal]. The Rastriya Swatantra Party instead obtained 7 single-member seats and over 1.1 million votes, making it the fourth largest party in the country [Election Commission, Nepal]. More single-member seats (10) were instead obtained by the Communist Party of Nepal (Unified Socialist), which however obtained only slightly less than 300,000 votes [Election Commission, Nepal], thus not exceeding the threshold of 3% [*Online Khabar* 2022, 7 December]. The monarchist Rastriya Prajatantra Party instead obtained around 589,000 votes and 7 single-member seats [Election Commission, Nepal]. With the distribution of proportional seats, the Nepali Congress won another 32 seats and the Communist Party of Nepal (Unified Marxist-Leninist) won another 34 [*Online Khabar* 2022, 7 December]. The Communist Party of Nepal (Maoist Centre) won 14 seats in the proportional quota, only one more than the Rastriya Swatantra Party [*Online Khabar* 2022, 7 December]. Another 7 seats went to the Rastriya Prajatantra Party and five seats each to the Janata Samajbadi Party and the Janamat Party [*Online Khabar* 2022, 7 December], both with around 4 million votes [Election Commission, Nepal].

A twist, however, among the many that now characterize Nepalese political life, came during the negotiations for the formation of the new government. In fact, Dahal, instead of continuing to support Deuba, sided again with Oli the month following the elections, thus managing to regain the position of prime minister for the third time [Ghimire 2022, 27 December]. Dahal was sworn in as the new prime minister of Nepal on 26 December 2022 [Ghimire 2022, 27 December]. Then, on 10 January 2023, Dahal obtained the almost unanimous support in the House of Representatives (268 votes out of 275) [*myRepública* 2023, 10 January].

3.3. *The election of the president of Nepal*

The broad support obtained by Dahal in parliament, with an almost unanimous vote in the House of Representatives, rapidly decreased in the following weeks. The alliance with the Communist Party of Nepal (Unified Marxist-Leninist) broke down again in February, during discussions relating to the election of the president and vice-president of Nepal [*The Economic Times* 2023, 27 February]. The candidate of the Nepali Congress, Ram Chandra Poudel, was elected on 9 March 2023, obtaining almost 34,000 votes from a 52,628-member constituency, clearly defeating Subas Nembang of the Communist Party of Nepal (Unified Marxist-Leninist), who did not even reach 16,000 votes [Khatiwada 2023, 9 March]. A few days later Ramsahaya Prasad Yadav of the Janata Samajbadi Party (JSP) was elected vice-president, with more than 30,000 votes [*myRepública* 2023, 17 March].

The rift between Oli and Dahal severely reduced the large majority in the House of Representatives and, on 20 March, in the vote of confidence the government obtained only 172 votes. In particular, in addition to the Communist Party of Nepal (Unified Marxist-Leninist), the Rastriya Prajatantra Party also abandoned the government coalition [*The Kathmandu Post* 2023, 20 March].

3.4. *Protests for the return to the monarchy*

Before presenting a general picture of the COVID-19 pandemic in Nepal, it is necessary to point out, on a domestic political level but with clear results in foreign policy, the important protests that took place at the end of 2023 with the request for a return to monarchy and the reestablishment of the Hindu state. The protests began in November 2023 and involved thousands of people [Das 2023, 27 November; Rijal 2023, 22 December]. The most significant political result was the opening of an internal debate within the Nepali Congress [Giri 2023, 28 November]. Deuba, although against the return of the king to the throne, opened up the possibility of re-discussing the issue of secularism [Giri 2023, 28 November].

3.5. *The pandemic crisis*

Nepal was hard hit by the COVID-19 pandemic. By October 2022, confirmed cases had now exceeded one million and over 12,000 deaths [World Health Organization]. There were three strongest waves. The first was in autumn 2020, in particular between the beginning of October and the end of November, when, in a single day (October 21), 5,743 cases were recorded [World Health Organization]. Even more serious was the second wave, in the spring of 2021, when for several days 8,000 to 9,000 cases were recorded in May [World Health Organization]. On 19 May, the recorded deaths were over 246, 50 more than the previous day [World Health Organization]. It was undoubtedly the most critical moment for the country which, as seen, in those days was going through one of the most confused and convulsive moments of the political crisis. Finally, the third and most critical wave occurred in January 2022, when over 10,000 cases were recorded on the 20 of that same month [World Health Organization]. The number of deaths, nonetheless, was decidedly lower, as, by that time the country was accelerating on vaccinations [Karki 2022]. On 30 January, the peak of deaths of the third wave was recorded (32) [World Health Organization]. Also in January 2021, Foreign Minister Gyawali visited New Delhi with the aim of obtaining vaccines produced in India [*The Hindustan Times* 2021, 14 January]. A new call for help came in April 2021, when Gyawali telephoned his counterpart Subrahmanyam Jaishankar. The press release of the Nepali Ministry of Foreign Affairs stated: «The Foreign Minister Gyawali expressed sincere thanks to the Government of India for supporting Nepal in its fight against the COVID-19 pandemic, including through the generous gift of one million doses of COVISHIELD. He requested the External Affairs Minister of India for necessary facilitation for the supply of vaccines for Nepal to continue administering the second dose of vaccination for people at highest risk» [Government of Nepal, Ministry of Foreign Affairs 2021]. In January 2022, the doses donated by European countries (in particular Germany, France and Italy) reached 5.4 million [Delegation of the European Union to Nepal 2022]. In June 2022, the United States donated 2.2 million doses of paediatric vaccines to Nepal, after already supplying the country with 2.26 million doses of Pfizer vaccine and 1.5 million doses of Johnson & Johnson vaccine [U.S. Embassy in Nepal 2022]. About four million doses of vaccines were donated, in several shipments, also by the People's Republic of China [*The Kathmandu Post* 2022, 29 March]. However, since these doses were officially considered to have a longer term than vaccines produced in India or in the West, they had not yet been used in December 2022 and their actual future use remains in doubt [*The Kathmandu Post* 2022, 4 December]. As of September 2022, the country had already received over 61 million doses of vaccines and vaccinated over 22 million inhabitants (76.5 of the total population) with at least two doses [Government of Nepal, Ministry of Health and Population]. About 9.5 million doses had arrived from India [*The Indian Express* 2022, 27 September].

4. *The economic scenario*

The pandemic crisis also represented a severe economic breakdown for Nepal: GDP growth, which in 2019 stood at 6.7%, collapsed to -2.4% in 2020, and then recovered to 4.8% in 2021 [The World Bank]. 2022 saw a further GDP growth of 5.6% [The World Bank]. The unemployment rate had risen from 10.6% (2019) to 13.1% (2020) [The World Bank], coinciding with the most difficult moment of the pandemic. The following year it dropped to 12.2% and then continued to drop in 2022 to 11.1% [The World Bank]. GDP per capita went from US\$ 1,185.7 (2019) to US\$ 1,139.2 (2020) and then went back up to US\$ 1,229.4 in 2021 and to US\$ 1,336.5 in 2022 [The World Bank]. The country's total reserves, which had risen again to US\$ 8.71 billion in 2019 and to US\$ 11.47 billion in 2020, fell considerably in 2021 to US\$ 9.64 billion and to US\$ 9.32 billion in 2022 [The World Bank]. On the currency front, 1 US dollar was traded at around 114 Nepalese rupees on 1 January 2020. A year earlier it was traded at around 111 Nepalese rupees [Nepal Rastra Bank-Central Bank of Nepal]. By the end of December 2023, 1 US dollar had instead risen to around 133 Nepalese rupees [Nepal Rastra Bank-Central Bank of Nepal]. According to data from the Nepal Rastra Bank, in the fiscal year 2022/2023, the average consumer price inflation reached 7.74%, against 6.32% of the previous year [Nepal Rastra Bank, Economic Research Department: 2]. Between 2015 and 2020, average inflation in Nepal was 6.1% [Government of Nepal, Ministry of Finance 2021: 5].

In terms of international trade, in the fiscal year 2022/2023, imports decreased by 16.1%, while exports decreased by 21.4% [Nepal Rastra Bank, Economic Research Department: 3]. On the contrary, the previous year imports had grown by 41.7% and exports by 24.7% [Nepal Rastra Bank, Economic Research Department: 3]. Specifically, in the fiscal year 2022/2023, the imports amounted to NPR 1611.73 billion and exports at NPR 157.14 billion [Nepal Rastra Bank, Economic Research Department: 3]. Exports to India fell by 31.3 percent [Nepal Rastra Bank, Economic Research Department: 3]. Exports to other countries, excluding China, also increased by 10.7% [Nepal Rastra Bank, Economic Research Department: 3]. Exports to the People's Republic of China increased by 118.3%. In contrast, Chinese imports to Nepal decreased by 15.9% [Nepal Rastra Bank, Economic Research Department: 3]. This figure is slightly higher than the decrease in Indian imports (14.4%) [Nepal Rastra Bank, Economic Research Department: 3].

5. *Conclusion*

As we have had the opportunity to point out in this article, the Nepalese political system, during the period under review, was still experiencing enor-

mous contradictions almost twenty years after the birth of the Republic. Nepalese domestic politics had been monopolized for years by Oli, Dahal and Deuba. The irresponsibility that characterized a large part of the Nepalese political class since the early years of the proclamation of the Republic had somehow congealed around the human and political events of these three leaders. The political class that essentially was the same that wrote the constitution found itself at the mercy of repeated constitutional crises that undermined the legitimacy of the institutions. The constitutional procedures were folded in order to resolve the internal struggle of the Nepal Communist Party. Fractures and old and new alliances marked these years until the incredible post-election agreement that allowed Dahal to return to occupy the seat of Prime Minister. Domestic political instability has in some ways been reflected in Nepali foreign policy. The country has been trying to define its new international role for many years. This reassessment has been carried out by the different prime ministers with different objectives and perspectives in the framework of relations with India and China. As seen, Deuba, distancing himself from the more blatant pro-Chinese position of his predecessor Oli, tried to rebalance the country towards India and the West, in particular the United States of America. Nepal's position in support of Ukraine at the United Nations was also underlined in this article. The government chaired by Dahal and supported by Deuba also showed itself to be particularly oriented towards cooperation with India. Dahal's visit to New Delhi led to important agreements and projects, which strengthened cooperation between the two countries.

BIBLIOGRAPHY

- Al Jazeera Media Network, 2020, 18 June, 'Nepal Parliament approves new map that includes land India claims'.
- Albert, Eleanor, 2020, 'Which Countries Support the New Hong Kong National Security Law?', *The Diplomat*, 6 July.
- Delegation of the European Union to Nepal, 2022, *Team Europe Press release: 1.3 million COVID vaccines donated by France and Italy through COVAX arrive in Nepal today*, 26 January (<https://np.usembassy.gov/u-s-donates-2-2-million-doses-of-pediatric-covid-19-vaccines-to-nepal/>).
- Das, Sumidhi, 2023, 'Nepal police clash with pro-monarchy protesters', *JURIST Legal News & Commentary*, 27 November (<https://www.jurist.org/news/2023/11/nepal-police-clash-with-pro-monarchy-protesters-on-15th-anniversary-of-abolition/>).
- Election Commission, Nepal (<https://election.gov.np/>).
- Embassy of India, Kathmandu, Nepal, 2023, 'Visit of Prime Minister of Nepal Rt Hon'ble Mr. Pushpa Kamal Dahal 'Prachanda' to India', 2 June (https://www.indembkathmandu.gov.in/news_letter_detail/?id=351).

- France 24/AFP, 2022, 6 October, 'UN Human Rights Council rejects debate on Xinjiang'.
- France24, 2021, 14 May, 'Ousted Nepal PM Oli reappointed'.
- Gaha Magar, Santa, 2019, 'India issues new political map yet again, this time removing Kali', *OnlineKhabar*, 21 November.
- Ghimire, Binod, 2020, 'Lower House unanimously endorses proposal to consider amendment to constitution to update new Nepal map in national emblem', *The Kathmandu Post*, 9 June.
- Ghimire, Binod, 2021, 'Deuba wins vote of confidence in the reinstated House', *The Kathmandu Post*, 18 July.
- Ghimire, Yubaraj, 2021, 'Nepal top court quashes 2018 formation of ruling Nepal Communist Party', *The Indian Express*, 8 March.
- Ghimire, Yubaraj, 2022, 'Pushpa Kamal Dahal 'Prachanda' takes oath as Nepal's new Prime Minister', *The Indian Express*, 27 December.
- Giri, Anil, Tika R. Pradhan, & Binod Ghimire, 2021, 'In a midnight drama, Nepal President dissolves House and calls polls for November 12 and 19', *The Kathmandu Post*, 22 May.
- Giri, Anil, 2020, 'A missing border pillar in Humla creates row between Nepal and China', *The Kathmandu Post*, 23 September.
- Giri, Anil, 2021, 'Nepal's communist movement takes yet another turn', *The Kathmandu Post*, 26 August.
- Giri, Anil, 2021, 'While he has yet to clarify his June 4 Cabinet expansion, Oli does it again', *The Kathmandu Post*, 11 June.
- Giri, Anil, 2021, 'Study panel says «there are issues» along Nepal-China border in Humla', *The Kathmandu Post*, 23 October.
- Giri, Anil, 2023, 'PM's visit: No breakthrough, no notable gains, say observers', *The Kathmandu Post*, 27 September.
- Giri, Anil, 2023, 'Congress open to debating secularism within the party', *The Kathmandu Post*, 28 November.
- Gupta, Rishi, 2023, 'Tibet, BRI Top Agenda During Nepali PM's Visit to China', *The Diplomat*, 28 September.
- Government of India, Survey of India, 2019, Political Map Of India, Published under the direction of Lt General Girish Kumar, VSM, English 9th Edition/2019 (<http://www.surveyofindia.gov.in/pages/display/235-political-map-of-india>).
- Government of Nepal, Ministry of Energy, Water Resources and Irrigation 2022, India-Nepal Joint Vision Statement on Power Sector Cooperation, 2 April, (<https://www.moewri.gov.np/pages/notices?lan=en&id=402>).
- Government of Nepal, Ministry of Finance 2021, Economic Survey 2020/2021 (Unofficial Translation).
- Government of Nepal, Ministry of Foreign Affairs, 2021, Press Release on the Foreign Minister of Nepal and India having telephone conversation, 9 April (<https://mofa.gov.np/press-release-on-the-foreign-minister-of-nepal-and-india-having-telephone-conversation/>).
- Government of Nepal, Ministry of Health and Population (<https://covid19.mohp.gov.np/>).
- [GSCPRC 1961] 中华人民共和国国务院公报 (Gazette of the State Council of the People's Republic of China), 1961, 14 October, 中华人民共和国和尼泊尔王国边界条约 (Border Treaty between the People's Republic of China and the Kingdom of Nepal), n. 14 (total number 244): 262-267.

- Karki, Chhatra, 2022, 'Vaccine mandate drastically increases vaccination rate in Nepal', *Gavi*, 17 February (<https://www.gavi.org/vaccineswork/vaccine-mandate-dramatically-increases-vaccination-rate-nepal>).
- Kathuria, Sanjay, and T.G. Srinivasan, 2023, 'Nepal-India Transit Trade Ties Can Unlock Economic Opportunities, Cross-Border Collaborations', *The Wire*, 8 September.
- Khatiwada, Nishan, 2023, 'Ram Chandra Paudel is new President', *The Kathmandu Post*, 9 March.
- Koirala, Kosh Raj, 2018, 'With FSFN on board, Oli govt has two-thirds majority', *Repubblica*, 2 June.
- Mehta, Ashok K., 2019, 'An unstable Nepal', *The Pioneer*, 20 December.
- Millennium Challenge Corporation, 2017, 14 September, 'U.S. and Nepal Sign \$500 Million Compact' (<https://www.mcc.gov/news-and-events/release/release-091417-nepal-signing-event>).
- Millennium Challenge Corporation, 2022, 01 March, 'MCC Statement on Nepal Compact Ratification' (<https://www.mcc.gov/news-and-events/release/stmt-030122-nepal-compact-ratification>).
- Mohan, Geeta, 2020, 'Nepal Parliament passes new map including disputed Indian territory', *India Today*, 13 June.
- myRepublika, 2022, 9 October, 'Ruling coalition allocates seven seats to Loktantrik Samajwadi Party'.
- myRepublika, 2023, 10 January, 'Breaking: PM Dahal wins vote of confidence, garners 268 votes'.
- myRepublika, 2023, 17 March, 'Yadav elected as Nepal's new Vice President'.
- Nepal Law Commission (<https://lawcommission.gov.np/>).
- Nepal Rastra Bank-Central Bank of Nepal (<https://www.nrb.org.np/>).
- Nepal Rastra Bank, Economic Research Department, Baluwater, Kathmandu, Current Macroeconomic and Financial Situation of Nepal (Based on Annual Data of 2022/23), (<https://www.nrb.org.np/contents/uploads/2023/08/Current-Macroeconomic-and-Financial-Situation-English-Based-on-Annual-data-of-2022.23.pdf>).
- Nikkei Asia, 2021, 12 July, 'Nepal's supreme court orders appointment of new PM'.
- Nikkei Asia, 2021, 7 March, 'Nepal PM loses confidence vote amid surging coronavirus'.
- Online Khabar, 2022, 7 December, 'Proportional representation votes counted, 7 parties become national parties'.
- Pandey, Lekhanath, 2023, 'Nepal, India strike cross-border infrastructure deals', *Deutsche Welle (DW)*, 5 May.
- Paudyal, Gyanendra, 2013, 'Border Dispute between Nepal and India', *Researcher: A Research Journal of Culture and Society*, Vol. I, No. II, July-December 2013: 35-48.
- Pradhan, Tika R., & Anil Giri, 2021 'House reinstated', *The Kathmandu Post*, 24 February.
- Pradhan, Tika R., 2019, 'Ruling party members ask leadership to seek clarity on MCC compact from the US', *The Kathmandu Post*, 22 December.
- Pradhan, Tika R., 2019, 'Nepal Communist Party standing committee meet shelves issues for central committee', *The Kathmandu Post*, 23 December.
- Pradhan, Tika R., 2020, 'Samajbadi Party and Rastriya Janata Party sign midnight deal to merge parties', *The Kathmandu Post*, 23 April.

- Pradhan, Tika R., 2020, 'Janata Samajbadi Party registered at Election Commission', *The Kathmandu Post*, 9 July.
- Pradhan, Tika R., 2020 'At Secretariat meet, Dahal asks Oli to 'sacrifice' for saving party and republic', *The Kathmandu Post*, 14 November.
- Pradhan, Tika R., 2021 'Supreme Court awards Nepal Communist Party to Rishiram Kattel', *The Kathmandu Post*, 7 March.
- Rijal, Pratistha, 2023, 'Disillusionment with democracy in Nepal', ORF: Observer Research Foundation, 22 December (<https://www.orfonline.org/expert-speak/disillusionment-with-democracy-in-nepal>).
- República, 2018, 18 May, 'UML, Maoist Center merge to form Nepal Communist Party'.
- República, 2019, 7 November, 'Unilateral move to alter border demarcation not acceptable: Nepal'.
- República, 2019, 9 November, 'Amid growing protest over Kalapani map PM calls all-party meet'.
- República, 2019, 12 November, 'Govt working to retrieve encroached territories: PM Oli'.
- República, 2019, 21 November, 'Oli seals five years full, Dahal gets face-saver under revised deal'.
- República, 2020a, 3 January, 'India reiterates its stance on border issue'.
- República, 2020b, 3 January, 'Upper House endorses resolution to reclaim Nepali territory'.
- Adhikari, Ankit, and Niha Masih, 'Nepal's parliament dissolved amid power struggle in the ruling party', *The Washington Post*, 20 December.
- Sharma Poudel, Santosh, 2021, 'Nepal Begins Hydropower Export to India', *The Diplomat*, 27 December.
- Sharma Poudel, Santosh, 2022, 'Deuba's India Visit Arrests Drift in India-Nepal Relations', *The Diplomat*, 8 April.
- Sharma, Gopal, 2022, 'Nepal police fire tear gas, water cannon to disperse protest over U.S. 'gift'', *Reuters*, 20 February.
- Sharma, Gopal, 2022, 'Nepalis cast their votes for a new government to revive economy', *Reuters*, 20 November.
- The Economic Times, 2023, 27 February, 'Former Nepal PM Oli's party to withdraw support to Prachanda-led government in Nepal'.
- The Himalayan Times, 2019, 24 December, 'Lawmakers seek govt reply on Gokarna resort, Kalapani'.
- The Himalayan Times, 2021, 15 May, 'Oli sworn in as prime minister'.
- The Himalayan Times, 2021, 18 July, 'PM Sher Bahadur Deuba wins trust vote in House of Representatives, secures 165 votes'.
- The Hindustan Times, 2021, 14 January, 'Nepal foreign minister Gyawali in New Delhi to discuss Covid-19 cooperation, boundary issue'.
- The Indian Express, 2022, 27 September, 'At UNGA, Bhutan, Nepal express gratitude for India's supply of COVID-19 vaccines'.
- The Kathmandu Post, 2020, 20 December, 'Seven ministers, all from the Dahal-Nepal faction in ruling party, resign'.
- The Kathmandu Post, 2020, 22 December, 'Nepal selected new Nepal Communist Party chair to replace Oli'.
- The Kathmandu Post, 2021, 22 June, 'Supreme Court quashes appointment of 20 ministers'.

The Kathmandu Post, 2021, 20 August, 'Thakur group proposes name of the new party as Loktrantrik Samajbadi Party Nepal'.

The Kathmandu Post, 2021, 29 August, 'Madhav Nepal elected Parliamentary Party leader of CPN (Unified Socialist)'.

The Kathmandu Post, 2022, 29 March, 'Nepal receives over 556,640 doses of Sino-vac-CoronaVac Covid-19 vaccine'.

The Kathmandu Post, 2022, 5 August, 'Ruling coalition agrees to go to polls jointly under electoral alliance'.

The Kathmandu Post, 2022, 4 December, 'Four million doses of China-donated vaccines may never be used'.

The Kathmandu Post, 2023, 20 March, 'Prime Minister Dahal secures vote of confidence for second time in three months'.

The Kathmandu Post, 2023, 1 June, 'Nepal, India sign long-term energy deal, agreement on digital payment'.

The Kathmandu Post, 2023, 1 October, 'Back from Beijing, Dahal has nothing to show for Belt and Road plans'.

The New Indian Express, 2024, 4 January, 'Nepal, India sign long-term power agreement'.

The Rising Nepal, 2017, 4 October, 'UML, MC, Naya Shakti announce poll alliance'.

The Times of India, 2021, 13 July, 'Sher Bahadur Deuba takes oath as Nepal's Prime Minister for record 5th time; ceremony delayed'.

The Wire, 2023, 1 June, 'Nepal, India Renew Transit Treaty, Sign Deals in Energy, Connectivity'.

The World Bank, 'Nepal' (<https://data.worldbank.org/country/nepal>).

Tiwari, Ankit, 2023, 'The BRI Has Failed in Nepal: Prime Minister Dahal's Visit Confirms It', *The Diplomat*, 27 October.

U.S. Embassy in Nepal, 2022, U.S. Donates 2.2 Million Doses of Pediatric COVID-19 Vaccines to Nepal, 19 June (<https://np.usembassy.gov/u-s-donates-2-2-million-doses-of-pediatric-covid-19-vaccines-to-nepal/>).

United Nations, Digital Library (<https://digitallibrary.un.org/>).

United Nations, General Assembly, 2022, Eleventh Emergency Special session, 14th plenary meeting, Official Records, A/ES-11/PV.14, 12 October.

Voice of America, 2020, 8 December, 'China, Nepal Agree on Mt. Everest's Height'.

World Health Organization (<https://www.who.int/>).