

Perceiving Nepal as a Small Power

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Letter of Recommendation

I certify that this dissertation entitled "Perceiving Nepal as a Small Power" has been prepared by Samir Kiran Karki under my supervision. I hereby recommend this dissertation for final examination by the research committee at the Department of International Relations and Diplomacy, Faculty of Humanities and Social Sciences, Tribhuvan University in the fulfillment of the requirements for MIRD 526 Thesis for the Master's Degree in International Relations and Diplomacy.

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Samir Kiran Karki

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Abstract

This study discusses ways to perceive Nepal as a small power. To fulfill the same objective it explores the different aspects of small powers, and its characteristics. In order to perceive Nepal as a small power, and not a small state, this study explores Nepal's capabilities through the lens of small power theory. This study begins by discussing about power, small states, distinguish small states from small power, defines small powers conceptually and finally discusses how Nepal can be perceived as a small power. Then, the study discusses the challenges of Nepal as a small power, and concurrently explores the prospects of Nepal as a small power.

This study identifies the research gap that there is no literature available on Nepal as a small power. To fulfill the same gap, this study aims to study Nepal as a small power or perceive Nepal as a small power. Some literatures have been produced on Nepal as a small state but, there is the lack of literature on Nepal as a small power. Thus this study aims to contribute on the literature or discourse regarding Nepal as a small power.

Hence, this study tries to establish or perceive Nepal as a small power by discussing the challenges or weaknesses of Nepal and exploring the prospects of Nepal as a small power and finally tries to seek some ideas from some developed small powers and successful states.

Keywords: Small Power, Small State, Nepal

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List of Abbreviations

SAARC South Asian Association for Regional Cooperation

BIMSTEC Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation

UN United Nations

NAM Non Aligned Movement

BRIBelt and Road Initiative

WTO World Trade Organization

OPEC Organization of the Petroleum Exporting Countries

ASEAN Association of South East Asian Nations

PKO Peace Keeping Organization

OBOR One Belt One Road

GDP Gross Domestic Product

APEC Asia-Pacific Economic Cooperation

US United States

R&D Research and Development

OECD Organisation for Economic Co-operation and Development

IAEA International Atomic Energy Agency

UNIDO United Nations Industrial Development Organisation

FDI Foreign Direct Investment

CHAPTER ONE-INTRODUCTION

1.1 Background

Nepal appears small in comparison to India and China, but looks large compared with Bhutan and Maldives. Singapore looks small in comparison to China, India and Indonesia, but appears large compared with Fiji. Size is commonly related with capability and influence in the literature of International Relations and World Politics where big size is associated with power and small size is perceived as a hindrance for state's performance and also for the existence of the state (Browning, 2006, p.669).

The number of states kept on rising because of the break-up of the Hapsburg Empire in 1919, then of the British, French and other European Empires through decolonization in the 1950s and 1960s and of the Soviet Union in 1960s (Neumann and Gstohl, 2004, p.4). In purely numerical terms, the world is a world of small nations. Some of these states are islands, some are archipelagos and some are enclaves. The states are scattered in all parts of the world. Small powers are diverse with varying sizes, populations, economies and natural resources. They also vary in the vulnerabilities they face. The small powers include some of the most and least developed nations in the world, resource-rich and resource-scarce countries and also both island and land locked states. The Majority of small nations are members of the Common Wealth. Small states make up the majority of United Nations member states (Súilleabháin, 2014, p.1). Most of the literature recognizes that relative distinctions are important, but nevertheless uses absolute indicators to identify or define small states or powers. Population, area and the size of economy are usually the main criterion. There is no common definition of a small power (Maass, 2009, p.65). It is almost a vague concept. There are different definitions and concepts about small powers.

Saying that small powers have distinct characteristics, they are different than large powers due to their small geographical size, population and economy, thus they have different problems and opportunities than big powers. Although they are more vulnerable to external shocks and pressures especially from great powers, they try to address them strategically. Despite they have little influence on events outside their frontiers multilateralism and International Organizations are their strength. They may have less military power and have less room for choice in decision making process at the international system. They are characterized by a small population, limited human capital and a confined land area.

Small powers or states sometimes may also be viewed as weak states, but it is not so as we can see the examples of Israel, Singapore, Cuba, North Korea, South Korea, Switzerland, Luxemburg, Austria, and many more. Due to highly advanced technology and complex globalization the world has become like a small village where states are interconnected and interdependent in a complex manner. So are small powers, but this phenomena of globalization, free trade, liberal markets and international institutions have posed new challenges and threats for small powers. Small powers have to challenge or keep up with big powers in the present scenario which has created immense pressure on them resulting in both positive and negative aspects and outcomes. Some are better equipped with the scenario and are making prosperity while some are still trying, on the other hand some have failed to do so and are in the verge of becoming a failed state.

So we can say that Globalization and advancement in technology and other phenomena have created new threats and challenges to small powers whereas new possibilities and hopes also. So the study tries to discuss both the opportunities and the challenges faced by small powers in the present context or scenario in the context of Nepal.

1.2 Statement of the Problem

Some literatures have been produced on Nepal as a small state. But, there is the lack of literature on Nepal as a small power. Thus, this study aims to view or perceive Nepal as a small power.

Nepal is a small power situated between two big countries India to its southern border and China to its northern border. Both of its two immediate neighbors are big in size or area, economy, military might and population. So compared to India and China Nepal has a very small area, population and military might. Thus Nepal is considered a small power due to the sizes of its two immediate neighbors India and China which are relatively bigger. Her presence in international arena is almost negligible compared to them. She has to depend upon her immediate neighbors for her development. All the basic goods and utilities that are required for survival of a state are imported from India like gas, petroleum products, medicines, machineries, etc. Thus Nepal is highly dependent upon India for her survival.

Due to the present scenarios like globalization, free trade and free markets also Nepal has faced new challenges and opportunities. Hence, this study tries to establish Nepal as a small power and not a small state and identify the opportunities and the challenges of Nepal as a small power.

Also this study will try to compare Nepal as a small power with the other developed or successful small powers like Austria, Switzerland, Norway and Botswana and try to find out some learnings or suggestions from them which can be applied in the case of Nepal.

1.3 Objectives of the Study

- i. To perceive Nepal as a small power going beyond the conventional characterization of small state;
- ii. To find out the challenges and limitations faced by Nepal as a small power;

iii. To understand and analyze the prospects and opportunities that a small power can have or practice in context of Nepal;

iv. To find appropriate lessons and ideas that Nepal as a small power can have from the other developed or successful small powers;

1.4 Research Questions

i. What are the challenges and weaknesses of a small power in the context to Nepal?

ii. What are the prospects and the opportunities a small power can have or exercise in the context to Nepal?

iii. What lessons can Nepal learn from the other developed small powers?

1.5 Delimitations

This paper will not study about all the small powers present in today's world but will try to focus only on Nepal as a small power. The paper tries to explore basically the challenges and problems of a small power at the one hand and the prospects and opportunities at the other hand in the context of Nepal. The study cannot cover each and every aspects of small powers so it only tries to identify the positive aspects and the negative aspects of small powers in the context to Nepal. It has other limitations like limitation of time and availability of adequate literature at the given point of time.

1.6 Significance of the Study

This study tries to perceive Nepal as a small power. By studying and discussing different facts and data we may come to the conclusion whether Nepal is really a small power or a small state. By proving the fact that Nepal is a small power we can get rid of the belief that Nepal is a small state. This may boost our confidence as Nepalese and we may start looking Nepal as more stronger and more competitive than before and get rid of the guilt feeling that Nepal is a small

and weak state lying in between the two big powers India and China and is very vulnerable to those two big powers. By presenting the fact that Nepal is a small power and not a small state we may start seeing Nepal through the new lens or visions of hopes and possibilities which helps to seek for new and bright future of Nepal.

Similarly by discussing the weaknesses or challenges and possibilities or opportunities of Nepal we can build long term plans and strategies to cope with those weaknesses and to make optimum use of those possibilities and opportunities and make a proper guideline for Nepal in the future.

Also by looking at the success stories and achievements of other developed small powers we can set better role models for Nepal as a small power. Those developed small powers can help Nepal to adopt and apply new policies and plans and bring out new ideas and innovations that could be useful or fruitful to Nepal hence which will help to make a better future for Nepal bringing peace and prosperity to Nepal.

Thus through establishing Nepal as a small power and discussing and exploring the challenges and prospects of Nepal it will help new scholars and researchers to further study and research about Nepal and expand the knowledge about Nepal as a small power and her challenges and prospects. It will also help the scholars and the researchers to compare Nepal with the other developed small powers and gain some knowledge and ideas.

1.7 Organization of the Thesis

This study starts by defining small powers and differentiates small powers with small states.

Then it tries to establish Nepal as a small power and not a small state along with discussing the challenges and weaknesses of Nepal as a small power. Then the paper will discuss the opportunities or prospects of Nepal as a small power and finally the paper will try to seek or

exploresome ideas and learnings from some other developed or successful small powersthat
Nepal can learnand apply from.

CHAPTER TWO-REVIEW OF LITERATURES

This chapter starts by defining power, small power, discusses the challenges of small power, distinguishes small power with small states, and concurrently assess Nepal as a small power, with the help of the literatures available.

Power does not have a clear or a fixed concept because it is neither measurable nor quantifiable.

Power has to be examined or measured on the basis of performance or capacity of individual actors regarding in what manner they were able to influence the actions and behavior of others (Khatri, 1998, p.7). International politics itself is driven by the way states seek to maximize their power. It is seen as a root cause of competition among states. Precisely, the objective or goal of all state action is to achieve and increase power. All states try to maximize their power. Power contains several elements like influence which is basically a means to an end. States may use influence for different goals like for prestige, territory, raw materials, security and alliance.

Another element of power is capability which state uses to influence the behavior of other states. Thus power can be viewed from different perspectives, like it is a means, it is based on capabilities, is a relationship, a process and also a quantity. Power is relative. Capabilities can be tangible and intangible. Physical resources of a country are tangible whereas intangible include factors like leadership and national morale (Holsti, 1964, pp.179-194).

Power means an ability to get others to do what they otherwise would not. Usually, power is exercised through the possession of population, territory, natural resources, economic size, military forces, and political stability. Conventionally, great power is assessed by its strength during the time of war. But military force and conquest as a definition of power is becoming less relevant in today's time. Technology, education, and economic growth are becoming more important today's interconnected world whereas geography, population and raw materials are

somehow becoming less important. Thus, power lies not in resources, but in the ability to change the behavior of states (Nye, 1990, p.154).

Small powers and small states are used synonymously in a frequent manner by the International Relations scholars (Adhikari, 2018, p.44). The understandings about small state and small power vary according to the scholars and criteria. Small state does not have commonly accepted definition or universally accepted definition. Since small states are perceived differently, thus there is lack of a commonly accepted definition of a small state (Maass, 2009, p.65). There is substantial disagreement over what indicators should be used to define or categorize small states or powers. Despite small powers have many common characteristics but, there is still lack of a single definition of a small power regarding what actually small power consists of (Khatri, 1998, p.7).

After the formation of the United Nations in 1945 when many small states were not in existence, the number of states increased at a great number. One in seven small states was present during the signing of the United Nations Charter. But in present day small states make the majority of UN member states and are somehow most key players in international diplomacy. Small states have made great contributions for policy developments and debates at the UN since they desire to promote international law and principles (Súilleabháin, 2014, p.1). There is no exact measurement criteria for smallness of states and it is not clear whether the qualifying adjective 'small' is related to area or population or resources of a state (Alford, 1984, p.363). Hence we can say that small states are hard to be defined or categorized.

The small states started to face problems that are actually considered to be the problems of the small states after the formation of the sovereign and rival great powers and establishment of a 'state system' in Europe from the 16th century. The difference between great and small power is

best revealed by the divergent character of their security problems. The security of the great powers is mainly assured by their own internal strength and less by external factors whereas the security of a small power on the other hand primarily depends upon the external, international factors (Kosary, 1987, p.78).But it is necessary to formulate a proper or applicable definition of small states in order to recognize their challenges andprospects and also to define why they behave or act in a certain way or manner (Thorhallsson and Wivel, 2006, p.652).

Although small states may be small in many ways or terms but they are still states, and hence they just like to be perceived as states or want to present themselves as states and nothing else.In terms of the notional equity imparted by the community of nations,small states don't bear anything less or more in comparison to other states(Baldacchino, 2012, p.15). Small power prioritizes multilateral diplomacy and international organizations. The primary tool through which a small power can prevent attack is through their foreign policies and diplomacy. Due to their limited war capability small power can hardly follow active strategy in their foreign policies. A small power objective is not to pursue power but to preserve the little power they possess .The problem of a small power is firstly how to deny conflict but once the conflict has started how to avoid big powers in the scenario. Since by definition small power lacks adequate traditional war capacity thus they have to fulfill the gap through good diplomacy(Maniruzzaman, 1982,pp.4-21).

In the past multilateral forums or organizations have provided stages or opportunities for small states to act internationally or to exercise influence in the international arena (Tarp and Hansen, 2013, p.4).Thus, it can be argued that multilateral forums act as stages for small states to act in the international arena. In the present context, it is seen that small states are capable to exert influence beyond their size(Tarp and Hansen, 2013, p.7).So, we can argue that small states

and small powers can exercise influence far beyond their size and capacity with the help of the international organizations and multilateral forums.

Along with traditional military threats, small powers in present time also face non-traditional security challenges like terrorism, environmental disasters, hybrid threats, cyber-attacks or economic and social vulnerabilities. They acquire small economies, militaries, narrow diplomatic resources, have different kinds of economic or political dependencies, and have less options while dealing with more powerful states (Vaicekauskait , 2017, p.9). A rules and norms-based international order provides them with more stability while security guarantees of greater powers and organizations compensate for their lack of security and allow for some degree of foreign-policy independence (Vaicekauskait , 2017, p.9).

For (neo) realists, the scale of smallness is power while the power is defined as the states capability to impact outcomes. The measurement of power in realist/neorealist theories are perceived as physically measurable whether that be the number of guns, planes soldiers or size of GDP .Fluctuation in the balance of power among the great powers decides the policies which small power will or may imply (Browning, 2006, p.670).

In the eyes of the realists the roles of small powers in international politics is very few because they are just considered as pawns in great power games. Realists don't believe that international laws and institutions can bind state actions and compel them to follow those agreements (Thorhallsson, 2018, p. 23).

For Liberals there is always something more in international politics than just power rivalry. The motive for state behavior is not power maximization which means that states can cooperate for long though they have different sizes in this anarchic world. Democracy, trade and the institutions can overcome the fears and distrust created by anarchy resulting in long term peaceful

cooperation. Small powers are not just pawns but can be partners in different ways and can affect outcomes at the international level creating harmony among states (Thorhallsson, 2018, p.24).

Small powers prefer international law and institutions for cooperation and to reduce the unilateralism of great powers. Small powers are able to “punch above their weight” due to the institutional arrangements that provide them with a higher amount of influence and voice. The capability to create ideas has no connection with state size, thus small powers are interested to present themselves as norm entrepreneurs (Long, 2017, pp.7-8).

2.1 Challenges of the Small Powers

While discussing about the challenges of small powers I have basically focused on the three main challenges which are i. Structural scarcity, ii. Asymmetric dependence and iii. Patron-client relationship. This study tries to differentiate between small powers and small states based on the same components.

2.1.1 Structural Scarcity

Talking about the differences between small powers and small states we observe that the small states have more structural scarcity while small powers have reduced structural scarcity. Structural scarcity is one of the characteristics of small powers. Small powers have low levels of overall participation on international issues, a narrow range of interests in foreign policy activities, and are bound to be guided by moral and normative positions on international issues. Small states have a small population, limited human capital and a small land area. They also face labor market and capacity constraints which means they have limited number of workers and their production capacity is not enough for local production or export at large scale and little in-country education facilities results in a lack of enough specialization in any field. Due to small population they have small demand for goods and services which constraints scale

of domestic production and international investment targeted at the local market. Manufactures are basically for import purpose but it is also hampered by small work force.

Human resources in small bureaucracies may be under professionalized or under specialized due to different reasons like shortages of cash, equipment and related technologies. It compels them to rely on other states for technical assistances, financial aid and up gradation of skills.

Structural scarcity is also caused due to geography. Remoteness causes additional economic cost to small powers. Small island states are highly exposed to climate change and natural disasters.

Small states are unable to set up diplomatic missions across the world due to their little resources. Due to low bargaining power, limited financial and human resources small powers face serious disadvantage in negotiations with other powerful states. They have less economic resources and small variety of agricultural products. Also many small states face high transportation cost and are more vulnerable to external shocks and pressure mostly from great powers. Small powers also face structural disadvantages within EU institutions due to the uneven allocations of votes in the council of the European Union. The introduction of qualified majority voting (which requires that decisions are supported by 55% of member states and that they represent 65% of the EU population) in most policy areas arguably makes it easier for larger member states to form successful coalitions. The creation of a permanent Council president and the loss of the rotating presidency have affected the small states influence in the EU.

Because of limited resources, small powers go through capacity constraints at many significant levels in multilateral diplomacy. Membership and involvement in international governmental organizations have not only been the major common priority of small powers but also such activities have been reflected as the practice or symbol of their independence. Due to their low capability which creates obstacles in fulfilling all the criteria's and duties for being the member

of such international organizations such weaknesses has been widely recognized and sometimes such issues are raised by those organizations (Maass, 2009, p.69).Running as candidates for election to UN bodies raises many capacity hurdles for small states. Representation on elected bodies is crucial for UN member states and effective diplomacy, but small states tend to face financial and political barriers in advancing their candidacies (Súilleabháin, 2014, p.12).

2.1.2 Asymmetric Dependence

Small powers are subject to being dependent on larger powers. Some of them may have compromised to their independence in such a manner that although they meet all the formal criteria's for statehood still at practice such states appear to be an annex to a larger state (Maass, 2009, p. 69). While we discuss about asymmetric dependence small states are more asymmetrically dependent upon big states whereas small powers have a reduced asymmetric dependence. A small power is a state which realizes that it is unable to gain security by means of its own capabilities and hence has to depend upon the help of other states and institutions to meet its security demands and this inability of small power to meet its security demands is well recognized by other states in the international politics (Rothstein, 1968, p.29; cited in Keohane, 1969, p.293). Big powers have big markets, big defense budgets, big influence and big presence at the global level. But small power like Nepal it's the opposite. Thus the development of Nepal becomes sluggish as she have to become dependent on regional powers for her infrastructural development. Therefore Nepal's rise in international platform is slow and difficult. Nepal while trying to search for growth and development has become heavily dependent upon India. About 65 percent of Nepal's total export and 63 percent of total import is with India. Nepal imports more than 60 percent of its goods from India through the Birgunj border point alone, which was completely blocked during the 2015 Indian blockade. But with the signing of the Transit and

Transportation agreement with China in 2016, Nepal has now access to Chinese port of Tianjin. Still, diversification of trade and economy doesn't happen overnight. It is a gradual process, which entails policy coordination, good connectivity, financial cooperation and good transport networks.

The list of their economic disadvantages includes a narrower range of resources and a limited market, which makes their production less diversified and more specialized on certain promising sectors, while their structure is more dependent on foreign trade, more exposed to international economic fluctuations(Kosary, 1987, p.77). Dependency undermines the independent international role of a small power. A small power is the weaker part in an asymmetric relationship. Traditionally small European states have pursued two strategies when coping with their weakness: hiding and binding. Small powers following a hiding strategy try to stay out of trouble by staying out of sight. They silently perform their own affairs in the hope that they will not get involved in the affairs of the great powers. The main aim of binding strategy is to stay out of trouble whereas the fundamental aim of the binding strategy is to avoid trouble from occurring by creating and promoting the governance of international affairs by international rules and institutions.

The security of the great powers is mainly assured by their own internal strength and less by external factors. The security of a minor state depends, on the other hand, primarily - though of course not exclusively - on external, international factors (Kosary, 1987, p.79). Small powers may become unable to defend themselves militarily against their more powerful neighbors and their economies are more dependent on trade because of their small domestic markets. Also small powers are vulnerable in negotiations. If asymmetry of dependence is defined in terms of

asymmetry in mutual need then the less dependent partner can still show influence by threatening to end the relationship.

Increased dependency on other countries for the security and economic development exposes the country's weakness and limitations. Such increased dependency for a long time will be harmful for country's developmental activities. Dependency is caused due to small scale of state resources.

Also Terrorism and 'Global War on Terror' made small powers dependent on big powers. A changed geopolitical environment after the Cold War, 9/11 and the Iraq War have not only fundamentally altered the security challenges of small powers but also made small powers which are militarily weak more dependent on powerful states. Because of low bargaining power, limited financial and human resources small powers face a very high degree of disadvantages while dealing with the remaining world and thus might benefit by creating a regional bloc. Dependence is a basic condition hampering many developing countries. For small states and mostly smallest among small states it has become a way of life. Small powers are vulnerable to adverse developments in the economy, domestic politics and foreign policies of larger states with which they have close ties.

But dependence is not a permanent condition and when there is a change in the international system it can provide new prospects for both parties. Small economies show an exceptionally high degree of openness to external economic development in case of trade, capital flow and technology which limits possibilities for internal diversification. This causes for an extreme degree of dependence on the international economic environment with a limited capacity to maintain or balance the domestic economy during the phase of external shocks. Small powers

suffer from low degree of national economic sovereignty and narrow capacity to control their domestic economic variables in order to guide their economic destiny.

2.1.3 Patron-client Relationship

Patron-client relationship is one of the basic characteristics for both, small states and small powers. Small states have a patron-client relationship with a big or powerful states. In this relationship the weak state becomes the client and the powerful state becomes the patron. The client states are both economically and militarily weak and the aim of the client state is to reduce the threats to its survival. Economic support usually in the form of development aid seems as an obvious contribution of patrons to their clients. In this view economic and financial support is the most common benefit that small states and small powers can receive if they can accept to become clients of the big powers. Considering asymmetric relationship of patron-client relationship patron states may perceive client states as an asset but the support of patron is very important to the client states.

The international relations between small and large, poor and wealthy or weak and powerful states are often characterized by a dyadic and particularistic linkage that is based on the exchange of political support in return for material compensation (Veenendaal, 2017, p. 562). As per the Neo Realist assumptions the position of small powers in the international system is basically defined in the terms of vulnerability and dependence. But such negative view discards the opportunities that small powers have to make the international system work in their favor. This model of international patron-client linkage was introduced in the context of the super-power rivalry of the cold war where even big countries in the third world were either the clients of the United States or the Soviet Union. The equal position of small powers in the international organizations can be used by big powers in their favor by providing the offer of exchange of

their votes with military and economic aid. Most of the scholars agree that the international position of small powers is characterized by political and economic vulnerability and dependency. Powerful states mainly have interests in intangible benefits from small powers among which the three important are ideological convergence, international solidarity, and strategic advantage. Thus if a weak state can give any of these benefits or all of them then a highly unequal relationship between the weak and the powerful state can form which can be described in the terms of patron-client framework. Another important trait of patron-client relationship is the high degree of unequal or asymmetric relations between the two parties in terms of their resources and capabilities. Although two sovereign states are legally equal but the relations between small and large states are shaped by asymmetry in resources and capabilities. Small states receive economic and military support from some large states so that the small powers can shape their foreign policy according to the interests of large states (Veenendaal, 2017, pp. 562-565).

The basic difference we can discuss between a small state and small power regarding the patron-client relationship is that a small state has a patron centric patron-client relationship whereas a small power has the ability or capacity to create client centric patron-client relationship. For example Bhutan as a small state has a patron-client relationship with India where Bhutan acts as a client state and India acts as a patron state. In their patron-client relationship Bhutan as a small state does not have more room for bargaining thus India plays the decisive role resulting in the patron centric relationship. But in the case of Nepal as a small power has relatively higher ability to convince or influence India and if she acts properly than can shift her relationship with India from patron centric to client centric.

So small power has the ability to change its relationship from patron centric to client centric patron-client relationship. Thus Nepal as a small power although has a patron-client relationship with India, she can change the relationship into client centric relationship if acted properly.

Also patron-client relationship can be both patron- prevalence relation and patron-client indifference relation. In patron-prevalence relations, patron plays the significant role whereas the client plays the nominal role. In such relations patron act as decisively neglecting the client's role. In this kind of relation importance is given to patron state. So the patron-client relationship which small states have with big states are mostly patron prevalence or priority is given to the patron states. Whereas a small power can have patron-client indifference relation where both the parties are almost equally important and both the parties have important share or it can be said that in this type of relations client cannot be avoided or neglected so some importance is given to client state also. Both will have impact if the relation is terminated so both the parties have roles in such relations. Thus small powers are able or have the capacity to establish a patron-client indifference relations with their patron states.

Lastly while discussing about the differences between small states and small powers we can state that small states are mostly a colonial construct and small powers are a sovereign construct which means that most of the small states were formed or came into existence after the end of the Colonization period or through decolonization during different phases of time. So most of these small states were once a part of a certain colony. Thus small states are viewed as a colonial construct. Whereas small powers mostly do not have a history of being part of any colony or had ever been colonized. They had their sovereign identity before the phase of colonization period and have been able to protect themselves from any colonizers or being colonized and maintain their identity as a sovereign country or state till now. Thus small powers are linked with the idea

of a sovereign construct or they have the history of being a sovereign entity. We can have the example of Nepal as a small power that does not have a history of being colonized or had been part of any colony. Thus Nepal was able to maintain her identity as a sovereign state throughout the history and till today's time proving herself to be a smart small power.

2.2 Nepal as a Small Power

As a landlocked state, national security concerns have always been Nepal's key and over-riding concern since its unification in 1769 (Bhattraï & Wagle, 2010, p.3). Nepal is a small state located between two major powers in a geo-strategic position: China and India, the former being a great state, and the latter a middle state (Adhikari, 2018, p.43). He further states that in the case of national power, Nepal has asymmetric relations with both India and China. He writes when Nepal became a modern state in 1768 it has practiced different strategies for its survival as per the changes in international, regional and domestic power equilibrium. Nepal adopted the strategy of small power diplomacy after being defeated in the Anglo-Nepal War (1814-1816). During the reign of Jung Bahadur Rana from 1848 Nepal bandwagon with the British Colonialists in India. Since then Nepal pursued strategies of special relationship with its neighbors, balancing, balking, neutrality, equidistance, equiproximity and trilateral cooperation according to the political situations occurring in the domestic, regional and international arena. He further explains that from the point of perceptual or psychological aspect almost all the leaders of modern Nepal have accepted that Nepal is a small power and also the other states including United States, China and India have considered her as a small state (Adhikari, 2018, pp.43-47).

Due to their weakness small powers can rarely shape or influence the response of other nations. International systems are usually influenced or molded by great powers as they can

assure the survival of the system due to their huge power and capabilities. But this does not mean that small powers are totally inactive or passive in the international system. Although they may have better or worse options regarding different international scenario they can take advantage of their opportunities in a better or worse manner. Thus due to different political scenario in the international system small powers like Nepal face different conditions and can react either in a best way and turn it into an opportunity or in a worst way and deteriorate the situation harming their own good will (Khatri, 1998, p.7).

Usually a set of factors are used to define the term 'small power'. First is population size and geographical location, second is capability of a state, third is the relative influence exerted by a state and the fourth is by identifying characters using hypotheses on what distinguishes small powers from other category of states. Such criteria of a small state are not always fixed or accurate because only the geographical factor can remain constant during a given period of time but such classifications helps to develop a better perception of the position of these countries at the international level. Among these four categories population and geographical factors used in defining the status of small powers is very disputable because although states may act as small powers in terms of their capabilities, but they may actually contain a large geographic area and population size. For example Bangladesh and Pakistan in South Asia though have large geographic area and population size compared to Nepal, Bhutan and Maldives but they behave quite similar to their smaller neighbors regarding of their dealings with India. Also the amount of influence that Singapore exert in the economic field and Israel in the military arena are not spread equally in other areas although on the basis of their population and size both are considered to be small. Also the level of development of a state can also determine their role in the international arena. Small powers in developed societies as Finland in Western Europe may

practice influence in international politics which is not practical for such states in the developing world to do so. Also the relative influence of small powers is majorly constrained by factors like tradition, strategic location, range of domestic stability, organization, and personality (Khatri, 1998, pp. 7-8).

However, a closer look at the world data shows that the situation is not always so grim, and in Nepal's case, smallness is largely a matter of its particular context. It may be considered by its neighbors as relatively small (Aditya, 2019). Though Nepal is sandwiched between two Asian giants China and India she is trying to discover new innovative ways to increase her economic gains from both of her immediate neighbors by avoiding the regions geopolitical competition. Although both the countries are providing economic aids to Nepal she is trying to up bring herself as a positive link between the two struggling powers. As Nepal is trying to change her position from a land-locked to a land- linked country, China has funded in her infrastructure projects (Janardan, 2019). Nepal's neutrality has been characterized with the metaphor of yam by Prithivi Narayan Shah in his Dibhya Upadesh. Nepal was also identified as a buffer state during the period of British colonialism (Bhattarai, 2018 a).

Nepal as a small power has always tried very hard to keep a balanced relations with its immediate neighbors, India and China and protect their interests. While fulfilling their interests Nepal's own interest has been compromised, for example Nepal's dream of becoming an economic bridge between India and China is shadowed in the context of Nepal becoming a part of China's Belt and Road Initiative (BRI). Although India is not in favor of China's Belt and Road Initiative (BRI), China is eager to build China- Nepal- India corridor under BRI project. This opposing interest of India and China has created a hurdle for Nepal to maintain an act of balance. Thus Nepal's policy of equidistance is obstructed. Since Nepal is highly motivated to

grasp the opportunities and incentives resulted from the growing markets or economies of India and China but she is struggling to meet or address their demands and objectives because mostly they are opposing or contradictory in nature. Small power like Nepal can barely go beyond her neighborhood to solve the problem that aroused in the neighborhood. For example when India put a blockade on Nepal in 2015 she was unable to reach beyond her neighborhood and report it to WTO on the act of violation on General Agreement on Trade and Services. Since Nepal is a member of different international organizations and multilateral forums she must focus on being capable to get help from such forums. Due to Nepal's asymmetric dependence on its neighborhood she barely goes beyond her neighborhood. But going beyond neighborhood can improvise Nepal's role in international organizations and multilateral forums which can help Nepal to escape from the trap of geo political hurdles. At last it can ultimately end Nepal's asymmetric dependence with her neighbors (Bhattarai, 2018 b).

Apart from shielding the government back home, what inspires Nepal to appease its neighbors is also the region's difficult geopolitics—and this has been the case since formation of modern Nepal in late 18th century(Bhattraai, 2017).

CHAPTER THREE-METHODOLOGY

This study has adopted a qualitative research design as the subject matter is basically theoretical. The collected data will be analyzed through descriptive analytical method. Particularly Small Power will be independent variable and its challenges and opportunities will be dependent variables. The paper starts by defining power, small power, tries to find out and discuss the weaknesses or challenges of small powers, differentiates small state with small power and finally tries to establish Nepal as a small power in the first section. The paper tries to see Nepal through the lens of a small power theory of International Relations. In the second section it tries to prove that Nepal is not a small state but a small power by discussing and analyzing various features, activities, achievements and involvements of Nepal. Though being a small power how Nepal has been able to survive without compromising her sovereignty and identity and how she has coped with several challenges and situations. It tries to discuss and analyze being a small power how Nepal has acted in a smart way in various situations. How she had tried to convert challenges into opportunities and maintain her dignity as a sovereign and smart small power till today. Finally the paper in the second section tries to discuss and analyze the opportunities or prospects of Nepal as being a small power.

Lastly in the third section the paper tries to conclude the challenges and opportunities of Nepal as being a small power. At the end it also tries to explore some ideas from some developed small powers and analyze how they were successful to become developed countries though being small powers so that Nepal can learn from them and apply those ideas into her own perspectives.

3.1 Conceptual Framework

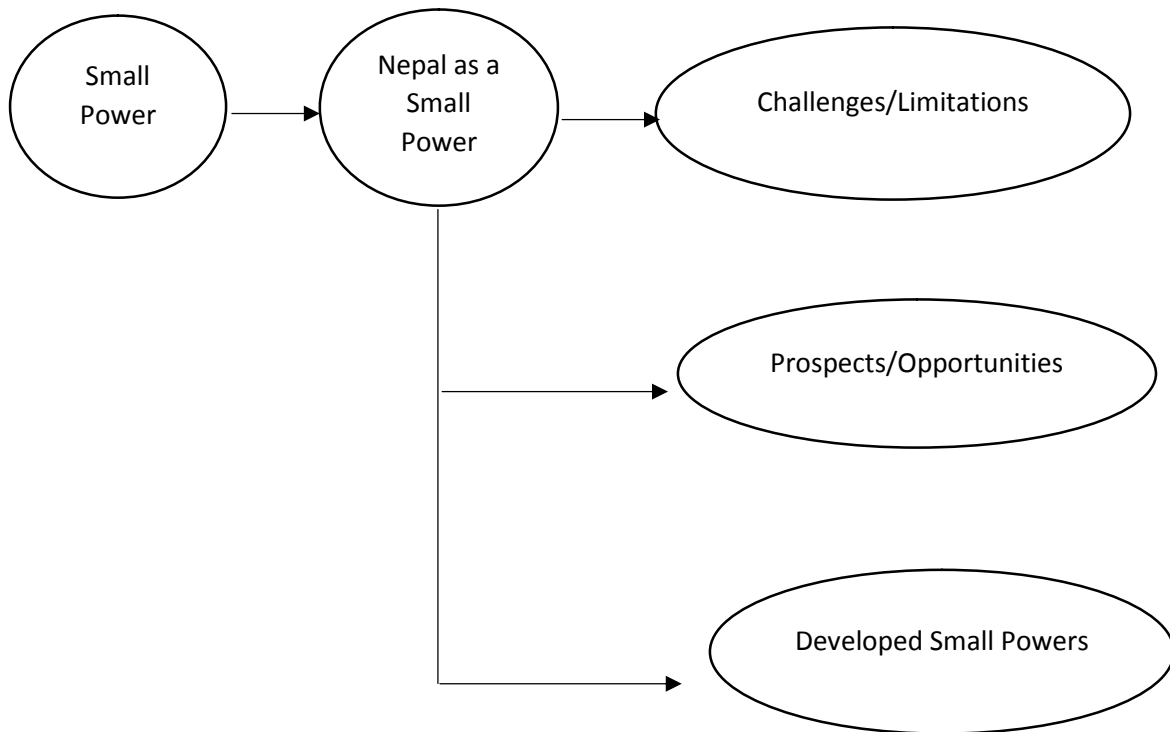


Fig (i) Conceptual Framework of the Research.

3.2 Data Collection and Processing

The information in the research is collected through qualitative process of content analysis. The relevant data has been collected through secondary sources such as journals, books, newspapers, magazines, government publications, and published/unpublished dissertations.

CHAPTERFOUR-NEPAL AS A SMALL POWER

Small is a relative concept. Nepal may feel small in comparison with India and China, but might feel large compared with Bhutan and Maldives. Singapore may feel small in comparison with China, India and Indonesia, but might feel large compared with Fiji. A closer look at the world data, however, suggests that the situation is not really so bleak and smallness in Nepal's case is largely a matter of its specific context. It may be deemed relatively small by its neighbors (Aditya, 2019).

In today's world small states and small powers are considered important actors of international politics. There are many justifications for Small Powers' Studies and most reasonable justification is that the large number of the world's legally sovereign states are small. Small states exist in large numbers and are therefore not only important members of the international society of states but are also an empirically relevant unit of study for the discipline of International Relations (Maass, 2009, p.65).

Small powers are diverse with varying sizes, populations, economies and natural resources. They also vary in the vulnerabilities they face. The small powers include some of the most and least developed nations in the world, resource-rich and resource-scarce countries and also both island and land locked states. The Majority of small nations are members of the Common Wealth.

Small states make up the majority of United Nations member states.

Most of the literature recognizes that relative distinctions are important, but nevertheless uses absolute indicators to identify or define small powers. Population, area and the size of economy are usually the main criterion. There is no common definition of a small power. It is almost a vague concept. Small powers exist in large numbers but there is no consensus definition of it. There are different definitions and concepts about small powers. They are characterized by a

small population, limited human capital and a confined land area. They face labor market and capacity constraints due to limited number of workers and production capacity is often inadequate for local production or export at scale and lack adequate specialization in different sectors due to limited man power and institutions. Small powers are also viewed as weak states, but it is not so as we can see the examples of Israel, Singapore, Cuba, North Korea, South Korea, Switzerland, Luxemburg, Austria, Botswana and many more.

Usually a set of factors are used to define the term 'small power'. First is population size and geographical location, second is capability of a state, third is the relative influence exerted by a state and the fourth is by identifying characters using hypotheses on what distinguishes small powers from other category of states. Such criteria of a small state are not always fixed or accurate because only the geographical factor can remain constant during a given period of time but such classifications helps to develop a better perception of the position of these countries at the international level. Among these four categories population and geographical factors used in defining the status of small powers is very disputable because although states may act as small powers in terms of their capabilities, but they may actually contain a large geographic area and population size. For example Bangladesh and Pakistan in South Asia though have large geographic area and population size compared to Nepal, Bhutan and Maldives but they behave quite similar to their smaller neighbors regarding of their dealings with India. Also the amount of influence that Singapore exert in the economic field and Israel in the military arena are not spread equally in other areas although on the basis of their population and size both are considered to be small. Also the level of development of a state can also determine their role in the international arena. Small powers in developed societies as Finland in Western Europe may practice influence in international politics which is not practical for such states in the developing

world to do so. Also the relative influence of small powers is majorly constrained by factors like tradition, strategic location, range of domestic stability, organization, and personality (Khatri, 1998, pp. 7-8).

Nepal is a small power situated between two big countries India to its southern border and China to its northern border. Nepal is a small state situated in a geo-strategic location between two major powers- China and India, the former being a great state, and the latter a middle state (Adhikari, 2018, p.43). Both of its two immediate neighbors are big in size or area, economy, military might and population. So compared to India and China Nepal has a very small area, population and military might. Thus Nepal is considered a small power due to the sizes of its two immediate neighbors India and China which are relatively bigger. Her presence in international arena is almost negligible compared to them. She has to depend upon her immediate neighbors for her development. All the basic goods and utilities that are required for survival of a state are imported from India like gas, petroleum products, medicines, machineries, etc. Thus Nepal is highly dependent upon India for her survival compared to her another neighbor China.

In the Indian Sepoy Mutiny of 1857, Nepal sent its troops to support the British to dismiss the mutiny. British were very pleased from this act of Nepal and as a show of gratitude Nepal was awarded by giving back lands that was ceded occupied by the British by Article 3 of the Treaty of Sugauli. Nepal provided big assistance to British India during the First World War that had helped in a great degree to reduce controversies with British India and safeguard country's sovereignty. In 1919 The British Government in India brought change to the title of the Nepalese Monarch recognizing country's independent status. The title was changed from "His Highness" to "His Majesty the Maharajah Dhiraj of Nepal", also the title of "Nepal Durbar" was changed to "Government of Nepal". The "Treaty of Friendship between Great Britain and Nepal" ended the

remaining restrictions of Nepal like Nepal's freedom of action which included the provision that restricted the employment of Europeans and Americans. Nepal got freedom to import arms and ammunitions considering that it will not harm the interests of the British Government in India. After this change in the status of Nepal many European consuls came to Nepal. By the late forties Nepal established diplomatic relations with both the United States and France. The global post-war bipolar system generated new prospects which Nepal has not utilized in a proper way. This situation created different incentives for small powers like visibility, acceptance, status and dignity in the global arena. This also brought additional scope for maneuverability causing to reduce the hegemonic influence of India for Nepal (Khatri, 1998, pp.14-16). Thus in the past also Nepal has shown a status of a small power through its effective relation with the British Government.

Nepal has changed its policy according to the international environment and adjusted itself as a small power. When Nepal became a modern state in 1768 she has practiced different strategies for her survival as per the changes in international, regional and domestic power equilibrium. Nepal adopted the strategy of small power diplomacy after being defeated in the Anglo-Nepal War (1814-1816). During the reign of Jung Bahadur Rana from 1848 Nepal bandwagon with the British Colonialists in India. Since then Nepal pursued strategies of special relationship with its neighbors, balancing, balking, neutrality, equidistance, equiproximity and trilateral cooperation according to the political situations occurring in the domestic, regional and international arena. From the point of perceptual or psychological aspect almost all the leaders of modern Nepal have accepted that Nepal is a small power and also the other states including United States, China and India have considered her as a small power (Adhikari, 2018, p.43-47).

Although India shows a hegemonic nature with its small neighbors and Nepal has asymmetric relations with India, Nepal is continuously trying in a progressive manner to get rid of India's influence through different paths. Regarding the framing of policy towards India Nepalese reaction has been placed in-between putting blind faith in Indian Policy without questioning its motives, to confronting India without considering the asymmetry of power between the two countries. Thus Nepal had usually tried to pursue the middle path by trying to reduce the negative aspects of the treaties arrangements with India slowly and continuously in a progressive manner (Khatri, 1998, p. 18).

Nepal's position in the international system usually falls into three broad categories. The "globalists" like to increase the power position of the country and like to present Nepal beyond its current capacities. Usually official media have exhibited this role for a long period of time and projected a romantic image of statecraft. Second is the Indo-centric approach which views Nepal's international position totally revolving around India. This approach is basically guided by the idea that India can do no wrong to Nepal. But advocates of this school of thought fail to question India's motives. And the third approach is "isolationist" which views that as a small power Nepal can only offer a little contribution to international arena and obtain only little from them. This school of thought likes to view Nepal as an object of international machination instead of as an actor. Due to their weaknesses small powers have little scope in molding the responses of other states since international system is usually shaped by great powers due to their higher amount of power possession and capabilities but small powers like Nepal don't only have better or worse choices in varieties of international systems but they can also take advantage of their opportunities in a better or worst way (Khatri, 1998, p.6).

CHAPTER FIVE- PROSPECTS OF NEPAL AS A SMALL POWER

Some small powers have succeeded in ensuring their security in the face of the aggressive designs of and actual invasions by much larger powers. The weapons used by the small powers concerned have been more qualitative than quantitative in nature. Some small powers survived security threats as they were fortunate in having leaders with high diplomatic skills. The leaders of some other states, having a deep understanding of international politics, consciously and successfully adopted an appropriate mix of the principles and practices of international politics - neutrality, neutralization, non-alignment and balancing of powers - to enhance the security of their states (Maniruzzaman, 1982, p. 63). In the same way Nepal has been adopting the policy of neutrality and non-alignment as the basic principles of their foreign policy to avoid conflicts with the large powers specially with her giant neighbors whose ideologies are almost opposite in nature.

Small powers may exercise or influence beyond their capacity or accepted level of power. Such opportunities may evolve from different circumstances or systemic conditions and these opportunities provide not only higher possibilities for maneuverability but also can be very important tool for the survival of small powers at the times of conflict. Firstly the physical traits of a state including geographic location can be one of the aspect of strategic strength at times of conflict. For example during the time of Second World War both Switzerland and Spain were somehow able to protect their independence because of the Pyrenees whereas Turkey was protected by the Transcaucasian ranges. Also Pakistan got different kinds of support and help from United States, China and the Soviet Union during the Cold War because of her strategic importance. Second is the control over one or more scarce commodities that has strategic value which can multiply the bargaining capacity of small powers. During the War Spain, Switzerland,

Turkey and Portugal were successful to gain important concessions from both the Axis and the Allied Powers using their raw materials as a bargaining chip during their negotiations. In the same way during 1970s the OPEC countries specially the Arab members were successful to gain both big economic concessions and political support by using oil as a bargaining chip to alter Western European and Japanese policy toward the Arab-Israeli matter. Third is if small powers have better relations among their neighbors who are small or middle sized states, then it would be advantageous to them because it will minimize their weakness or vulnerability and those states could support them with non-military aids. The fourth opportunity or factor for small powers is the quality of a small power diplomacy which is mostly resulted not only in what manner were they been treated by stronger powers but also what amount of benefits they were able to absorb from them. Switzerland as a successful small power was able to convince the belligerents that she should be kept neutral. Also during the Cold War Nonalignment supported many newly formed small powers with some degree of diplomatic identity different from the two rival power blocs and also different from other small powers that were involved into the great power alliances. The nonalignment movement facilitated small powers to perform international roles beyond their individual capacity. And lastly international organizations and regional organizations provide small powers extra space for maneuverability by giving them opportunities to better international contacts and create support from like-minded states on the case of national issues. The UN as a global institution has played the role of a main platform for raising issues of major concern to the developing countries. Due to the formation of many new states after 1960, the UN became the focal point for putting questions that are related to colonialism, racism and economic development. Similarly participation of small states in regional organizations like the Association of South East Asian Nations (ASEAN) has helped weaker states to deal with

stronger powers in a more fruitful way. Although small powers face different kinds of shortcomings or obstacles in the international scenario there is also chances of maneuverability for them if they can keep up to the challenge. Since no two states are exactly the same and possess same problems to the same quantity, thus it is impossible to form a common formula for them to solve their individual problem. In the end the way in which small powers decide to grasp the opportunities will depend not on their capability but also on their competency to realize and utilize them. Although Nepal as a small power has attained the status of a viable actor in the international system it is basically though not completely affected by its dealings with India (Khatri, 1998, pp. 9-12).

As China and India has risen up as the new economic powerhouses, the vulnerabilities of Nepal has increased on one side and on the other side her opportunities for greater economic cooperation with both the immediate neighbors has also increased. If Nepal can adopt effectively the strategy of small state economic diplomacy there will be great opportunities and possibilities for her to grow and prosper (Adhikari, 2018, p.43). Due to Nepal's asymmetric dependence on its neighborhood she barely goes beyond her neighborhood. But going beyond neighborhood can improvise Nepal's role in international organizations and multilateral forums which can help Nepal to escape from the trap of geo political hurdles (Bhattarai, 2018 c).

Though Nepal is sandwiched between two Asian giants China and India she is trying to discover new innovative ways to increase her economic gains from both of her immediate neighbors by avoiding the regions geopolitical competition. Although both the countries are providing economic aids to Nepal she is trying to up bring herself as a positive link between the two struggling powers. As Nepal is trying to change her position from a land-locked to a land-linked country, China has funded in her infrastructure projects (Janardan, 2019).

Although the regional Indo-centric system as discussed earlier has formed the barrier for the prosperity of Nepal but we see that the participation in the global system has produced lots of opportunities for Nepal not only in the case of protecting her independent identity but also in reducing the huge amount of influence of India over Nepal in certain degree. The main idea of this policy is "diversification" of contacts in both political and economic sectors through the outside world. Earlier 1951 Nepal had diplomatic relations with only five countries but now it has reached to one hundred and eight, and have established permanent diplomatic missions in twenty countries which contains the most powerful countries in the world in the political and economic aspect. Being a member of the United Nations, Nepal has served twice in the Security Council and has established residential ambassador to the European Union in Brussels. Nepal as one of the founding members of the Nonaligned Movement and a regular participant of multilateral fora including SAARC, she has made herself a viable entity. In this international forum, here being part of the game is as important as being the game player itself, thus by establishing diplomatic contacts gradually Nepal has earned the credentials in the form of prestige. Though Nepal may not be always able to cash such settings but Nepal's image in the diplomatic world will have certain value. As Nepal somehow functions as a part of the Indian economy, Nepal has not been able to completely get rid of economic dependency with India. In this context some changes were seen during the Cold War period where Nepal got economic benefits from both the power blocs. Diversification of foreign assistance sources has also minimized aid dependence on India. By growing contacts with the major power centers Nepal can create a better understanding of her difficulties which may motivate regional powers to change their behavior towards Nepal. However the question about how Nepal will perform in the coming days will depend upon the country's own capabilities. If the political parties will be able to

develop not a politically oriented consensus but policy oriented on the important issues of Nepal's foreign policy and they become united in the core issues of Nepal then Nepal may be able to address her problems effectively in a long run. Whereas if the political parties become divided then the country will be subjected to the machination of foreign powers (Khatri, 1998, pp.19-22).

5.1 History

Nepal has a very proud history. She has fought with the then British Empire in the South and the Chinese Empire in the north. Our people as soldiers have made great name through their act of bravery and loyalty. British were amazed to see our fighting capacity and skills in the war and our bravery which motivated them to enlist our people in their army. Nepal is one of the oldest sovereign country who has a history of never been the colonial part of any empire and lived as a sovereign and a proud nation. Along with the British Empire the whole world was amazed to see the bravery of Gorkha soldiers during World War I and II. Nepal is renowned today as a beautiful country of brave people and mighty warriors. Thus many people have contributed to establish this image of Nepal as a sovereign and a proud nation and a nation of brave warriors. While talking about the proud history of Nepal we are going to talk about Nepal's defensive capacity during the time of King Prithivi Narayan Shah, bandwagoning policy of Nepal during the time of Prime Minister Jung Bahadur Rana and assertive diplomacy at the time of King Mahendra.

5.1.1 Nepal's Defensive Capacity

Nepal was not a single country or state in the early eighteenth century. It was scattered into different mini states and kingdoms. There were three kingdoms inside the Kathmandu Valley. There were so called baisirajyas or 22 mini states and chaubisi rajyas or 24 mini states in the

western part, and Kirat and Limbuwan in the east. King Prithivi Narayan Shah initiated the unification of Nepal in 1768 with the capturing of Kathmandu Valley. After that his successor started expanding of Nepal from Kangra in the West to Tista in the East (Whelpton, 2005, pp.19-34 cited in Adhikari, 2018, p.51).

Till the first decade of the nineteenth century from the second half of the eighteenth century, Nepal pursued an imperial grand strategy to become a powerful sub-regional power. For this Prithivi Narayan Shah's policy was not to attack or Challenge the Chinese Empire in the north and the British Colonialist in the south, instead he concentrated on capturing small kingdoms in the sub-region although this policy could not last long resulting war with both the parties (Adhikari, 2018, p.51). After his death his younger son Bahadur Shah continued the unification process and he has played the most crucial role in the unification process of Nepal expanding the size of Nepal in a great degree.

Prithivi Narayan Shah's advices and policies in the form of 'Dibya Upadesh' are still considered relevant in today's time where he has considered Nepal's position between two giant countries India and China as a yam between two boulders. Thus to form a modern Nepal of today's time, Shah has played a great role, bringing all the small states together into one umbrella of unification forming a unified sovereign and a strong state called Nepal. Thus he is considered as a national hero of Nepal and a founder of modern Nepal. Hence Shah has contributed a great role in the formation of Nepal as a small power.

5.1.2 Bandwagoning

Jung Bahadur Rana became the Prime Minister of Nepal on 19 September 1846 through Kot Parva-- a massacre of his opponents in Nepalese Durbar (Vaidya, 2000 cited in Adhikari, 2018, p.53). He aligned Nepal's foreign policy with that of the British. There were two main reasons

for this alignment. The first reason was the weakening of China since she got defeated with the British in the First Opium War (1839-1842). The second reason was based on the domestic politics of Nepal at that point of time. He needed a strong backup to protect his regime and at that time the British were the best option to look out for since internal coup used to happen frequently at that time in the Durbar in Kathmandu. Jung Bahadur Rana helped the British rulers to suppress sepoy mutiny erupted in India as a strategy of bandwagoning with the British. He as a prime minister led 8000 Nepalese army into India and crushed the mutiny of Indian soldiers against the British. This act of Rana impressed the British very much and they decided to give back a part of Nepalese land in the western Terai which Nepal had lost to the British during the Anglo-Nepal War. The territory which Nepal gained through aligning instead of fighting with the British was called 'Naya Muluk' that included four districts – Baki, Bardia, Kailali and Kanchanpur of present Nepal (Adhikari, 2018, p.53).

As a part of aligning, during Rana regime, Nepal had sent 10 battalions of Nepalese army to fight World War I in support of the Allies and 55,000 more Nepalese men were recruited into British Gorkha battalions in India. During World War II Nepal again sent 10 battalions of Nepalese Army personnel to the war zone and more than 2, 00,000 Nepalese men worked in the British Units at the time of war (Rose, 1971, pp. 170-172 cited in Adhikari, 2018, p.53). As quid pro quo for Nepal's bandwagoning with them, British granted the status of an independent state to Nepal in a treaty signed on December 21, 1923 (Adhikari, 2018, p.54).

Thus it can be seen that Jung Bahadur Rana has played a great role to secure the position of Nepal as a sovereign state at a crucial point of time with his tactics and policy of bandwagoning with the British and appeasing them. Due to his cleverness Nepal has survived as a sovereign state and got the identity of an independent state at that crucial point of time where even India

was not an independent state and was under the rule of the British Colonialism. Thus due to this great act of Jung Bahadur Rana, today Nepal can be viewed as a small power with a proud history of being one of the oldest sovereign state which has never been ruled by any other state or never been colonized.

5.1.3 Assertive Diplomacy

Mahendra became the king of Nepal in 1955 after the death of his father King Tribhuvan. The survival of Nepal as a buffer state between two giant neighbors was crucial. So King Mahendra realized that the diversification of the foreign relations of Nepal would guarantee the survival of Nepal. So his idea of Nepal's foreign policy was the diversification of the foreign relations of Nepal's during post-1950 regional and international political environment (Brown, 1971, p. 665; Mehra, 1994, p. 851 cited in Adhikari, 2018, p.57).

As India annexed Sikkim and brought Bhutan under her control in the name of her security umbrella Nepal could have also shared the same fate just like them. Different factors in domestic, regional and international politics caused Nepal's desire for the diversification of international relations. Like his father Tribhuvan, Mahendra was not indebted to India. He was ready to move against the ill will of India if India tended to create obstacles in his political ambitions and hampered Nepal's national interest. He was considered an ambitious King. Nepalese public sentiment was against India due to Nepal's unequal treaty with India like 'Peace and Friendship Treaty' in 1950 and India's hegemonic behavior and interference in Nepal's internal matters. Hence such public sentiment pushed King Mahendra to diversify Nepal's diplomatic relations. Mahendra reestablished Nepal's diplomatic relationship with China in 1955 based on the principles of Panchaseel which became very useful for Nepal since those principles of Panchaseel helped Nepal to protect her independence and sovereignty. Hence the process of

diversification of diplomatic relations of Nepal continued in a rapid manner. Nepal became the member of the United Nations in 14 December 1955 and hence gained the membership of the international society which guaranteed Nepal's survival as a sovereign state in the post-World War II global order (Adhikari, 2018, pp.57-58). The diversification of the diplomatic relations and membership of the UN were vital assets for Nepal to assert its independence and sovereignty, and to avoid the fate of Sikkim and Bhutan in the sub-regional politics of South Asia (Adhikari, 2018, p.58).

Hence to get away from the hegemonic behaviour of India and to guarantee the survival of Nepal as a sovereign and independent state, King Mahendra adopted the foreign policy of diversification of the foreign relations of Nepal which we can see has become very meaningful and fruitful in the path of Nepal.

King Mahendra was also one of the important person who contributed in the formation of the Non Alignment Movement (NAM) which was one of the important aspect of Nepal's foreign policy during the Cold War period. King Mahendra himself led the delegation to the conference which signified the amount of importance Nepal attached to the Non-Aligned Movement (NAM) (Adhikari, 2018, p.59).

Thus King Mahendra has played a great and a vital role to diversify and strengthen Nepal's foreign relations and establish Nepal's image as a small power in world politics by making Nepal visible to the international community through international involvement.

5.2 Multilateralism

5.2.1 Nepal and the United Nations

Nepal became the member of the United Nations on 14th December 1955 A.D., but participated in 1956. In 1958 she sent her Army officers to UN Mission in Lebanon. Nepal has abiding faith

in the principles and purposes of the UN Charter. The Constitution of Nepal takes UN Charter as one of the guiding principles of Foreign Policy. Nepal believes in the centrality and indispensability of the UN in the multilateral affairs, especially in the maintenance of international peace and security and in promoting international cooperation for the economic and social development. She wants UN to play basic role in solving the upcoming threats of the 21st century like increased terrorism, disarmament, human rights, sustainable development, and poverty alleviation including collective security).

Nepal supports the UN in the conduct of peace and security by sending its security forces like Nepal Army, Nepal Police and Armed Police Force through participation in the UN PKO. It has earned a great name by sending its peace troops all around the world. Through her Peace keeping Force Nepal has been recognized all around the world due to their hardships and efforts. High ranking officials of the United Nations have praised the efforts and contributions made by Nepal for establishing world peace and security through the UN Peace Keeping. Under Secretary General of the UN Department of Peace Operations, Jean-Pierre Lacroix and Under-Secretary-General of the UN Peace Operations Coordination Department, Atul Khare have lauded the Nepali Security Forces for their professionalism, hard work, loyalty and bravery (Lamsal, 2019). Nepalese peacekeepers have earned prestige for their astonishing performances during maintaining peace in conflict zones around the world. This act of Nepal as a crucial part of the UN Peace Keeping Force has proved Nepal to be a successful small power. Many prime ministers of Nepal like B.P. Koirala, Krishna Prasad Bhattarai, Girija Prasad Koirala, Pushpa Kamal Dahal and others have addressed the UN General Assembly. Nepal was twice elected as non-permanent member of the powerful UN Security Council during 1969-70 and 1988-89.

Personalities like Gen. Padam Bahadur Khatri and Sailendra Kumar Upadhaya who have served as Nepal's Permanent Representative to the United Nations, are well remembered in the UN circles for their contributions to the United Nations.

5.2.2 Nepal and the Non-Aligned Movement

The Non-Aligned Movement (NAM) is a forum of 120 states that are not formally aligned with or against any major power bloc. Nepal is a founding member of NAM. Nepal has participated in several rounds of formal and informal meetings and discussion on the need and modality of the NAM and during its formal announcement in the Belgrade summit in 1961. King Mahendra himself led the delegation to the conference which signified the amount of importance Nepal attached to the Non-Aligned Movement (NAM) (Adhikari, 2018, p.59). Based on the principles agreed at the Bandung Conference in 1955, the NAM was established in 1961 in Belgrade, Yugoslavia through an initiative of the Indian Prime Minister Jawaharlal Nehru and the Yugoslav President Josip Broz Tito. Through the NAM platform, Nepal highlighted the inequality among nations in the world and importance of economic development in the countries of Asia and Africa. Nepal also raised voice for the justice among nations in international relations (Adhikari, 2018, p.60).

The purpose of the organization was to ensure the national independence, sovereignty, territorial integrity and security of non-aligned countries. Membership of NAM is mostly from countries considered to be developing or part of the Third World, but the organization also includes a number of developed nations. Nepal strictly follows the principles of the non-aligned movement during the conduct of its foreign policy, international relations and diplomacy. The Constitution of the Federal Democratic Republic of Nepal has included these principles as the fundamental guiding principles of Nepal's foreign policy. This justifies Nepal's strong faith and commitment

to the NAM and its principles. Considering Nepal's geopolitical location the idea of sovereign equality, respect to each other's territorial integrity, political independence and sovereignty which are the fundamental cores of NAM are very beneficial to Nepal. Today, the priorities and interests of our two immediate neighbors vary and may even oppose each other. Due to this scenario Nepal might fall into the risk as she tries to meet one country's priorities, the other country's concerns might be shadowed. This creates dilemma to Nepal. Thus this situation highlights the relevancy of NAM, in the neighborhood.

China is determined to bring countries together through BRI. Whereas India does not like Nepal to escape away from her traditional 'sphere of influence' thinking. India never wanted Nepal to become part of BRI. But China wants Nepal to join the BRI project as China views Nepal's location as a strategic gateway to South Asia. Thus Nepal adopted the policy of neutrality and equidistance to swiftly get away from the conflicts in between India and China. To avoid her geopolitical sensitivities Nepal has always been pursuing the policy of equidistant relations with her immediate neighbors. But after her formal entry into BRI her policy of equidistance has been questioned. Through BRI Nepal tries to escape from the Indian sphere of influence in South Asia. Thus Nepal has been almost successful to avoid to fall into the trap of conflicts between her immediate neighbors and maintained her sovereignty between these two giant countries. Thus Nepal proved to be a small power instead of a small state lying in between two big powers. In the changing global context, even if non-aligned nations lose their role at the global level, for Nepal non-alignment will still be relevant. In fact, non-alignment for Nepal is a strategy for survival as a free and independent sovereign nation (Bhattarai, 2017, p.7).

5.3 Regionalism and Sub-regional forums

Regionalism can be defined as a transnational cooperation to pursue a common objective, solve a common problem or it may be defined as a group of countries such as Western Europe, the Western Balkans or South East Asia which are associated or connected by geography, history or economic features. Currently European Union (EU) can be considered as a good example of Regionalism. Hence regionalism can also be further defined as the process of region-building on the basis of closer economic, political, security and socio-cultural ties between states and societies that are geographically near or closer(Gochhayat, 2014, p.10-12).

Regionalism and sub-regional forums can become the platform for small powers like Nepal for promoting their economic and social sector. Regionalism can help small powers to escape from the trap of their geo-political situation like landlockedness. By becoming the member of regional groups or sub-regional groups small powers can avoid their geo-political vulnerabilities or drawbacks. Through such regional platforms small powers can strengthen their relations with other states in the region. Regional forums can diversify options for small powers and increase their bargaining capacity. Through such regional platforms small powers can benefit in different fields like security, trade, development, tourism, etc.

Regionalism and sub-regional forums can play the vital role in the diplomacy of small powers. Such regional forums can provide platforms for small powers to prove their ability. Regional platforms can play vital role to improve their economic aspect through regional economic co-operation. Through regional co-operation small powers can avoid their limitations like landlockedness, asymmetric dependence, poor infrastructure, small market, etc. Thus small power may not be a self-sufficient country and need the external help, in this context regional co-operation is a must for small powers. Regionalism and regional platforms can also act as a tool

for balancing hegemony of great powers. Regional co-operation can thus give a sense of security to small powers.

Hence the regional and sub-regional forums can give the platforms or opportunities for small powers to explore or search for their strengths and capabilities. By maintaining cordial relations with other states in the region, small powers can prevail or make their meaningful presence in the region. Thus regional and sub-regional forums can provide opportunities for small powers to create a positive image in the international community. Thus, the study tries to discuss about two major organizations as a regional or sub regional forums which are SAARC and BIMSTEC and play important role while presenting or perceiving Nepal as a small power.

5.3.1 SAARC

In December 1977 seven South Asian nations including Bangladesh, Bhutan, India, Maldives Nepal, Pakistan and Sri Lanka decided to establish a common platform with the objective of improving their economic and social sector by promoting friendship, trust and mutual understanding among them. SAARC was established on 8th December 1985. Nepal, India, Pakistan, Bhutan, Maldives, Bangladesh, Srilanka and Afghanistan are its current members. USA, China, Australia, European Union, Iran, Japan, Korea, Mauritius and Myanmar are observers in SAARC. Nepal is the founding member of SAARC. Whereas in 16th January 1987 the SAARC Secretariat was established in Kathmandu, Nepal. Thus Nepal plays a significant role in the SAARC.

Looking through security perspective Nepal is a landlocked country which is surrounded by India and China. So, her geopolitical location doesn't allow her to choose one over the other. She has to maintain balance between two big powers and maintain equal relation with them. Thus it is very important for her to be a member of regional group like SAARC. By becoming the

member of SAARC Nepal gains a sense of security where Nepal alone cannot control terrorism, cross-border crimes, smuggling and counterfeit currency. Nepal is a landlocked country thus she needs cooperation of other neighbor countries in the south Asian region. SAARC is a very important platform for Nepal to promote deep relations with her neighbor states and through this platform she can decrease her dependence upon India. Regarding her geographical location, SAARC is very important for Nepal in terms of security, trade, development, tourism, problem of terrorism etc.

The successful hosting of the 18th SAARC Summit in Kathmandu by Nepal had produced positive message about Nepal's clever diplomacy and her excellent security condition. This also gives the indication that Nepal is capable to organize such a great event. According to foreign policy experts the event was a great achievement for Nepal to be able to successfully organize the SAARC summit. The successful hosting of this summit has proved Nepal's ability among South Asian leaders in the terms of security and managerial ability.

From economic perspective Nepal's interests are best served through regional economic cooperation. The Nepalese economy is working under several limitations like landlocked location, limited connectedness with China, asymmetric dependence on India, poor infrastructure facilities in transport and communication, dependency on foreign aid, small domestic market and unskilled labor forces etc. Under these limitations, Nepal is unable to become a self-sufficient country without the external help. Thus for Nepal regional cooperation is a must.

SAARC is also perceived as a tool for balancing Indian hegemony. In terms of geography, population and natural resources India is the dominant country in this region. India is the only country in South Asia that has common borders with all the states of the region except Afghanistan. In this context, regional cooperation will not be successful without India's active

participation. But, SAARC gives a sense of security to small powers like Nepal against the fear of big country in the region (India). Because of the overwhelming dependence Nepal has always been in search of a counter balance in an effort to minimize its dependence on India.

Though in present time SAARC is not able to function properly due to several reasons among which one of the main reason is the conflict between India and Pakistan. Thus Nepal as a founding member of the SAARC and since the SAARC Secretariat is in Nepal is obliged to play an important role in the functioning and performance of the SAARC. She along with other members of the SAARC can play a role of a mediator between India and Pakistan and bring the SAARC in the best role in the upcoming future.

Through the regional organizations like SAARC Nepal as a small power can explore her strengths and capabilities. By developing cordial relations with other SAARC members she can reduce her dependence upon India and can make meaningful presence in the South Asian region and become a good example of a small power.

5.3.2 BIMSTEC

The Bay of Bengal Initiative for Multi-Sectorial Technical and Economic Cooperation (BIMSTEC) is an international organization of seven nations of South Asia and South East Asia. Its member states are Bangladesh, India, Myanmar, Sri Lanka, Thailand, Nepal and Bhutan. In 1998 Nepal became an observer state but in February 2004 Nepal and Bhutan became full members. On 31st July 2004, in the first Summit the grouping was renamed as BIMSTEC or the Bay of Bengal Initiative for Multi-Sectorial Technical and Economic Cooperation. The aim of the organization is to promote economic cooperation between countries bordering the Bay of Bengal. BIMSTEC is located at the epicenter of one of the world's busiest trade routes, i.e. the

Indian Ocean and is one of the fastest growing economic regions of the world (Mittal and Aggarwal, 2020).

Though BIMSTEC was formed in 1997 but now it has got momentum because it has been considered as an alternative to SAARC which has not been functioning properly due to tensions between India and Pakistan and since the China has been growing its influence through the Belt and Road Initiative (BRI) (Ghosh, 2020a). BIMSTEC economies are at various stages of socio-politico-economic transition. While this phase presents an opportunity, the renewed interest in the Bay is driven by opportunities of connectivity, trade and development (Ghosh, 2020b).

BIMSTEC mainly focuses on cooperation among states from South and South East Asia. Nepal has successfully hosted the fourth BIMSTEC Summit held in Kathmandu in 2018. Nevertheless, the recently concluded summit has shown hope and optimism with tangible results for regional cooperation in the main areas of comprehensive networks for communication, trade, tourism, investment, cultural exchanges and people-to-people contacts. (Shrestha, 2018, p. 8). Nepal is the member of both BIMSTEC and SAARC thus it provides great responsibility to play a dynamic and effective role in the region. BIMSTEC offers big opportunity for the country to deliver a positive image in the international community. Through it Nepal can attract huge foreign investment.

Nepal as a member state of BIMSTEC came up with the proposal of the Mountain Economy that emphasized on the balanced maintenance of the ecosystems and biodiversity to support sustainable development of the mountains and high hills. The proposal aims at minimizing the elements of poverty in the mountain regions of Nepal and other member states. Thus Nepal has recognized its role as the lead country for poverty alleviation (Shrestha, 2018, p. 8).

Nepal needs to put in great amounts of efforts to generate opportunities and reap benefits from BIMSTEC. Nepal being the member can explore new opportunities and develop her connectivity with the South Asian and South East Asian countries. It will give her visibility in the region. Thus BIMSTEC will provide Nepal a platform to gain recognition in the regional level basically in the South Asian and South East Asian region. It will help Nepal to increase connectivity, gain technical assistances, explore new markets, diversify economic activities and many more, hence resulting in the betterment of Nepal and overall development of Nepal.

5.4 Soft Power

5.4.1 Nepal's Contribution in the United Nations Peacekeeping Operations (UNPKOs)

Nepal supports the UN in the conduct of peace and security by sending its security forces like Nepal Army, Nepal Police and Armed Police Force through participation in the UN PKO. It has earned a great name by sending its peace troops all around the world. Through her Peace keeping Force Nepal has been recognized all around the world due to their hardships and efforts. High ranking officials of the United Nations have praised the efforts and contributions made by Nepal for establishing world peace and security through the UN Peace Keeping. Under Secretary General of the UN Department of Peace Operations, Jean-Pierre Lacroix and Under-Secretary-General of the UN Peace Operations Coordination Department, Atul Khare have lauded the Nepali Security Forces for their professionalism, hard work, loyalty and bravery (Lamsal, 2019). Nepalese peacekeepers have earned prestige for their astonishing performances during maintaining peace in conflict zones around the world. This act of Nepal as a crucial part of the UN Peace Keeping Force has proved Nepal to be a successful small power.

Nepal has been able to become a prominent participant of most of UN peace operations since its membership of United Nations in 1955. Nepal Army has crossed more than fifty years on its

services in UN peace keeping operations and has participated in around 43 UN missions where more than 1,34,890 individuals have participated. The Nepali Army has provided with senior appointments in UNDPKO and Force Headquarters. It has supplied military contingents, military observers and staff officers. Thus they have been hugely praised for their sincere duty and great performance. They have always faced the challenges and contributed in extreme difficult operations. At the current date of 29th January 2021 the Nepal Army has participated in about twelve missions. Nepal as a troop contributing country acquires fourth position in the world. At present, around 5,128 Nepal Army soldiers are participating in twelve different missions and Nepal is committed to provide 10,000 peacekeepers at the request of the UN (Nepali Army, 2021).

5.4.2 Contribution in World Wars

Gurkhas or Gorkhas are renowned around the world as the bravest and toughest soldiers. The name Gurkhas or Gorkhas was derived from a central hilly part of Nepal called Gorkha from where the unification process of Nepal was started by the late king Prithivi Narayan Shah. The word behind of Gurkhas is traced to the medieval Hindu warrior- saint Guru 'Goraknath' who has a historic shrine in Gorkha (Khattari, 2020a).

Gurkhas are also associated with the 'khukuri' which is a forward-curving Nepali knife. In the past it was said that once the khukuri is taken out in the battle it cannot be returned back to its sheath without tasting a blood by the khukuri, otherwise the owner of the khukuri has to cut himself. The slogan or motto of the Gurkhas is "Better to die than be a coward". During the Anglo-Nepalese War in 1815 between the Gorkha Kingdom and the East India Company, the Gorkhali soldier impressed the British through their bravery in the war and British started calling them 'Gurkhas'. David Ochterlony and British political agent William Fraser identified the ability

of the Gurkha soldiers. Around 5000 men joined the British service in 1815. These men consisted of not only the Gorkhalis, but also Kumaonis, Garhwalis and other Himalayan hill men. These combined groups were recognized under a common name as Gurkhas eventually and they became an important part of British Indian forces. Gurkhas served the East India Company in the Pindaree War of 1817, in Bharatpur in 1826 and the First and Second Anglo-Sikh Wars in 1846 and 1848 (Khattari, 2020b).

Nepali people as Gorkha soldiers are recruited mainly in the British Army and Indian Army. Large portion of Nepali people today serve in Indian Army and in the British Army. They are known for their bravery and loyalty. Mainly four ethnic groups were recruited as gurkhas in the past. They were Gurung and Magar from the Central and Western part of Nepal and Rai and Limbu from the Eastern part of Nepal but today every Nepali is allowed to participate in the recruitment process and become a gurkha, whatever his caste may be.

Thus Gorkha or Gurkha soldiers have made their name worldwide and made Nepal proud. Nepal today is also known as the home of the Gurkha soldiers. Nepal is known as a country which produces great fighters or warriors, making the country recognized and popular worldwide. Thus Gurkhas have made Nepal internationalized and whenever people around the world hear about the Gorkhas, they show respect for them which is a very great achievement for Nepal.

Gurkhas not only have made their name internationalized but they have also contributed in the economy of the country. Since earnings of Gurkhas compared to earnings of local people inside the country is very high, thus their income has also supported the national income of the country. By being recruited as Gurkha soldiers they have not only earned money but also the amount of different types of trainings, practical knowledge's and experiences they have learned

during their services has also impacted their own culture and country which has helped to change their society and community making it more acceptable and diverse.

Thus we can say that Gurkhas play an important role in establishing the image of Nepal as a small power. Its name and fame have contributed a lot in glorifying the image of Nepal.

Although Nepal is known as the land of Gautam Buddha in one side, it is also known as the land of Gurkhas on the other side which shows that we are peace loving but not coward and we can defend our country in a time of need.

5.5 Geo-strategic location

5.5.1 Transit Diplomacy

Nepal as a small power can develop and prosper through transit diplomacy. Since it lies in between India in the South and China in the North can play as a bridge between them. Since both the neighbors India and China have become the big economies of the world and are representing the Asia, Nepal must be able to reap the benefits from them being in the middle of these countries. Today's world is more economically motivated than before. Every country either big or small, powerful or weak first priority is economic betterment of their nation. Economy is the new form of power and dominance in today's globalized world. India and China both being physically big in size and huge in population compared to other powerful states have resulted huge market within them which has boosted their economy.

Nepal though a small country with small population compared to them has a small economy size and market which has created hindrances for her economic development hampering her overall development. Thus Nepal could act as a third partner in the trilateralism among India, China and Nepal bringing the rival opponents more closer helping them to bridge trust and mutual interests which will eventually benefit Nepal.

In the past Nepal was considered a buffer state between these two rival powers. But today due to technology and globalization the scenario might have changed and Nepal instead of being an isolated buffer state could become a vibrant bridge between these two countries and thus Nepal could become from a landlocked state to a land linked state and could cash in all the opportunities produced through its act of being an economic bridge between these two large economies. This concept has become more realistic after it has signed the OBOR project of China and has formally become a member of BRI project. Though India was against it but Nepal had taken a bold decision by signing the treaty and has successfully taken one step closer to get away from India's sphere of influence or from India's hegemony.

As we have read that Nepal is going to be linked through railways to both its neighbors India and China which will highly reduce her asymmetric dependence with India creating more independent environment for Nepal. As soon as the train from Sigatse comes to Kerung, Nepal will get all the low priced Chinese goods and this will reduce Nepal's dependence upon India for various types of goods. Not only this, Nepal will get new markets in China and Autonomous Region of Tibet and could diversify her market.

Thus it is a natural tendency to think that Nepal must prosper as her immediate neighbors are prospering in a great quantity. Thus Nepal can develop the concept of trilateralism and economic bridge and materialize transit diplomacy in an effective manner and can be one of the important aspects of India-China's economic relation and important state of South Asia bringing the two huge nations together helping to promote the idea of The Asian Century.

But this course should not be limited only to ideas. Nepal must be able to persuade India for her partnership in the trilateralism. Only talks and speeches will not bring the result. Action must be taken. Nepal must do her necessary homework properly. No attempts have been seen neither

at the policy level nor at the political front to materialize this idea of trilateralism. Thus Nepal's dream of being a bridge has been limited to idea and discourse only till now. Nepal's unpreparedness, India not willing to be part of China-Nepal-India economic corridor under BRI framework and Nepal being part of BRI without persuading India have caused the trilateralism become just an idea or a discourse. The main cause of this problem is the absence of the institutions that could have supported to materialize the trilateral partnership among the three countries. Thus the idea of trilateralism must be carried out through institutions by having trilateral dialogues and ministerial-level meetings. Hence without institutionalization of the idea of trilateralism Nepal cannot imagine a fruitful end of transit diplomacy (K.C. & Bhattarai, 2018, p.93).

5.5.2 Rise of Asia and China and impact on Nepal

Since China is having a huge economic success, Nepal must be able to reap the benefits from China as her neighbor. "China's economy is maturing, innovating, and increasingly playing the role of anchor to Asia, the world's largest regional economy.....and its growth is helping to propel the rapid economic development of its neighbors"(Woetzel & Ngai, 2019a).Not only is Asia growing richer; as it becomes more integrated, it is also coalescing as a constructive force for global governance (Huiyao, 2019a).India and China, two economic powerhouses of Asia are not only the key drivers of the economic renaissance that Asia is undergoing in the global economy but central to redefining the global economic order and heralding the Asian Century as well (Mishra, 2019).

Asia may possess more than half of global GDP by 2040. Around 60 percent of all goods traded by Asian economies are within the region. Due to increased transactions among Asian countries their network is becoming stronger and stronger. Their economies are now combining together.

China is acting as a key player in the rise of Asia as a networked and connected regional power. China has become both the regional and global trading platform. Asia's economy is heading towards more growth and more integration spreading Asian supply chains and networks (Woetzel & Ngai, 2019b).

Asia has benefitted in a huge manner from globalization. Regional cooperation platforms like APEC, ASEAN and the Shanghai Cooperation Organization are becoming more fruitful. Asia is becoming more and more economically integrated through trade, investment and tourism. Being a major global player China's role in Asia and the world can be to maintain the international order. She can act as a catalyst for integration in the Asia and beyond. In economic aspect China can be the engine of growth for Asia and the world. Asia still suffers from infrastructure gaps which is hampering development and integration. The Belt and Road Initiative (BRI) can come as a platform to overcome these gaps (Huiyao, 2019b).

So since China is leading the growth of Asia and Nepal being an immediate neighbor of China and a loyal friend of China must be able to share the progress of China. Different data and assumptions predict that Asia is going to be major economic block and center of the world economy with China playing the decisive role along with other nations like India, Japan, Indonesia and other Asian countries. Thus Nepal must be able to capture the opportunities created through China and make its presence visible and effective in the region. Nepal being the member of Belt and Road Initiative (BRI) must learn to reap different kinds of opportunities facilitated by China through different means and platforms.

As the whole Asia rises as an economic power house, Nepal can also get benefit from this phenomenon. Rise of Asia and the rise of China both will have positive impact for Nepal creating different opportunities and platforms for Nepal to thrive. Nepal must be able to analyze

those golden opportunities and must take effective actions to reap the benefits. As Asia will become powerful and lead the global economy and politics, Nepal as an Asian nation must be ready to cash the opportunities and make its presence as a smart small power in the Asia.

Thus the rise of Asia and China in the global order will increase the possibilities and opportunities of Nepal to stand as an important small power. Since Nepal is viewed by China as a gateway to South Asia, Nepal must be able to reap the benefits from this opportunity for being a bridge between China and the South Asia and make economic and political prosperity. Thus we can conclude that the rise of Asia and China will eventually lead to the rise and growth of Nepal in the upcoming future. Nepal has an opportunity from being a poor developing nation to a developed small power.

CHAPTERSIX-LESSONS LEARNED FROM OTHER SMALL POWERS

One of the main avenues to higher status for a small state is by successfully acting as if it already had such a status (Carvalho& Lie, 2015, p.56).In the current world order, small states are able to exercise influence that far exceeds what their size would normally allow them to (Tarp & Hansen, 2013, p.7).

6.1 Norway as a Good Power

Although Norway is considered as a small power by many standards the main focus of her foreign policy is her involvement in the issues of international peace and security. But this involvement is not similar to that of greater powers. Norway by taking responsibility for international peace and security by going beyond the expectation of a small power has been able to reach and challenge the middle powers and greater powers like Canada, Germany or United Kingdom. Thus Norway has been successful to gain her status of being beyond a small power. Hence Norway has been trying to establish herself as a 'good power'. Thus due to her this role even US president Obama stated Norway as a country 'punching above its weight'. Norwegian refer to this policy of their foreign policy as 'the policy of involvement' or the 'policy of engagement. Norway has been involving international peace and security through her involvement in peace keeping, peace negotiations and humanitarian aid. Norway is trying to establish her status as a good state through her international involvement in humanitarian action and international peace and security and hence even some Norwegian politicians have referred Norway as a 'humanitarian great power'. Through the tag of a 'humanitarian great power' Norway likes to establish her status as a good power. Being a good power allow small powers to play important role in the international politics. Taking responsibility beyond size and military resources in the international peace and security allows small powers and small states to be

recognized as a good power. This status of good power helps them to enter arenas from which otherwise they would be excluded. Hence the policy of involvement gave Norway a better reputation internationally and the acknowledgement of peers and great powers. Norway's funding in the form of a development aid is also well recognized. Her readiness to involve in peace diplomacy and promote peace is also very popular. The Nobel Peace Prize is one of the great visible examples of this act (Carvalho & Lie, 2015, pp.56-63).

Hence Norway's 'peace diplomacy' and involvement in a series of peace processes has helped Norway to establish herself as a good power and an important actor in international platform. She has proved to be an effective and important small power and a role model to other small states and small powers. Though a small power Norway today proved to be or is trying to prove that in today's point of time, size and material resources only doesn't matter, if we have will to do something and is determined to do something then we can do it or achieve it. Norway on the ground of moral values and principles have presented herself as a visible and well recognized small power or a good power. Thus small power like Nepal can also search for her role in the international platform based on the grounds of international values and norms and play an important role in securing her position as a good power and an important small power. Nepal can act as a mediator between India and China and bring regional peace. As Nepal is surrounded by nuclear powers like India, China and Pakistan, so Nepal can engage herself in issues like disarmament and arms control and try to play persuasive and creative role to create nuclear free South Asia and promote regional peace and world peace. Thus, Nepal can work in the field of peace-building in the South Asian region.

6.2 Switzerland

Switzerland has a huge interest in research and innovation. Hence it has a strong industrial research and innovation. Switzerland has a very efficient and varieties of industrial research base. It constitutes of large R&D-intensive multinational enterprises and huge number of innovative small and medium sized enterprises that hold strong position in global market niches. Also it constitutes of a high quality research- oriented university sector and an advanced research infrastructure. These industrial researches get benefit from university based public-research sector that include world-famous federal institutes of technology in Zurich and Lausanne. Such institutions play great role to promote Switzerland's high performance in innovation. Also another important aspects of Switzerland is its effective or strong services sector. This sector constitutes of a highly advanced financial sector which promotes a huge contribution to the economy of Switzerland. Switzerland views innovation as a key tool to the development of its economy in the future. Also it has an orientation towards high quality. Hence it has orientation towards high quality products and services which results in the high standards, performance and image (OECD, 2006).

Hence Nepal as a small power can also learn many innovative ideas from Switzerland as a small power. Nepal can too invest its resources and manpower towards research and innovation like Switzerland which can result in huge innovation in Nepal's industrial and service sectors. Nepal can also focus on research-oriented universities and form advanced research infrastructure and benefit from such university based public-research sector. As a small power Nepal can focus more on ideas and innovations in its industries and service sectors and other sectors like Switzerland. Such research institutions can play great role to promote Nepal's high performance in different sectors. As Switzerland views innovation as a key tool for its economic development, so can Nepal also put ideas and innovations at the first place to bring the development.

Similarly Switzerland prioritizes high quality products and services, so can Nepal also focus on delivering or producing high quality products and services and compete in global markets through quality products and services. Hence focus on high quality products and services can result in the high standards, performance and image of Nepal.

6.3 Austria as a Benevolent Mediator and Peace Maker

At the time of Cold War Austria brought out an active and value based foreign policy that mainly prioritized international law which helped her to create a global image as a benevolent mediator like in the context of the Middle East peace process. But the case was not so because it wanted or has natural inclination towards playing such role of a benevolent mediator, but her role as a peace maker somehow helped to serve her national interests during that point of time. Also such tendency helped her to cope up with the systemic constraints that was caused due to the Cold War. Austria's foreign policy is hugely adopted in EU's Common Foreign and Security Policy (CFSP). During the Cold War, pursuing foreign and security policies different from the logic of power politics that ruled international relations was a better strategy for small powers like Austria, Finland, Ireland, Sweden and Switzerland which helped them to fulfill their lacking and weaknesses. Hence small and neutral powers in Europe have played an important role in forming international norms, shaping global agendas and influencing international communities (Gebhard, 2013, pp.280-282). Thus, taking a strong stance on normative matters and international diplomacy, such as mediation and conflict prevention, enables small states to move the international discourse away from power politics, and find alternative arenas of engagement (Gebhard, 2013, pp.281-282).

Since the beginning Austria pursued a different type of neutral foreign policy than Switzerland. Austria became the member of the UN at the same year when she regain her full

independence in 1955 and became a member of the Council of Europe in 1956. She prominently participated in many UN peace-keeping operations like Congo in 1960-63, Cyprus in 1964, the Middle East since 1967 and many more. Also Austria as a neutral power facilitated as a meeting point or meeting place for East- West dialogue. The summit meeting between Russia and the United States of America was held in Austria in June 1961. Hence all these inputs and efforts resulted in the high recognition and value of Austria's neutrality in the international community. Austria focused on inviting multilateral organizations to establish their headquarters there. The International Atomic Energy Agency (IAEA) established its office in Vienna in 1957, OPEC in 1965 and UNIDO in 1967. Hence this helped Austria to build a good reputation in the international community.

Hence Nepal as a small power can too learn a lot from Austria by choosing to become a peace oriented soft power and focusing its strengths and creativity towards world peace, international diplomacy, mediation and conflict prevention by engaging in global agendas and working on formation of ideas and values relating to international norms and values promoting world peace and cooperation. So even Nepal can act as a benevolent mediator and a peace maker and search for its new creative role in the South Asia. She may pursue her foreign policy by being a good mediator and producing new ideas and norms that can help to bring peace, stability and unity in the South Asia by working individually and through different types of multilateral forums helping to create a good and a reliable image of Nepal as a small power in the international forum.

6.4 Botswana

Botswana is a landlocked country where 84% of its land mass is unhabitated Kalahari Desert and 80% of people reside in the eastern border side which is fertile. Only 4% of land mass is

cultivated and most of the land is used for cattle grazing because cattle is regarded as major source of wealth. At the beginning when the state got its independence there was a little hope for Botswana to become a successful state since the central government had a little ability to govern and a very small state apparatus. Although the state had these underlying conditions, the political leadership that was governing at the time of independence was highly motivated to bring a policy that would result economic growth. The political leaders created the basic ground for stable and comparatively effective public institutions by adopting different measures like avoiding political intervention in the public bureaucracy, clearly marking the boundaries between political and economic aspect for the policy makers. Hence Botswana was able to achieve high degree of policies coordination and a relative absence of corruption and clientelism. This resulted in the strengthening of the administrative capacity of the state. The ruling regime in Botswana is considered to be composed of different elite groups like political leaders, civil servants, private sectors, traditional leaders and cattle owners. The ruling elite and the cattle owners were motivated to strengthen the state institutions due to their own economic interests. The ruling elite of the state had major interest in the cattle industry since cattle industry was the main source of income before the mining industry. During its independence Botswana was one of the poorest nation but within three decades of its independence it has been able to secure the position of an upper middle income country and has become one of the fastest growing economies in the world. Botswana has succeeded to achieve both the economic growth and the state building although it suffered from unfavorable conditions like lack of economic and the institutional capacity in the beginning at the time of independence. Thus analysts have figured out different factors which are responsible for Botswana's economic and political success and these factors are interconnected though they are varied. Some of those factors are: Botswana's geo political location, its social-

political structure, mineral (diamond) industry, market friendly institutions and development policies, small homogenous population, less corrupted, transparent and sincere political leadership and lastly better relationships with international institutions. Botswana's political leadership played a crucial role in the economic management of the country which is regarded as a distinctive feature of the country. State played an important role by forming pilot institutions that push long term development project. The Ministry of Finance and Development Planning (MFDP) is among such important pilot institutions in Botswana. This institution played the role as an economic high command while formulating policies and also played a crucial role in the planning system of the country which guaranteed that resources are available and finally connecting planning to the country's budgeting system. Also the leaders were able to mix traditional and modern institutions together through a system of democratic governance while taking decisions and forming policies. For example the tribal institutions called Tswana institutions supported broad based participation and the post-independence political leaders were able to make numerous important and far sighted decisions, among which Seretse Khama and Quett Masire played very important roles. Also the political leaders have centralized key natural resources under the control of the state which helped immensely to contribute for the economic growth of the country. This was considered one of the best decision since the country is heavily dependent on minerals. The government tried to establish relatively non-corrupt and efficient bureaucracy and it largely invested in infrastructure, education and health care facilities. Lastly proper international relations also played important role in the success of Botswana because Botswana was able to keep itself away from the influence of international political influence since its freedom. After gaining its independence Botswana was able to attract large amounts of FDI because it grew its credibility and lowered mining taxes. Thus Botswana was able to gain

high economic success due to the proper use of its natural resources (i.e. diamonds) through the sincere political leadership with a proper development policy choice. Mineral (diamond) is the main source of GDP growth in Botswana (Shumuye, 2015, pp.84-86).

Hence Nepal can also learn many things from Botswana. As Botswana is also a landlocked country and was one of the poorest country in the past, but now it has been able to transform itself into an economically successful country and has become relatively an efficient country. Botswana is the example that if a state has got a visionary and sincere political leadership then a state can become a successful state. Botswana's political leadership was able to form an effective and efficient bureaucracy that was quite successful to serve the nation's interests at its best and minimize corruption at the lowest level. Even if our country Nepal gets a visionary and committed leader like Sereste Khama then we can also hope that Nepal can become a successful state. We must also try to make our bureaucracy effective, transparent, visionary and loyal towards the citizen. As Botswana was able to properly use its natural resources by centralizing those resources so Nepal can also identify its important natural resources and centralize them like water resources, natural herbs and minerals which are yet to be identified. Similarly like Botswana, Nepal must try to attract maximum amount of FDI by forming suitable policies where the state must be committed and be able to create suitable environment for FDI so that in the long run Nepal can make huge economic profit. Nepal should invest in specialization and skill enhancement of its manpower so that it can reduce its dependency on foreign states and become more effective and independent. Thus like Botswana as it is a landlocked state and was a poor state, Nepal is also a poor and a landlocked state but has a lots of possibilities and opportunities. The only thing Nepal may lack is a loyal and a visionary political leadership that could identify

the country's true needs and necessities while also identifying the potentialities and opportunities of the country and manage them properly.

6.5 Sweden

Currently Nepal is facing huge difficulty in balancing between China's Belt and Road Initiative (BRI) and the US's Millennium Challenge Corporation (MCC) which are two conflicting geopolitical programs. Simply looking, both BRI and MCC are economic development oriented. But they are also strategic security partnerships for enhancing the sphere of influence and countering influence in Asia and the Indo-Pacific region. Thus due to this scenario it is necessary for Nepal to find a pragmatic solution which keeps Nepal away from being aligned to any military alliance. Both the Norway and Denmark joined the North Atlantic Treaty Organization (NATO) but Sweden did not. Norway and Denmark chose to join NATO due to their respective domestic requirements whereas Sweden did not join because of its different requirements. To rationalize Sweden's decision we have to go through Sweden's historical perspective. For example Sweden denied to help Finland against Soviet attack in 1939 but we can see in the past 8000 Swedes have volunteered in the Finnish Army. Swedish were also able to keep their country neutral during World War II due to the Germany's demand for iron supply from Sweden, also Germany needed information from Sweden about the allied powers. Also Sweden is able to sustain its non-aligned position even after being a member of NATO'S 'Partnership for Peace' programme. This said partnership is a Euro-Atlantic partnership which allows individual member state to become part of NATO as an observer without voting rights. Although such observer states do not have a voting right, still they have a possibility to acquire their national foreign policy objectives. Hence Sweden joined the 'Partnership for Peace' in 1994. Sweden validated its involvement in the NATO-led missions through only participating in such

missions which are under a UN mandate. This act of Sweden clearly signifies that Sweden defines its involvement in NATO by finding legitimacy through the UN mandate. Swedish parliament pursued a security policy in 2009 which states that although Sweden is not a member of any military alliance but it believes that threat to peace and security can be best addressed through collectively and in cooperation with other states. Sweden will not choose to become passive if other EU member country or Nordic country faces any kind of disaster or attack and it also hopes to receive the same treatment from them. Hence, Sweden must be in a state to both give and receive military support. Thus this choice of adopting a security policy through parliament implies that Sweden can make pragmatic choices in times of need. Nepal can see this strategy of Sweden carefully. Looking back at Nepal's case over the current controversy of MCC where, the US has clarified that MCC is part of the Indo-Pacific strategy, which is a security alliance. Thus in this state, accepting obligations of MCC in general cannot be viewed as compromising Nepal's sovereignty. But the specific clause of MCC which prevails over the national constitution is contradictory to the sovereignty principle. Hence if Nepal's parliament ratifies MCC which is relevant, then this can result in the supremacy of MCC over Nepal's constitutional system. Thus it can be argued that it is a difficult legal situation for Nepal. Hence, in this case Nepal can view the Swedish security doctrine adopted by their parliament. Since Nepal has invested crucial amount of resources for MCC and thus totally rejecting MCC will become more harmful than being fruitful. Besides gaining infrastructure developments for the country it is the determining factor for the future of Indo-Nepal and US-Nepal relations. Therefore a pragmatic solution for Nepal is to abide with MCC as a peace partner. Nepal's parliament can pass a resolution that is close to the late king Birendra's proposal of a zone of peace that implies a close friendship and equal relationship with the two neighbors China and

India which guarantees that Nepal's territory will not be used by one country for hostilities against another and expecting that the territory of other country is not used for hostilities against Nepal. Thus the idea of Nepal as part of a zone of peace is still applicable. Also when Nepal government was proposed by India to join BIMSTEC military exercise in India, there were opposing views within the ruling and opposite parties in Nepal which forced the government to decline the proposal. In the end as a pragmatic solution for Nepal, Nepal Army joined with observer status which was somewhat similar to that of Sweden joining 'Partnership for Peace' with NATO. It is clear that MCC compact is part of a military strategy. For Nepal to remain non-aligned, a resolution from the parliament defining Nepal's non-alignment to any security alliance along with establishing a partnership for peace with both MCC and BRI may be required. Although MCC and BRI are truly non-militaristic or not but both the US and China should address a Nepali security doctrine if it is defined and passed by the country's parliament (Malla, 2020).

6.6 Bangladesh

Bangladesh is a highly populated developing country in South Asia with its area covering about 1,47,872 km square. The population of Bangladesh reached more than 160 million in 2013 A.D. The country's population density is about 1,082/km² which is the highest in Southern Asia. Around 77% of population reside in the rural areas where agriculture is the major contributor of the economy. So about 80% of the population depends upon the agriculture. Its huge uneducated and unskilled population has become a problem to the country where Agriculture is the main source of income for the country. Health care services and education system have prospered in the previous decade economy but the political instability still continues to be the same which has caused an obstacle for the betterment of the country. Also poverty and illiteracy have become the

two major factors hampering the economic growth of the country. Thus government of Bangladesh is approaching for different kinds of steps to decrease the poverty but still one third of Bangladesh's population are living below the national poverty line. The hard core problems of Bangladesh are scarcity of Electricity and gas supply, low quality road infrastructure, bridges and ports, political uncertainty and natural calamities. Thus Bangladesh is advocating for poverty reduction through focusing on the quality education and enhancing gender equality which has resulted in the reduction in Bangladesh's child mortality rate and betterment of maternal health (Mohajan, 2013, pp. 41-42).

Besides economics a major factor for Bangladesh's quick development rate is that she has progressed on many social and political arenas like health, sanitation, financial inclusion and women's political representation primarily during the past two decades. Bangladesh is very ahead than India in the recent gender parity rankings that examines the gap in the political and economic opportunities and educational attainment and health of men and women. Among 154 countries Bangladesh is in the top fifty where India secured one hundred and twelfth position (Mishra& Iqbal, 2020).

Bangladesh is considered as a rising star among the south Asian nations. Her per capita income in 2019 was \$ 1,856 which was higher than Pakistan's per capita income that was \$1,285 and was only \$250 less than that of India. In 2020 Bangladesh attained a growth rate of 2.4% while India's GDP got reduced by 7.3 percent. Similarly Bangladesh's human development index (HDI) had rose from 0.478 in 2000 to 0.632 in 2019. Bangladesh has secured its HDI ranking in 133rd position out of 189 countries which is greater than that of Pakistan (154) and Nepal (142). The cause of growth of Bangladesh is considered to be its success in export of garments that covers 84 percent of its total exports and remittances from overseas that covers over 6 percent of

its GDP. The primary factor of growth is investment and in the case of Bangladesh its investment has grown from 24 percent of GDP in 2000 to 32 percent in 2019. Also to increase ones growth country needs to improve the quality of its human capital. Only theoretical schooling is not adequate enough, one should endorse at practical knowledge. Enhancement of technical and managerial skills would amplify the productivity gains from digital technology. Similarly private entrepreneurship and investment are fundamentals of growth leading to productivity and this can only happen when there is stable and predictable policy environment and the state is sincerely committed to the openness and growth and is properly checked by political and legal institutions (Yusuf, 2021). Thus in the same way if Nepal also focused on the quality of its human capital by improving practical knowledge and skills and enhance the technical and managerial skills of its human capital then Nepal can also increase its productivity and growth specially from digital technology. On the same way Nepal should try to promote private entrepreneurship and investment which are the basic tools for growth and productivity for which Nepal should create an atmosphere of stable and predictable policy environment and must be sincere and committed to openness and growth properly supported by its political and legal institutions.

After 2009 Prime Minister Sheikh Hasina's government has showed a great motivation to eradicate Islamic terrorism to establish peace. Similarly Hasina has tried to improve on expanding the social security net and development of mega infrastructure projects. Prime Minister Hasina's huge step is to be able to successfully balance the competing interests of the rival big powers like India, China, Japan, Russia and U.S.A. which has helped Bangladesh to protect its national interest (Rahman, 2020). In the same way Nepal must not delay on its national projects and other huge infrastructure projects. Similarly like Bangladesh Nepal must be

able to balance the varying interests of different rival powers like India, China, U.S.A., and other powers so that she can protect her national interest and cash those interests in favor of her.

CHAPTER SEVEN-CONCLUSION

Small powers or states are often viewed as weak states, but it is not so, as we can see the examples of Israel, Singapore, Cuba, North Korea, South Korea, Switzerland, Luxemburg, Austria, Botswana and many more. They have usually different foreign policies than larger states and may have quite different mechanisms of functioning. Small powers face different challenges due to their unique traits. They are always concerned with protecting their sovereignty and are mostly defensive while conducting their foreign policies. They have always been struggling to protect their identity and their sovereignty from the past, security was their main concern. But now the world has changed, the scenario has changed. Due to highly advanced technology and complex globalization the world has become like a small village where states are interconnected and interdependent in a complex manner. So are small powers, but this phenomena of globalization, free trade, liberal market and international institutions have posed new challenges and threats for small powers. Small powers have to challenge or keep up with big powers in the present scenario which has created immense pressures on them resulting in both positive and negative aspects and outcomes. Some are better equipped with the scenario and are making prosperity while some are still trying on the other hand some have failed to do so and are in the verge of becoming a failed state.

So we can say that Globalization and advancement in technology and other phenomena have created new threats and challenges to small powers whereas new possibilities and hopes also. So the paper tried to discuss both the opportunities and challenges faced by small powers in present context or scenario in the context of Nepal.

Similar may be the case with Nepal. Is Nepal a small state or a small power? How can Nepal be categorized or identified as a small power. Hence Nepal as a small power may face different

kinds of challenges and obstacles and also have different opportunities and prospects in today's context. So the study would like to firstly establish Nepal as a small power and hence not a small state then find out the challenges and weaknesses of Nepal as a small power on the one hand and the prospects and opportunities of Nepal as a small power on the other hand in today's context. Is she in the verge of failure or is better equipped with these situations or is still in the process of better adopting to these trends. Has she as a small power gain more favorable environment to flourish or is being challenged even more for her survival and betterment? And finally what lessons can Nepal as a small power can learn from those small powers which are developed and successful. So the paper would firstly like to establish Nepal as a small power, then discuss the challenges and opportunities of Nepal as a small power and finally explore some lessons and examples that Nepal can learn or adopt from some other developed and successful small powers. Initially the paper has established Nepal as a small power and not a small state by presenting different facts. The paper starts by defining power, small power, tries to find out and discuss the weaknesses or challenges of small powers, differentiates small state with small power and finally tries to establish Nepal as a small power in the first section. The paper tries to see Nepal through the lens of a small power theory of International Relations. In the second section it tries to prove that Nepal is not a small state but a small power by discussing and analyzing various features, activities, achievements and involvements of Nepal. Though being a small power how Nepal has been able to survive without compromising her sovereignty and identity and how she has coped with several challenges and situations. It tries to discuss and analyze being a small power how Nepal has act in a smart ways in various situations. How she had tried to convert challenges into opportunities and maintain her dignity as a sovereign and smart small power till today. Finally

the paper in the second section tries to discuss and analyze the opportunities or prospects of Nepal as being a small power.

Lastly in the third section the paper tries to explore some ideas from some developed small powers and analyze how they were successful to become developed countries though being small powers so that Nepal can learn from them and apply those ideas into her own perspectives. By using qualitative techniques, this study has realized that despite having the small power capabilities, Nepal is still perceived as a small state. Thus, this study discovered that Nepal's small power capabilities have encountered several challenges. To mitigate such challenges this study realizes that, it's better to learn from some of the small powers.

Hence we can say that Nepal is a small power and not a small state. Due to Nepal's glorious history and its involvement in the international organizations and many other facts presented in the paper Nepal is considered a small power and not a small state. Nepal as a small power has to face a lot of challenges and obstacles similarly on the other hand it has also got lots of opportunities and possibilities. Thus Nepal was able to maintain her identity as a sovereign state throughout the history and till today's time proving herself to be a smart small power.

Thus we can conclude that in order to maintain the status of a small power, Nepal must pursue its assertive diplomacy and present its active role in the international society by engaging in the multilateral arenas like UN, SAARC, BIMSTEC and many more. Through this step Nepal gets international recognition and validity and her voice can be heard or recognized beyond her neighborhood. Small powers like Nepal should focus on its soft power and try to get recognized and heard through the applications of its soft power. Nepal's cultural heritage, Gurkhas, UNPKOs and people to people relations can be considered as Nepal's soft power. Not only state to state diplomacy but also public diplomacy can enhance Nepal's status as a soft power. Through

improving and utilizing sectors like tourism, media, etc., Nepal can enhance its public diplomacy and get recognition from all around the world and develop its status as a small power.

This paper has not studied about all the small powers present in today's world but has only tried to focus on Nepal as a small power. The paper tries to explore basically the challenges and problems of a small power at the one hand and the prospects and opportunities at the other hand in the context of Nepal. The study cannot cover each and every aspects of small powers so it only tries to identify the positive aspects and the negative aspects of small powers in the context to Nepal. It has other limitations like limitation of time and availability of adequate literature at the given point of time.

This paper can be further useful for upcoming researches on Nepal as a small power and its challenges and prospects. It gives the ideas about the opportunities of Nepal in present context and the challenges that Nepal is going through. It also explores the ideas and experiences that Nepal can learn from the other developed and successful small powers. Thus, this paper shall be useful for any further upcoming researches that will deal with the study of Nepal.

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