

**GEOPOLITICS OF NEPAL: OPPORTUNITIES AND CHALLENGES TO  
ITS NATIONAL SECURITY**

**A Dissertation**

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## **DECLARATION**

I hereby declare that this dissertation “Geopolitics of Nepal: Opportunities and Challenges to its National Security” submitted to the Faculty of Humanities and Social Sciences, Tribhuvan University, is my own work and that it contains no material previously published. I have not used its material for the award of any kind and any other degree. Where other authors’ source of information have been used, they have been acknowledged.

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Gaurab Tandul

Date: May 15, 2025

## **LETTER OF RECOMMENDATION**

We certify that this dissertation entitled “Geopolitics of Nepal: Opportunities and Challenges to its National Security” was prepared by Gaurab Tandul under our guidance. We hereby recommend this dissertation for final examinations by the Research Committee of the Faculty of Humanities and Social Science, Tribhuvan University, in fulfillment of the requirements for the degree of DOCTOR OF PHILOSOPHY in POLITICAL SCIENCE.

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## **APPROVAL LETTER**

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## ABSTRACT

Nepal, a landlocked country nestled on the southern slopes of the Himalayas, holds a strategic position between two major global powers: India and China. The country's northern border is entirely demarcated by the Himalayas, separating it from the Tibet Autonomous Region (TAR) of China. This unique geographic positioning, coupled with the presence of vital mountain passes such as Kuti and Kerong, underscores Nepal's significant role in regional geopolitics. Historically, Nepal's attempts to control these passes have been thwarted, leading to their strategic occupation by Tibetan and Chinese forces. The construction of the Kathmandu-Kodari road with Chinese assistance further highlights the geopolitical importance of these routes.

In terms of security, Nepal lacks a substantial defense establishment and has historically relied on maintaining friendly relations with its neighbors. Treaties with China and India, including the 1950 Indo-Nepal Treaty of Peace and Friendship, reflect Nepal's strategy to safeguard its sovereignty. Nepal's strategic significance has grown with China's rise as a global power, positioning Nepal as a potential flashpoint in Sino-Indian rivalry. However, economic interdependence between China and India has thus far mitigated the risk of direct confrontation.

Nepal's geopolitical leverage is both an opportunity and a challenge. The nation's location enables it to draw economic and infrastructural support from both India and China. China's investments in Nepal and the strategic Kathmandu-Kodari road illustrate Beijing's interest in Nepal's stability and economic development. Conversely, India's historical and economic ties with Nepal make it a crucial partner, evident in India's role in Nepal's political developments.

The geopolitical dynamics involving Nepal extend beyond regional tensions. The United States' strategic interests in South Asia, particularly in containing China's influence, add another layer of complexity. China's support for Pakistan serves to keep India preoccupied in the region, indirectly impacting Nepal.

Despite the opportunities for economic growth and infrastructure development through engagement with both India and China, Nepal faces significant challenges. Political instability, governance issues, and internal ethnic divisions weaken its capacity to address security threats. Border disputes and the risk of natural disasters further exacerbate these vulnerabilities.

To navigate these complex dynamics, Nepal must adopt a balanced approach, balancing diplomatic engagement with both neighbors while strengthening internal cohesion and security infrastructure. Leveraging international platforms such as the United Nations and regional organizations like SAARC and BIMSTEC can enhance Nepal's strategic positioning. It is in this context; the study explains the significance of Nepal's geopolitical location. It explores the opportunities for Nepal due to its geopolitical location and inspect the challenges to Nepal's National Security due to its geopolitical location.

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## ACRONYMS

ACD	:	Asia Cooperation Dialogue
ASEAN	:	Association of South East Asian Nations
BCIM	:	Bangladesh, China, India and Myanmar Economic Corridor
BIMSTEC	:	Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation
BJP	:	Bharatiya Janata Party
BRI	:	Belt and Road Initiative
BRICS	:	Brazil, Russia, India, China, and South Africa
BSCAA	:	Bureau of South and Central Asian Affairs
CARIFESTA	:	Caribbean Festival of Arts
CARITAS	:	Congregations Around Richmond Involved to Assure Shelter
CFR	:	Council on Foreign Relations
CI	:	Critical Infrastructure
COVID-19	:	Coronavirus Disease of 2019
CPA	:	Center for Preventive Action
CPEC	:	China Pakistan Economic Corridor
CPN	:	Communist Party Nepal
CPN(M)	:	Communist Party of Nepal (Maoist)
ERASMUS	:	European Community Action Scheme for the Mobility of University Students
EU	:	European Union
FDI	:	Foreign Direct Investment
FES	:	Friedrich Ebert Stiftung
GCC	:	Gulf Cooperation Council
GDP	:	Gross Domestic Production
GNP	:	Gross National Product
GON	:	Government of Nepal
HIV/AIDS	:	Human immunodeficiency virus and acquired immune deficiency syndrome
ICG	:	Inter-Governmental Committee
IFAP	:	Institute of Foreign Affairs Policy
IM	:	Indian Mujahideen

INGO	:	International Non-Governmental Organization
IR	:	International Relations
ISI	:	Inter-Services Intelligence
JTC	:	Joint Technical Level Boundary Committee
LDC	:	Least Developed Countries
LLDC	:	Land Locked Developing Country
LLS	:	Land Locked States
MCC	:	Millennium Challenge Corporation
MEA	:	Ministry of External Affairs
MOFA	:	Ministry of Foreign Affairs
MOHA	:	Ministry of Home Affairs
MONUSCO	:	United Nations Organization Stabilization Mission
MoU	:	Memorandum of Understanding
MP	:	Member of Parliament
NA	:	Nepal Army
NAM	:	Non-Aligned Movement
NATO	:	North Atlantic Treaty Organization
NDS	:	National Defense Strategy
NGOs	:	Non-governmental Organizations
NICD	:	National Institute of Community Development
ORF	:	Observer Research Foundation
PPA	:	Poverty Plan of Action
PRC	:	People's Republic of China
QUAD	:	Quadrilateral Security Dialogue
SAARC	:	South Asian Association for Regional Cooperation
SCO	:	Shanghai Cooperation Organization
SDGs	:	Sustainable Development Goals
SEZs	:	Special Economic Zones
SLOC	:	Sea Lines of Communication
SPP	:	State Partnership Programme
SSR	:	Security Sector Reform
STAC	:	SAARC Tuberculosis and HIV/AIDS Centre
STEM	:	Science, Technology, Engineering, and Mathematics
TAR	:	Tibet Autonomous Region

UN	:	United Nations
UNODC	:	United Nations Office on Drugs and Crime
UNESCO	:	United Nations Educational, Scientific and Cultural Organization
UNHCR	:	United Nations High Commissioner for Refugees
UNMISS	:	United Nations Mission in South Sudan
UNOGIL	:	United Nations Observation Group in Lebanon
UN-OHRLLS	:	United Nations Office of the High Representative for the Least Developed Countries
US	:	United States
USD	:	United States Dollar
USSR	:	Union of Soviet Socialist Republic
WB	:	World Bank
WTO	:	World Trade Organization

## CHAPTER I

### INTRODUCTION

#### 1.1 Background of the Study

Nepal is a landlocked country situated on the southern slopes of the Himalayas. The Himalayas separate its entire 500-mile-long northern border with the Tibet Autonomous Region (TAR) of China. Tibet occupies a unique position in the Himalayan region. It is a huge plateau situated to the north of the main Himalayan range. It is from here that the great rivers of Asia such as the Brahmaputra, the Indus, the Salween, the Mekong, the Yellow and the Yangste have originated. India, China and Russia also meet at the same Himalayan axis.

There are about eighteen passes in the central Himalayan range that can be used as channels of communication between trans-Himalayan migrants to Nepalese valleys, and the Nepalese and the Chinese armies. The Kuti and Kerong passes are the most accessible passes (Ghoble 1985, p. 36) because they are low in the Himalayas (13,000 to 14,000 ft) and are usually not totally impassable in winter. Nepal's objective was to establish its authority over the Kerong and Kuti areas. This was a failure and the passes were captured by the Tibetan and Chinese armies in 1792 (Upreti, 2001). The Kathmandu-Kodari road was built with Chinese assistance which connected Nepal with Tibet through the Kuti pass. These two passes are controlled by the Chinese which provides them with a strategic position. Other passes in the central Himalayas are more than 17,000 feet and they are covered with snow for several months of the year. They have limited utility for trade and are strategically not very important, but they are used by local inhabitants (Jaiswal, 2022).

Nepal is characterized by two dominant topographical features. There are three parallel mountain ranges: the Himalayas, the Mahabharat, and the Siwalik that

lie along the east-west axis (Rose 1971, p. 40). The three major river systems – the Karnali, the Gandaki and the Koshi cut through them vertically. The vertical flow of these rivers, their deep gorges and the rugged traverse ridges make communications between eastern and western Nepal difficult.

Nepal's mountain range constitutes eighty-five percent of the country's total land mass. The rest forms a strip of marshy tract, ranging in width from sixteen to twenty miles, called the Terai. The Terai extends along a long section of the India-Nepal border (Ghosh, 2005). From a geographical and cultural perspective, the Terai is an extension of the Indo-Gangetic plains. The Terai yields approximately 75 percent of the state revenue, because of its easy access to the Indian market and owing to the presence of a large number of industries. Kolkata in eastern India is the nearest port, from where nearly 95 percent of Nepalese trade is regulated.

Nepal does not have a large defence establishment and has sought its security against its adversaries by maintaining friendly relations. To ensure its security, Nepal has signed a boundary treaty, the five principles of peaceful coexistence, and the Treaty of Peace and Friendship with China (Bhasin, 1994). It has also signed 1950 Indo-Nepal Treaty of Peace and Friendship with India.

From a political point of view, China assumes great importance for Nepal. Nepal's geographical location makes China the only possible alternative to India. Nepal can incline towards its northern neighbour in order to reduce its dependence on India. Nepal has also sought Chinese assistance for its economic development. Nepal at the same time knows that India alone can play a decisive role in its national development. India was the major decisive player during the introduction of democracy, mainstreaming of the Maoist or introduction of republic in Nepal. That is why it has not aimed at bringing in China as a substitute for India. Rather, its

objective is to use China as a corrective to India's attitude (Ramakant, 1973). It can be clearly reflected through Nepal's attitude during the blockades imposed on Nepal.

Relations between India and China have been characterised by a "persistent mutual trust deficit" (Singh, 2011). China is more powerful than India in economic and diplomatic terms and challenges India's predominance in its neighbourhood. Since 2004, China has enhanced economic relations with most of the South Asian countries and the volume of trade with Nepal, Bangladesh, Pakistan, and Sri Lanka has increased rapidly (Sahoo, 2011). China's entry into SAARC as an observer in 2005, with the support of most of the member states, has enabled it to engage with South Asia through a multilateral mechanism (Pant, 2010). There is an asymmetric relation between China and India, despite both being economic giants. India is concerned about the expansion of Chinese influence into South Asia, which has been historically India's sphere of influence.

The position of Nepal has become more strategically significant with the rise of China. Located in between the two regional powers who aspire to become global powers, Nepal can become a flash-point of geopolitical rivalry between a rising China and a defensive India. Sakhuja (2011) highlights, "The ongoing political paralysis in Nepal...has created the ideal conditions for Beijing to increase its leverage and influence over Nepal".

Counter to this theory is the argument that China and India also share a strong interest in their own economic development and do not wish to jeopardise their current growth trajectories, nor want to undermine their lucrative bilateral trade. China was India's largest trading partner in 2008, and trade between the two countries has risen dramatically from USD 1 billion in 1994 to USD 118 billion in 2024. Even after a military standoff at Galwan, Dokhlam and other places as well as the COVID-

19 pandemic, India-China trade crossed the USD 100-billion mark in October 2021, according to the data released by China's General Administration of Customs (The Tribune, November 8, 2021). According to this view, the main driver of China-India relations is a mutual interest in economic growth and this will safeguard the region against a confrontation between them. Nevertheless, the unprecedented economic growth has not cemented stability in the political relationship (Holslang, 2010). Nepal's role is also related to wider geopolitical dynamics beyond South Asia. There are diverse perspectives on these dynamics. Some argue that the US seeks to strengthen its alliance with India in order to contain China, a goal which underlies its engagement in Pakistan and Afghanistan, and which informs US policy towards Nepal (Friedman, 2010). Thus, the US and India are developing closer strategic ties and stand together through Quadrilateral Security Dialogue and QUAD Alliance of the US, India, Japan and Australia.

Others suggest that China supports Pakistan to keep India tied down in South Asia, leaving Beijing free to expand its access and influence more broadly across the Asian continent, including in Nepal (Subrahmanyam, 2010). However, the significance of Nepal for either China or India should not be overrated. While New Delhi sees Nepal a foreign policy priority to some extent, Kathmandu does not feature much in Chinese foreign policy debates (Campbell, 2012). This has led to a view that both countries have bigger fish to fry," and will prioritise their relationship with each other over their relationship with Kathmandu.

Nonetheless, it is worth pointing out that both China and India are progressively using multilateral structures to smoothen bilateral relations. Both have an interest in improving the international diplomatic architecture, which they consider to be West-led. Thus, the emergence of new arrangements of 'rising powers',

inclusive of the China-India-Russia strategic triangle and the BRICS (Brazil, Russia, India, China and South Africa) grouping. China has also been increasingly engaging with SAARC, where India predominates; while India has observer status in the Shanghai Cooperation Organisation, which China dominates. These several multilateral frameworks may provide a structure for strengthening understanding and mutual trust, including over Nepal.

The Sino-Indian relations have a significant effect upon geopolitics in the South Asia region, and thus upon peace and stability in Nepal. To some degree the contestation among the two rising powers is unavoidable, though historical rivalries have been managed thus far, and the expectation is that shared economic interests will outbalance the geopolitical rivalry. The great power game between China and India is not played out in a void, and several other international actors are also engaged in minor roles.

China does not have a development agenda that is similar to that of Western powers, but its involvement in Nepal and other developing countries is founded on several core principles. These fundamentals reflect China's own development experience and history of engagement with other states. A central principle that guides much of China's foreign policy is that of respecting the sovereignty of all states. China's stance is not to intrude or intend to be involved in any countries' domestic matters as these are the absolute responsibility and worry of the national government, often referred to as China's policy of 'non-interference'. Subsequent to this, China's stance is that the assistance it provides to developing countries is not contingent on political or economic reforms, development in governance or the protection of human rights – a stand which certainly contradicts with many Western powers.

Besides the significance it assigns to sovereignty and non-interference, another key principle of China's involvement in developing countries is that of mutual benefit. China is not squeamish about advancing its economic self-interest, even as it contributes to the development of other countries. Beijing is explicit about the economic rationale for its engagement in the developing world. The so-called 'Going Out' policy, which aims to sustain high levels of economic growth within China through global engagement is an important driver, principally in the emerging developing country markets such as Nepal.

Furthermore, these general principles that underpin China's relations with developing countries, its engagement in Nepal is informed by a variety of context-specific interests and motives. The three main areas of China's interest in Nepal are stability, economic development and geopolitics.

The geopolitical position of Nepal also provides opportunities and challenges to Nepal's National Security. National security encompasses various dimensions, including military, economic, environmental, and cyber domains. For Nepal, a landlocked country situated between two global powers, India and China, these dimensions present unique opportunities and challenges. Nepal's strategic location between India and China has historically influenced its national security dynamics as it allows Nepal to engage in strategic partnerships with both India and China and safeguard its national interest both political, security and economic. Leveraging these relationships has enhanced Nepal's diplomatic influence and access to economic and military resources. The country's security policies and strategies have evolved in response to regional and global changes. Similarly, Nepal actively participate at different multilateral and bilateral forums such as United Nations (UN), South Asian

Association for Regional Cooperation (SAARC), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and others.

Nepal's national security faces several challenges stemming from both internal and external factors. Externally, the nation's strategic location between India and China subjects it to geopolitical pressures and influences from these major powers, which can impact its sovereignty and strategic autonomy. Internally, Nepal grapples with political instability and governance issues, which can weaken its ability to effectively address security threats. Additionally, the country faces border disputes with India and China, as well as the potential for cross-border infiltration and terrorism. Natural disasters like earthquakes and floods also pose significant risks, exacerbating existing vulnerabilities and straining national resources. Addressing these challenges requires a multifaceted approach, including diplomatic engagement, military modernization, and improved internal cohesion.

Due to its geopolitical position between two fastest growing economy of Asia, which has huge population and has emerged as the largest military, India and China provide huge opportunities and challenges to Nepal. Nepal's position between India and China offers it a unique geopolitical leverage. By maintaining balanced relations with both countries, Nepal can benefit from economic aid, investments, and infrastructure projects. Similarly, Nepal has the opportunity to strengthen its security through strategic partnerships with other countries and international organizations, which can offer support in areas like defense, disaster management, and economic development. Furthermore, advancements in economic development and infrastructure can enhance national security by improving stability, reducing poverty, and building resilience against external pressures. Apart from these opportunities, Nepal's geolocation also provides geopolitical tension. The strategic location also

subjects Nepal to geopolitical tensions between India and China, which can influence its security environment and place pressure on its foreign policy. This has often led to political instability in the Himalayan country. Domestic political instability and governance issues can undermine the effectiveness of security measures and hinder the development of cohesive security strategies. Ongoing border disputes with neighboring countries can lead to tensions and potential conflicts, impacting national security. Nepal's susceptibility to natural disasters like earthquakes and floods poses significant security challenges by straining resources and disrupting stability. Internal ethnic and regional divisions can exacerbate security issues, potentially leading to unrest and weakening national unity. Navigating these opportunities and challenges requires a strategic approach that balances diplomatic engagement, internal cohesion, and proactive security measures.

## **1.2 Statement of the Problem**

Nepal's unique geopolitical positioning between two Asian giants, China and India, presents both strategic opportunities and significant challenges, directly influencing its national security and foreign policy. While numerous studies on Nepal's geopolitics primarily highlight these challenges, there remains a gap in exploring the opportunities that Nepal's location offers.

Scholars such as Rose (1971) has extensively examined Nepal's geopolitical constraints, emphasizing the delicate balance it must maintain to avoid antagonizing either neighbor, particularly in trade, security, and political affairs. Rose attributes Nepal's challenges to historical legacies, economic vulnerabilities, and strategic limitations, underscoring the need for skillful diplomacy. Similarly, Thapa (2002) highlights Nepal's struggle to uphold a balanced foreign policy amid economic dependence on India and China's growing influence. He also identifies internal

political instability, weak governance, and external interference as key obstacles. Likewise, Thapa (2005) explores Nepal's dilemma in navigating its foreign policy options while considering geography, socio-cultural ties, and trade dependencies. He argues that Nepal must choose between aligning with India, China, or adopting a middle path to safeguard its sovereignty and national interests.

While these studies have extensively analyzed Nepal's geopolitical challenges, there is a notable lack of research focusing on the opportunities that arise from its strategic location. In an era where global geopolitics is increasingly shifting toward South Asia—an observation echoed in former U.S. President Barack Obama's "Pivot to Asia" strategy—Nepal's role in the region deserves greater scholarly attention. Existing literature primarily discusses the constraints Nepal faces, with limited exploration of how it can capitalize on its strategic position.

This study aims to bridge this gap by examining Nepal's geopolitical opportunities and proposing foreign policy strategies that leverage its unique location to enhance national interests and regional engagement.

### **1.3 Research Questions**

In light of the above statement of the problem, the study will focus on three following research questions:

1. What is the significance of Nepal's geopolitical location?
2. Why Nepal needs to overcome the challenges to its national security caused due to its geopolitical location?
3. How Nepal should foster the opportunities and formulate effective foreign policy from its geopolitical location?

#### **1.4 Objectives of the Study**

The general objective of the study is to understand and examine the behavior of Nepal in international system, that is shaped based on its geopolitical location and its national capabilities. The study also explores how Nepal benefit from its geopolitical position and what are the challenges that it can face. The specific objectives of the study are as follows:

1. To study the significance of Nepal's geopolitical location.
2. To analyze why Nepal needs to overcome the challenges to its National Security caused due to geopolitical location.
3. To examine how Nepal should foster the opportunities and formulate effective foreign policy from its geopolitical location.

#### **1.5 Significance of the Study**

The study of Nepal's geopolitics is of paramount importance for several reasons, considering its unique position and the dynamic nature of regional and global politics. Nepal's unique position, situated between India and China, places it at the heart of South Asian geopolitics. This strategic location offers Nepal significant leverage, as it can serve as a vital link for economic, cultural, and political exchanges between the two Asian giants. However, it also presents complex challenges, as Nepal must carefully navigate its foreign relations to balance the influences and interests of both neighboring powers. This delicate balancing act is crucial for maintaining national sovereignty, fostering economic growth, and ensuring regional stability. The significance of studying the geopolitics of Nepal lies in its potential to guide the nation towards a more secure, prosperous, and diplomatically balanced future. By thoroughly understanding and addressing the opportunities and challenges inherent in its geopolitical environment, Nepal can enhance its national security, foster economic

development, and contribute to regional stability. The study not only focuses on Nepal's unique position, and how it provides challenges to Nepal's national security but also explores the opportunities that Nepal can garner due to its unique geopolitical position. It also recommends how Nepal should formulate its foreign policy to overcome the challenges and benefit from its geopolitical location.

### **1.6 Limitations of the Study**

This study is subject to several limitations. In terms of time frame, the study focusses post Sugauli Treaty of 1815. A significant constraint was the inability to access important documents published in Chinese or other foreign languages. The study had to rely heavily on materials available in Nepali and English, which may have limited the comprehensive understanding of perspectives from other key stakeholders, particularly China. Moreover, the lack of Chinese language skills restricted the ability to explore relevant literature in the vernacular Chinese language, which could have provided deeper insights into Chinese views on Nepal's security and geopolitics. The study's ability to comprehensively assess Nepal's national security was restricted by the unavailability of critical, confidential documents and communications. The sensitive nature of certain materials, especially related to foreign policies and security strategies, limited the scope of the analysis.

Although the study included interviews with some experts working in the fields of foreign policy and security, the absence of Chinese and Indian scholars for interviews posed a limitation. This was primarily due to logistical constraints, including the lack of resources to conduct field trips or secure interviews with these key stakeholders. The study relied significantly on journals, articles, and other publications in English and Nepali. While this offered valuable insights, it may have excluded certain regional perspectives that could have been presented in other

languages or from scholars with direct engagement in the geopolitics of Nepal. The study was conducted within a limited time frame, which restricted the depth of analysis that could be carried out on some issues, particularly those requiring extensive fieldwork or access to hard-to-obtain documents.

### **1.7 Organization of the Study**

The study is divided into seven chapters. The first chapter introduces the subject of the study and defines its goals and purpose. It includes the background of the study, statement of the problem, research questions, objective of the study, significance of the study and limitation of the study. The second chapter is on Literature Review where there are extensive and pertinent literatures reviewed and analyzed related to the study such as principles, concepts and practice of geopolitics and Nepalese security policy and strategy. This chapter has described and synthesizes the research drawn from published books, journals, articles and dissertations. The third chapter is on Research Methodology which explains how the data is collected from primary and secondary sources and share different research tools, design and method used. It also highlights how the data is analyzed to get the desired output. The fourth chapter is on the significance of Nepal's geopolitical location where the study highlights the position of Nepal, how Nepal is important for the different powers and how Nepal formulate its foreign policy. The fifth chapter highlights Nepal's internal and external security threats and analyses different challenges to Nepal's national security. The sixth chapter is on opportunities of Nepal's geopolitical location and suggest how Nepal should formulate its foreign policy to benefit from its geopolitical location. The seventh chapter is on findings and conclusion.

## **CHAPTER II**

### **LITERATURE REVIEW**

This chapter review the key resources available on the study which were accessed during the study. It reviews and synthesizes the perspectives of various scholars and researchers on conceptual understanding of geopolitics, geopolitics of Nepal and security challenges of Nepal.

#### **2.1 Conceptual Understanding of Geopolitics**

Geopolitics is the study of the effects of geography on international politics as well as international relations (Devetak et al, 2012, p. 2). As a method of foreign policy analysis, geopolitics seeks to understand, explain, and predict international political behavior primarily in terms of geographical and cultural variables. Traditionally, this term has applied primarily to the impact of geography on politics, but its usage has evolved over the past century to encompass wider connotations, with variables including physical location, size, climate, topography, demography, natural resources, and technological advances of the state being evaluated.

Geopolitics focuses on examining how a country's geographical elements, like its location, terrain, land size, climate, soil, and raw materials, shape its foreign affairs, economic policies, military actions, and strategic choices. Two types of geopolitics can be the way to understand the above term. They are – classical geopolitics and critical geopolitics. Classical geopolitics focuses on the relationship between the territorial interests and power of a state and the geographical environment. And critical geopolitics focuses more on the role of ideologies and discourses.

It is highly significant to be aware of geopolitics as it forms an important element of analysis for military history and also for the sub-disciplines of political

science like international relations and security studies. A geographer offers a critical view of the geographical dimension of political issues, like the creation and maintenance of borders and territories and the emergence of conflicts. On the other hand, the economy, both on a global scale and for individual nations, is inevitably impacted by geopolitical risks stemming from elections, polarization, and conflicts within and among states. Therefore, managing these sorts of risks to promote stability in geopolitics has become essential.

Human geography should be understood in order to know geopolitics, as geopolitics is a component of human geography. In the book “Introduction to Geopolitics” written by Flint (2006) says one can be able to get an understanding of geopolitics beyond its general characteristic of competition over territory based on geographical elements. This book begins with the introduction of a simplified model of global geopolitics and ends with a discussion of the complexity of geopolitical conflicts given the multiplicity of structures and the multiple identities and roles of agents. It gives the basic insights about geopolitics in the contemporary world and the role of geopolitical agents. Geopolitics is a practice of states controlling and competing for territory. It is a way of seeing the world. It is more than the competition over territory and the means of justifying such actions, where the competition for territory is broader than state practices. In the contemporary world, geopolitics identifies the sources, practices and representations that allow for the control of territory and the extraction of resources.

According to Hagan (1942), Geography is seen as the study of natural elements like climate, topography, soil and resources. Additionally, this becomes economic and social geography when connecting the natural conditions provided and social customs and practices, as a method of securing livelihood. Crossing this social

and economic geography, this has also become political geography. Geopolitics is a theory of political events integrated into their geographical setting. It also examines the character of the state as a living organism. This means that, the conditions of birth, growth, life functions and death are studied in determining the operative laws.

Geography is a practice that gained its identity from the western imperializing project of surveying, mapping and cataloguing the earth. In geopolitical analysis how, a region functions economically and politically as well as its cultural personality are essential to fuller understanding. The comprehensive understanding of a region provides a superior basis for successful policy formulation. Tuathail (1994) claims, geopolitics is also the gathering point for a particular understanding of the practical conduct of statecraft. This conceptual understanding of geopolitics as the *savoir faire* of statesmanship is almost exclusively the legacy of Henry Kissinger.

Geopolitics is penetrative perception, the ability to breach with one's sight, to see inside, to strip away 'illusions' and 'surface appearances.' Geopolitics is a perspective which is premised on the so-called 'historical lesson' that there can be no peace without a balance of power amongst the great powers. A geopolitical foreign policy is one that seeks to maintain equilibrium in global politics and thus maintain peace. It is a philosophy of foreign policy founded on the realities of power and not on the vagaries of personality or ideological guilt. And it is a foreign policy analytic by which local events and regional conflicts can be understood in all their global significance. According to Kissinger, to think geopolitically is to think of a global framework of power within which regional struggles take on a significance that extends far beyond the immediate geographical location.

Geopolitics is sensible and balanced navigational strategy. It is also a tradition of thinking about grand strategy in terms of the most fundamental factor conditioning

national security: geography. And the key to national security lies in the proper understanding of the strategic meaning of geography. According to Gray (1999), geopolitics is a geometric practice that enables us to identify the permanent patterns of global politics, label territories with the appropriate geopolitical identities, and construct policies on the basis of revealed earth patterns and identities. It uses geography as an aid to statecraft. Geopolitics is better understood not as advisors and princes but as discourses and subjectivities. A more appropriate framework for understanding geopolitics as a type of knowledge is perhaps Foucault's concept of 'governmentality', the ensemble of rationalities concerned with the governing of territories and populations that emerged in the 18<sup>th</sup> century. Geopolitics marks a particular expression of governmentality in the 20<sup>th</sup> century, a governmentality concerned with the task of hegemonic management. Geopolitics is a geographical scrutiny.

As per, Sidaway (2001), geopolitics is seen in many different ways and defining geopolitics becomes complicated due to various reasons. It is often associated with a particular mode of visualising space, states and the relations between them. Geopolitics itself is a tradition. That is, something conscious of its unfolding historical development and with a sense of important founders. It is considered as a masculine tradition both in the basic sense of being overwhelmingly produced by men and in the way that it draws upon heroic visions of masculinity. Beyond the term 'geopolitics' the definition of geopolitics is notoriously difficult, for the meaning of concepts like geopolitics tend to change as historical periods and structures of world order change. However, a good way to understand something about this idea of a tradition of geopolitics is to look at some of the people, places and ideas associated with one of its most significant appearances, in the ideology of the

right-wing dictatorships that ruled many South American countries in the 1960s, 1970s and 1980s.

Additionally, political geography is seen as a child of geography and geopolitics as a realm of political science. As per *American Power and International Theory* at the Council on Foreign Relations (1954), geopolitics is concerned with conflict and change, evolution and revolution, attack and defence as it aims to furnish the weapons for political action by linking all historical development with the conditions of space and soil, and by regarding history itself as determined by the external forces to predict the future. Geopolitics is considered as a human geography adapted to modern totalitarian politics. The geographer who ponders over the space-relationships of states becomes a political geographer. On the other hand, the statesman who learns to use geographical factors for a better understanding of politics, becomes a geopolitician.

According to Cahnman (1943), geopolitics is seen as a vital tool for political actions and is regarded as a descriptive science. That is, geopolitics is defined as providing “tools and guidance for political action”. It is an applied science that is intended to guide practical politics up to the point where it has to depart from the sure ground of science. Geopolitics regards itself as a descriptive science. But being descriptive does not imply that it is nothing else. Adequate description includes the knowledge of related cases and thus invites classification and comparison. Geopolitics tries to investigate the relationship of political events to a significant part of the earth’s surface.

One of the aims of geopolitics is to emphasize that political predominance is a question not just of having power in the sense of human or material resources, but also of the geographical context within which that power is exercised. Mackinder’s

view of geography is interpreted as a combination of a geographical *longue durée* and a theatre of military action. According to Geoffrey Sloan, a good geopolitical analysis must present a picture of the constellation of forces which exist at a particular time and within a particular geographical frame of reference. And this approach makes Mackinder's geopolitical theories prominent among the most important of the 20<sup>th</sup> century.

Anderson (1999) claims, the focus of geopolitics is upon the use of geography to illuminate politics and particularly political decision-making. Despite the increasing effects of globalization, the basic unit in the contemporary world political system is the state. It is an internationally recognized political and juridical entity which claims sovereignty over a specific area of land and possibly adjacent sea, the inhabitants of the area and the resources located therein. Geopolitics also contributes to the decision-making process on boundary delimitation. As there are high and low politics, so geopolitics is not scale-specific and there are high and low geopolitics. Geopolitics developed as a study of the effect of physical geography and patterns of political history.

Mackinder (1904)'s Heartland Theory is a seminal concept in geopolitics, emphasizing the strategic importance of Eurasia's central landmass in determining global power dynamics. Mackinder (1904) argued that the Heartland, a region stretching from Eastern Europe to Central Asia and Siberia, was the key to global dominance. He believed this area, rich in natural resources and shielded from naval attacks, offered unparalleled strategic advantages. Mackinder encapsulated his theory in a famous axiom:

1. Who rules Eastern Europe commands the Heartland?

2. Who rules the Heartland commands the World Island (Eurasia and Africa)?
3. Who rules the World Island commands the World?

The theory was revolutionary, shifting geopolitical focus from maritime to land-based strategies. During the World Wars and the Cold War, it heavily influenced the foreign policies of global powers. For instance, the containment strategies of the U.S. during the Cold War aimed to limit Soviet influence over the Heartland, aligning with Mackinder's emphasis on controlling this pivotal region. In contemporary geopolitics, while advancements in air power, technology, and globalization have reduced the Heartland's exclusivity, its relevance endures. The rise of China, Russia's assertive presence in Central Asia, and the U.S.'s interest in the region reflect ongoing competition for influence in Mackinder's "pivot area." Initiatives like China's Belt and Road Initiative (BRI) demonstrate the modern significance of controlling trade routes and connectivity in the Heartland. Mackinder's theory remains a foundational framework for understanding power dynamics in Eurasia, highlighting the intersection of geography and global strategy in shaping the policies of nations. Its implications continue to resonate in the 21st century's evolving geopolitical landscape.

On the contrary, Spykman (1994) argued that the Rimland, or the coastal areas surrounding the Eurasian Heartland, held greater strategic importance than the Heartland itself. The Rimland includes regions like Western Europe, the Middle East, South Asia, and East Asia. Spykman's central idea was that control of the Rimland would determine global power because it combined the benefits of both land and sea power. Unlike the Heartland, the Rimland connects key economic hubs, trade routes, and diverse populations. Spykman reformulated Mackinder's axiom:

1. Who controls the Rimland rules Eurasia?

## 2. Who rules Eurasia controls the destinies of the world?

Spykman's theory greatly influenced U.S. foreign policy during the Cold War, especially its strategy of containment to counter Soviet expansion. The U.S. focused on securing alliances and maintaining a military presence in Rimland regions like NATO in Europe, alliances in the Middle East, and partnerships in Asia to encircle and contain the Soviet Union.

In modern geopolitics, Spykman's Rimland Theory remains highly relevant. The Indo-Pacific strategies, China's Belt and Road Initiative, and the U.S.'s alliances in Asia and Europe all reflect the competition for control of Rimland regions. The Rimland continues to be a key arena for economic, military, and political influence, highlighting its enduring importance in global power dynamics. Spykman's emphasis on balancing power in the Rimland demonstrates the critical intersection of geography and geopolitics in shaping international relations.

Similarly, Haushofer (1935), a German geographer and geopolitician, developed the concept of Geopolitik, which emphasized the influence of geography on a nation's power and strategic decisions. His theories were deeply influenced by Mackinder's Heartland Theory and Ratzel's concept of Lebensraum (living space). Haushofer argued that geographical factors, such as location, resources, and terrain, were fundamental to national strength and survival. Haushofer (1935) promoted the idea of Lebensraum, asserting that nations must expand territorially to secure essential resources and ensure long-term security. This idea aligned with the expansionist ambitions of Nazi Germany, although Haushofer's direct involvement in Nazi policies remains debated. Haushofer also introduced the concept of pan-regions, proposing that the world be divided into self-sufficient geopolitical blocs led by major powers. He envisioned a German-led Europe-Africa bloc, a Japanese-led Asia-Pacific bloc,

and an American-led Western Hemisphere bloc, advocating for economic self-sufficiency (autarky) within these regions. Furthermore, he emphasized the importance of strategic alliances, such as the German-Japanese partnership, to counterbalance Western powers. Like Mackinder, Haushofer stressed the dominance of land power over sea power, particularly in Eurasia. Although Haushofer's theories were controversial due to their association with Nazi geopolitics, they highlighted the critical relationship between geography and global power dynamics, influencing discussions on geopolitics and strategy.

## **2.2 Historical Foundations of Geopolitics**

As one of the earliest academic disciplines, Greek philosopher Aristotle defined geo-politics as an independent branch of geography. He presented a model of ideal state, which is composed of two essential elements - population and natural territory. Additionally, Greek geographer Strabo of Amasia (63 BC, 24 AD) was a forerunner of geopolitics, who advanced a politico-geographic construct very different from Aristotle's vision of a state; in his view political aims of the state and its geographical location were inseparable, and that geography should always be viewed as a primary resource which serves the needs of the state and its leaders. In sharp contrast to Western thought, the Muslim world was making great advances in geography and its links to geopolitics as Muslim scholar Ibn Khaldun recognized the importance of both cities and the nomadic tribes as he charted their locations and their activities.

In the sixteenth century Europe, several scholars studied the existence of man's relationship with natural his physical environment. Within the field of geography two of the most famous experts were Jean Bodin (1530-1568) and Jean - Jacques Rousseau (1689-1755-1968) who explored the relationship of geography and human

existence. Bodin saw that all supreme power of the state was vested in its monarch, and as such all territory and resources derived were the sole property of the state which could be used to increase the kingdom's power and influence. In contrast, Rousseau noted that people are born into specific political, societal and geographical conditions which imposed restraints on them; in this he concluded that "warm climates favour the growth of despotism and slavery, whereas colder climates encourage democracy and freedom.

In addition, Carl Ritter (1779-1859) believed that God had placed man upon the earth in an inescapable geographical framework. Charles Darwin (1804-1882) found asserted that the theory of natural selection and the survival of the fittest were intimately tied to their geographical and societal environment, both key elements of a man's relationship with his environment. In all, these philosophers advanced their views as an independent branch of geography which were of great interest amongst the students of politics, history and geography who were interested in his views on scientific political geography within central European and German geo-politics. Finally, Darwin was also inspired by Fried Rich Ratzel (1844-1904) who is universally regarded as the father of modern political geography. He developed the "organic theory of the state" which asserted that sovereign political entities functioned like a living organism which was both fixed in space and dependent upon his environment as are all organisms in nature.

The origins of modern "political geography" (which would eventually become geopolitics) can be found in the writings of the Swedish political scientist Rudolf Kjellen and the German natural scientist and geographer Fried Rich Ratzel. Both were active during the late nineteenth and early twentieth centuries, the symbiosis of their ideas produced new dimensions of thought within social sciences. While Kjellen

originated the concept, his interest was initially stimulated by the ideas of Ratzel and it was through the latter that it became widely known (Muni, 2016).

Rudolf Kjellen (1864-1922) was influenced by German geophysical ideas on natural geographical factor as they describe the behaviors of a state were an entirely new way of thinking about international relations and the state. Along with him, Friedrich Ratzel (1844-1904) was natural scientist who concentrated his analysis of geography to produce a synthesis of natural and human phenomena which led to the development of concepts such as human geography (as related to human behavior). In the ninetieth century both their views combined to present a new way to view of the linkages between political and geographical relations in international relations. While Ratzel the natural scientist was clearly motivated by the methods of science humanity but Kjellen's interest of innovative thinking appears different one the existence of state and its safety. His conclusions that in the natural state of political affairs, the State like all other creatures in ranking itself above individuals and that it was the clash of state ideas – and not of animosities amongst peoples – is at the root of the interstate conflict and wars.

As Fisher (1968) noted Ratzel's organic theory was the predictor of how the Industrial Revolution transformed the geopolitical map of Europe. He argued that transportation and technology advances would expand political power amongst states while simultaneously bringing them in closer competition and conflict with one another. He advanced this argument at a time when the new industrial technology was revolutionizing age-old relationship between human beings and their earth as technology shrank effective distances through railway and steamships, as these also dramatically expanded the range of territory over which political control could be maintained. In all, Ratzel viewed the transformation of the world's political map in

terms of an emerging geographic ecology composed of the struggle between rival state organisms for limited geographic space in which to survive and thrive.

In all, the combined effort of these revolutionary “political geographers” advanced a new and very different view of the linkage between states and their evolving technological environment. This highlights how geopolitics is a constantly expanding and emerging concept within the international political arena as new concepts and new definitions are developed and evolving to illustrate ever changing relations amongst nation states. In all, as the Webster New International Dictionary, 2<sup>nd</sup> edition shows, geo-politics continues to evolve as “A science concerned with the dependence of the domestic and foreign politics of a people upon the physical environment.”

Regarding the evolving concept of geopolitics, following onto the foundational thoughts and concepts emerging in the 19<sup>th</sup> Century, the theory and application of geopolitics has continued to expand throughout the past century. Within the social sciences, the concept of geopolitics has continued to expand within the rapidly changing international economic and social environment in order to encompass the impact of rapid technological advances, the extension of human affairs into space, and the evolution of military science and operations as they impact international security efforts. The growth of modern society continues to depend heavily on two basic factors: the expanded influence of science and technology (S&T), and the capacity of each society with its economy to absorb and utilize their advantages for the benefit of their government and people. Throughout the earlier part of the past century, there has been an absence of a systemic, theoretical framework for geopolitics within which to analyze the impact of these factors on internal and international relations amongst states. However, in the later portion of this period,

both sustained interest by scholars and statesmen during the Cold War and beyond have ensured a steady development of geopolitics as a separate and very important aspect of academic and professional studies. Throughout, one key element has remained constant from the ancient times to the present – the importance of human factors and decision making - in analyzing the key impacts of politics and geography amongst states. In all, the relationship of the earth with the state, as interpreted by humans as both leader and dependents will continue to dominate geopolitical theory and application.

Within the area of geopolitics, understanding the perspectives and decision making of key state and societal leaders contributes significantly, to include the broad range of their ideas and abilities. The greater their intellect, education and experience of capable senior leaders within states and regions, the greater their impact on the development of societies, expansion of diplomatic relations and the potential for optimizing the use of natural resources - all of which are key factors within the field. Within this “great man” approach to studying geopolitics, there will be both amazing talented and influential leaders who stand-out as masters of geopolitical affairs; equally so, there will be obvious and incompetent leaders whose lack of geopolitical acumen have severely retarded and disrupted the advancement of their country’s development. Studying the lives of these famous and infamous people has enabled this study to draw general conclusions about their geopolitical thinking, by civilizations in which they burgeoned, and general, if only tentative, considerations about the conditions which produced them and led to their success or failure. In time, perhaps future studies can provide insights into how factors such as heredity and societal environment play a major factor in their development as leaders.

Admittedly, there are numerous biographies of ancient scholars and influential leaders within remote areas may remain unwritten and overlooked within history. Additionally, there is an overwhelming tendency of western biographers to apply their own political and social preferences in both identifying and analyzing the thoughts and works of significant leaders and in providing detailed accounts of their lives and contributions to the governments and civilizations which they impacted. This limits the abilities of researchers to fully analyze and reach valuable conclusions about the level and extent of these lesser included figures, but what is available from existing studies was meaningful enough for the purposes of this work.

Within the development of geopolitical concepts are the closely related and intertwined with the development of “geo-economic. Whereas geopolitics is the science of earth and politics, geo-economics is the science of how economies are heavily linked to the geography, resources and political considerations which frame their dynamics. For example, China mixes political and economic ‘carrots and sticks’ approach to persuade Iran and North Korea. Additionally, the United States is also forced in its international diplomacy to reconcile the inherent tensions between its geopolitical and its geo-economic aspirations.

Just as the mankind gained a better understanding of the earth’s physical terrain and resources, the academic and international relations communities have also significantly advanced their understanding and use of geopolitical concepts. In the late 19<sup>th</sup> Century, Lord Bryce observed that the earth’s exploration was all but finished, as he pointed out that “civilized man knows his home in a sense in which he never knew it before.” However, with the expansion of geographical horizons came the desire of international actors to acquire and control the new lands as part of either local state or as part of colonial empires. Such efforts served to bring both human and non-

human/natural elements were brought closer together, as science increased human understanding of their environment through embracing the physical universe with a greater awareness of the natural environment and its governing factors (Rana, 2013, p. 8).

In the nineteenth century, naturalistic thinking expanded to focus on natural phenomena and increased analysis and specialization of within a single, unified scientific discipline. As David Livingstone noted, there emerged a unity within "the geographical experiment and it entailed keeping nature and culture under one explanatory umbrella described the construction of a conceptual link between scientific knowledge and a broader social global view. This integration of political, natural and scientific perspectives expanded upon the view of Kjellen who saw a method for applying scientific principles to politics, while Ratzel's methodology commented on the linkages of natural science to the understanding and explanation of human activity. In all, this first evolution of geopolitical thought linked the key elements of political science and earth sciences to shed new light on international relations and increased the legitimacy of this new field. Within the study of contemporary issues of the period, geopolitics began to link geographical factors are such as climate, physical resources and major physical features to their impacts on human activity, and to explain the behavior and interactions of the spatial objects as a component part of whole geopolitical space and its processes. Within this, this author gained insights on how such scientific, physical and political factors must be identified and analyzed based upon both theoretical and applied concepts in the pursuit of knowledge (Saumitra, 2017).

Twenty years after Kjellen's death, two authors greatly expanded the theory and practice of geopolitics. Edward Thermaenous expressed a new and original true

science of the state as a spatial unit, and Peter Medawar in *Advice to a Young Scientist* advanced idea that science was the true “art of the soluble” as he saw use of its principles and practices as the key elements of international problem solving as being its main function. In this, the authors illustrate the fundamental relationships in science between pure and applied efforts, i.e between the objective analysis of data and the subsequent application of the results of analysis. In all, this new approach showed that the interrelationship of natural phenomena and human phenomena which ran through the core of both behavioral sciences to inform geopolitics in which humans are linked to their essential earthly spaces (Joshua et al., 2009).

In all, the 20<sup>th</sup> Century revealed that the use of geopolitical concepts was a key turning point from alchemy to experimentation in international relations. Its concepts informed the first great global experiment in bringing together the nations of the World together into a single political body under the League of Nations of 1920's. However, the inability of member nations to see the World as an interconnected “whole” with common political concerns across diverse regions eventually cause the demise of the World's first International Organization amid the nationalistic twilight of 1930's, as geopolitical views were overshadowed by a general return of normative geopolitics by member nations amid the strains of a global economic Depression. However, at the end of World War II and with the rise of the Cold War in the late 1940's, the need to assert and utilize more broadly applicable geopolitical concepts toward international relations was once again brought to the forefront as the United Nations was formed as an international body committed to identifying and resolving regional political, security and development challenges across the world. In building upon Kjellen's concept of the central importance of territory in understanding the behavior of states, James D. Sidaway in his work *An Introduction to Human*

Geography presented a view of the modern world as characterized by hyper- mobility and (ultra) rapid response across broad regions and reducing the significance of the individual territorial concerns as the major task confronting geopolitics as the millennium approaches. In addition, Sample noted that 'the solid earth' still retains a central role in giving humanity the necessary points of reference in the age of cyber space and globalization (Rana, 2013).

In all, the evolution of geopolitical thought has encouraged and enabled both scholars and practitioners to look beyond the internal linkages of political geography within a state to see the broader dynamics and possibilities for a more peaceful, mutually prosperous and interconnected World. Through a better understanding of geopolitical processes, while the great powers maintain their strength it is also possible for smaller nations to maintain their sovereign independence and security. Thus, by understanding the political and geographic factors which can either divide or bring together the nations of the world, it is possible for statesmen to envision and put in place an overarching order which is mutually beneficial through the development of associative structures which facilitate security, cooperation and trade over a wide area. Geopolitics also facilitates the identification of global, trans-national issues within the diplomatic and intellectual climate of the present day, as scholars and politician identify and develop solution to problems of both regional and global dimensions which lie beyond a particular state's interests and reconcile competing world views in the formulation of international policy agreements (Muni, 2016).

### **2.3 Geopolitics of Nepal**

Historically and diplomatically, Nepal's diplomatic engagement with the major powers can be traced to the years prior to establishing ties with its peripheral neighbors. Even before establishing official diplomatic relations with independent

India (June 1947) and China (August 1955), Nepal had already established relations with great powers like the United Kingdom (1816) and the United States (April 1947). Similarly, diplomatic ties with France (April 1949), Russia (July 1956), and Japan (September 1956) were established immediately after Nepal recognized its official ties with India and China (Humagain & Karki, 2022).

According to Acharya (2022), like any other nation, Nepal's foreign policy is influenced by a number of factors, including its history, geography, culture, capabilities, and people's aspirations, as well as the interactions between its policies and those of other nations. Among Nepal's top concerns continue to be the overlapping concepts of sovereignty, territorial integrity, dignity promotion, and boosting national prosperity in the community of nations. Its worldview, objectives, and expectations have also been defined by its position as one of the oldest sovereign countries in Asia, situated in the South Asian region between India and China, and as an accountable member of the UN and other numerous regional organisations. Consequently, Nepal's primary foreign policy strategy has been to uphold independent, self-assured, impartial, and forward-looking ties with its neighbours. It seeks to forge multifaceted and varied connections rather than pitting one nation against the other (Acharya, 2022).

In relation, Shah (2023) discussed that the Nepal is not recognised by the UN or the World Bank as a minor state. With a population of over 30 million and a territory bigger than Bhutan, the Maldives, and Sri Lanka in South Asia, it can be regarded as a major power on the subcontinent. However, Nepal is a relatively minor or weak nation due to its landlocked geography, power asymmetries with China and India, and other factors. However, Nepal has benefited strategically from its status as a weak country. The location of the nation has been both a blessing and a curse, due

to factors such as the strategic position Nepal has as a potential source of economic growth between Asia's two (economic) heavyweights, or their rivalry and desire to continue using Nepal according to their own interests. Hence, rather than its economic and military might or geographic size, Nepal's foreign behaviour as a small state is greatly impacted by the systemic reality in which it finds itself.

Similar to Shah and Adhikari (2022) characterized Nepal as a middle-sized, landlocked country located between China and India. Nepal's foreign policy has traditionally prioritised the protection and preservation of its independence, territorial integrity, and sovereignty. Nepal was referred to be "a yam between two boulders" by King Prithvi Narayan Shah the Great because it was situated between China and India. As stated in Article 5 of the Nepalese Constitution, protecting the nation's national interests, which include aspects like defending the rights of the Nepali people, maintaining border security, and promoting economic prosperity—is another equally vital goal of Nepal's foreign policy. These geopolitical imperatives and constitutional precepts serve as the foundation for Nepal's foreign policy. This has resulted to a policy mantra of “Friendship with all, enmity with none” in Nepal’s foreign policy.

In the 1980s, however, different from the current “buffer” and ‘friend to all’ situation, Nepal was regarded as an “ungrateful neighbor” who “reactivated” the “China Card” by India due to the former’s strengthening relationship with China (Kumar, 1990 cited by Shah, 2023). In the mid-1990s, with the Maoist insurgency quickly engulfing the country, Nepal was pushed into a decade of civil war, with India becoming its major external stakeholder (Pradhan, 2023). India persuaded Western powers not to overly involve Nepal and that India was responsible for Nepal’s security (Shah, 2023).

Today, having been stuffed between two rival superpowers, China and India, Nepal finds itself increasingly constrained. (FES, 2023). Indeed, Nepal is not immune to the influence of India and China who are trying to exert their influence on the South Asian region (Jaiswal, 2022). This can manifest in the Belt and Road Initiative (BRI) of China and the US Millennium Challenge Corporation (MCC). However, as multilateral buffers like the Quadrilateral Security Dialogue (QUAD) of India, Japan, the United States, and Australia emerge, the role of Nepal as a buffer between two great powers goes beyond being a buffer but a “vibrant bridge with a larger role to play” (Jaiswal, 2022).

According to Shah (2023), Nepal has endeavoured to uphold equitable relations with its neighbours, considering its historical and geopolitical connections. Nepal has always had stronger ties to India due to its shared sociocultural heritage and economy. However, India hasn't been able to develop a long-term economic plan to strengthen ties with Nepal and connect it to regional projects. This “lack of understanding of geoeconomics” is what Mohan (2019) referred to as the reason behind India's failure in Nepal. Nepal's prosperity was linked to India's due to the two economies' respective forms and geographical locations, but India did not appreciate or foster commercial interdependence with landlocked Nepal. Nepal's aspirations for economic growth have been harmed by the poor execution of development projects sponsored by India, the failure of SAARC to promote economic advancement, and the country's undeveloped hydropower potential. Due to India's micromanagement of Nepalese politics, many people thought that India desired a weak, controllable Nepal. This feeling became more prevalent when the 2015 economic embargo made the nation's widening trade deficit with India apparent. There was no alternative for transit or trade. India-Nepal relations were therefore put to the test, but Nepal's

growing relationships with China achieved unprecedented heights, particularly considering Beijing's favourable perception in Nepalese eyes relative to Delhi.

With the advent of the expansionist British Company and the Chinese Empire, as well as later India and China, Nepalese leaders have long acknowledged the effects of great power behaviour and their limited capacity to govern their external environment. Nepal is in a challenging position to handle diplomacy and foreign policy, which entails balancing the interests of both neighbours in ensuring its national interest, due to the intensifying Indo-Sino rivalry. Things will get more difficult for Nepal if China and America engage in a wider geopolitical battle.

For Bhatt and Karki (2022), citing the United Nations Office of the High Representative for the Least Developed Countries (2014), being a landlocked state, the liabilities for being a land-locked state by Nepal are the lack of access to the open sea, high trade transaction costs, additional border crossings and remoteness from major markets. Other liabilities include dependency on transit countries, infrastructural constraints and limited regional integration. Due to its complex terrain, Nepal's exports and imports have to transit through neighbouring territories to get to and from seaports, raising the trade cost by 24 per cent compared to 18 per cent for the sea linked nations. This situation makes Nepal highly dependent on China and India.

Bhatt and Karki (2022) summarized that Nepal, a least developed country (LDC) with severe operational limitations such as being landlocked, having a harsh environment, having few resources, being poor, and experiencing sluggish economic growth, wants to expand its international economic ties because it is predicted to become a middle-income developing country by 2026. In news article published by Friedrich Ebert Stiftung (2023), there are four scenarios and policy options for Nepal

to possibly withstand or overcome the challenges as a wedged state between two superpowers.

First is a balancing strategy by strengthening its soft power projection as a peace-loving nation and investing in diversity. This option will lend Nepal a neutral ground between superpowers. The second is Dancing Danfe where Nepal will participate in numerous forums and reorientations in the economic competitions of India and China. Third is playing safe in the water by intensifying research on the economic benefits of international treaties and leveraging soft power and taking leading roles in international negotiations. Fourth, Nepal may assess and identify threats to properly divide policies that solve them and build narratives to establish a clear foreign policy.

The relationship between India and China has been characterized by a “persistent mutual trust deficit” (Singh, 2011). China, more powerful than India both economically and diplomatically, challenges India's dominance in its neighborhood. Since 2004, China has strengthened economic ties with many South Asian countries, leading to a rapid increase in trade volume with Nepal, Bangladesh, Pakistan, and Sri Lanka (Sahoo, 2010). China's entry into SAARC as an observer in 2005, supported by most member states, has allowed it to engage with South Asia through a multilateral mechanism (Pant, 2010). Despite both being economic giants, there is an asymmetric relationship between China and India. India is concerned about the expansion of Chinese influence into South Asia, a region historically within India's sphere of influence.

Nepal's strategic significance has increased with the rise of China. Situated between two regional powers, China and India, both aspiring to become global powers, Nepal could become a flashpoint for geopolitical rivalry. Sakhuja (2011)

notes that “the ongoing political paralysis in Nepal... has created the ideal conditions for Beijing to increase its leverage and influence over Nepal.”

In contrast to the theory of geopolitical rivalry, there is an argument that China and India share a strong interest in their economic development and do not wish to jeopardize their growth trajectories or undermine their lucrative bilateral trade. China was India’s largest trading partner in 2008, with trade between the two countries rising dramatically from USD 1 billion in 1994 to USD 61 billion in 2010. Even after military standoffs at Galwan, Dokhlam, and other places, as well as the COVID-19 pandemic, India-China trade crossed the USD 100-billion mark in October 2021, according to data released by China’s General Administration of Customs (The Tribune, 8 November 2021). This perspective holds that the main driver of China-India relations is mutual economic interest, which will safeguard the region against confrontation. However, unprecedented economic growth has not cemented political stability in their relationship (Holtslang, 2010).

Nepal’s role is also influenced by wider geopolitical dynamics beyond South Asia. Some argue that the US seeks to strengthen its alliance with India to contain China, a goal underlying its engagement in Pakistan and Afghanistan, and which informs US policy towards Nepal (Friedman, 2010). Consequently, the US and India are developing closer strategic ties, standing together through the Quadrilateral Security Dialogue and the QUAD Alliance of the US, India, Japan, and Australia.

Others suggest that China supports Pakistan to keep India tied down in South Asia, allowing Beijing to expand its access and influence across the Asian continent, including in Nepal (Subrahmanyam, 2010). However, the significance of Nepal for either China or India should not be overrated. While New Delhi sees Nepal as a foreign policy priority to some extent, Kathmandu does not feature much in Chinese

foreign policy debates (Campbell, 2012). This has led to the view that both countries have other bigger concerns and will prioritize their relationship with each other over their relationship with Kathmandu.

Nonetheless, it is worth noting that both China and India are progressively using multilateral structures to smoothen bilateral relations. Both countries have an interest in improving the international diplomatic architecture, which they consider to be West-led. This interest has led to the emergence of new arrangements of 'rising powers,' such as the China-India-Russia strategic triangle and the BRICS (Brazil, Russia, India, China, and South Africa) grouping. Additionally, China has been increasingly engaging with SAARC, where India predominates, while India has observer status in the Shanghai Cooperation Organisation, which China dominates. These various multilateral frameworks may provide a structure for strengthening understanding and mutual trust, including over Nepal.

Sino-Indian relations significantly affect geopolitics in the South Asia region, impacting peace and stability in Nepal. While some degree of contestation between the two rising powers is unavoidable, historical rivalries have been managed thus far, and the expectation is that shared economic interests will outweigh geopolitical rivalry. The great power game between China and India is not played out in a void; several other international actors are also engaged in minor roles.

China does not have a development agenda similar to that of Western donors, but its involvement in Nepal and other developing countries is based on several core principles. These fundamentals reflect China's own development experience and history of engagement with other states. A central principle guiding much of China's foreign policy is respecting the sovereignty of all states. China maintains a stance of non-interference, refraining from intruding into or becoming involved in the domestic

matters of other countries, which it views as the absolute responsibility of the national government. Consequently, China's assistance to developing countries is not contingent on political or economic reforms, improvements in governance, or the protection of human rights, a stance that contrasts sharply with many Western donors.

Besides the significance it assigns to sovereignty and non-interference, another key principle of China's involvement in developing countries is mutual benefit. China openly advances its economic self-interest while contributing to the development of other countries. Beijing is explicit about the economic rationale for its engagement in the developing world. The 'Going Out' policy, which aims to sustain high levels of economic growth within China through global engagement, is a significant driver, particularly in emerging developing country markets such as Nepal.

Furthermore, while general principles underpin China's relations with developing countries, its engagement in Nepal is informed by a variety of context-specific interests and motives. The three main areas of China's interest in Nepal are stability, economic development, and geopolitics.

#### **2.4 Geopolitics and National Security of Nepal**

In Political Geography, Dikshit (2000), shows how the study of political geography is an integral part of understanding the significant elements of a state's social structure. He clearly highlights the relationship between a state's geography and the political aims and methods it employs to achieve its desired ends within regional partners. He analyzes the contributions of several distinguished writers who have contributed significantly to emerging geopolitical theory and concepts which comprise as the central elements of international politics. He notes that the pioneers in these efforts have been Mahan, Mackinder and Saul B. Cohen whose ideas provided the major framework for current concepts. He also notes the

essential relevance of using a geographical framework for studies of nation building and state evolution as a core politico-territorial phenomenon in the contemporary world which is divided between north and south, as well as between rich and poor on the basis of economic development. He noted that geopolitics is “the politics of place and power” whose factors lay the basic foundations for national policies and can influence a state’s choice of assume a non-aligned foreign policy which best serves their global, strategic interests. This work also provided a broad, profound overview of historical events and experiences within the field of political geography and geopolitics which significantly impacted Nepal (Dikshit, 2000).

Chapman (1997) examined how geological movements have moulded regions as unique cradles of civilization and how such factors continue to impact political and social factors into the current day. Within this work, Chapman explores three major forces influences regional integration. These include 1) “identity” forces, such as the bonds of language, ethnicity, religion or ideology; 2) “utilitarian” forces based upon the bonds of common material interest, and 3) 'coercive' forces such as the institutional use or threat of physical violence. Through analyzing these forces, Professor Chapman shows how the organization of territory has been central to the South Asian region's historic, cultural, linguistic and economic development. In addition to his analysis of the Northwest frontier, Afghanistan and Kashmir (added for his second edition), he included analysis of the Northeastern borderlands were examined in the latest, fully revised third edition. In all, Chapman’s synthesis of the Region’s geopolitical dynamics is completely updated and greatly enhanced which provided a key contribution to this work’s analysis of regional geopolitics (Chapman, 1997).

With respect to the significance of geopolitics, Brook Taylor and Colin Maclaurin provide an interesting overview of the evolution of the discipline's emerging concepts and theories wherein the authors analyze Mackinder's Heartland Theory, offering an interesting analysis of the political background of liberal to conservative thought and the significance of spatial structure for land power versus sea power. They offer a detailed discussion of geopolitical trends and dynamics during the pre-World War II period from 1924-41, and the post War period as it impacted the Cold War and the resulting contemporary geopolitical world order. The book also advances key concepts such as the rise of "super states" and "pan-regions" as part of the newest aspects of geopolitical transitions within the World order. The authors also indicated that the U.S. has emphasized geopolitics and geo-economics as key aspects of their post-Cold War foreign policy, adding the point that "it is often said that geography does not change. In truth [an appreciation for the impact of] geography changes as rapidly as ideas and technology change, that is the meaning of geographical conditions changes." In all, while physical geography is unchanging, its influence given the evolution of time and technology is ever-changing within geopolitics.

Within stable, unchanging elements of geography Miller & Renner (2004) devote their focus to analyzing the impacts of the future citizens and leaders of the world, which provided what Mackinder called "Environmental Reality" in world affairs. Their analysis analyzes the relationship between human beings and their physical environment in order to illustrate how geographical space determines the economics, culture, and politics that human beings are involved with. In addition to their views, Vergheese (2012) provide a very macro view of Asian geopolitics and geo-economics. Their work contributes additional views on regional trends,

issues, problem areas and security concerns in South Asia, which are shaped heavily by the region's physical space, its people and imposed boundaries. Finally, Parker (1998)'s work provides additional detail on the development and conceptual basis of geopolitical thinking with respect to how its core concepts have changed based upon the impacts of technology. The book is a wealth of useful information in terms of concepts of major geopolitical thinkers and offers thoughts on how these concepts may change and evolve in the future.

As the largest and most populated country in South Asia, India dominates the geopolitical landscape of the region. As such, the quality of this work depends upon leveraging quality references on the influence of this regional superpower with respect to its smaller neighbors (such as Nepal) and its competition with its neighbor the People's Republic of China (PRC) for dominance in Asian affairs. A particularly valuable resource was Thomas (1985) provided an in-depth analysis of India's security policies which displayed a combination of intimate knowledge and scholarly detachment that is all too rare in the field. The authors provide a thorough account of the evolution of Indian policy from Independence through the assassination of Prime Minister Indira Gandhi and the accession to power of her son, Rajiv to national power. Additionally, this work provides a thorough analysis of Indian views of their external strategic environment and key domestic security considerations such as the role of the army in internal security, national security planning and decision making, and the evolution of the economic and technological basis for defense decisions (Raju, 1985).

Raju (1985) skillfully place the evolution of India's security policy in the context of major global and domestic developments as the author show, since India achieved independence in 1947 there have been substantial changes in the country's

external and internal security environments and in its security policy-making process. While Indian leaders continue their traditional strategy of playing off the U.S. and PRC superpowers against one another, it is changing its security posture from one of “sufficient defense” against Pakistani and Chinese attacks to one of “Limited deterrence” based on regional military superiority and potential nuclear weapons capability. Internally, India continues to rely upon its Armed Forces to quell domestic unrest have increased, all while the military’s inputs in the policy process have been steadily reduced.

Adding to the overall understanding of Indian dynamics are the views of Jain & Nair (2000) detail the genesis and growth of the Indian armed forces from British colonial times to the present. This work provides an understanding the influences which the armed forces exert within state politics, civil-military cooperation between in times of both external and internal crises, the mutual respect shown by both institutions for the line which divides political decision-making on matters of security, and the free hand which the armed forces enjoy in their conduct of security operations.

In complement to these perspectives on India alone, Dugin (2001) provides insights on the impacts of technology in regional geopolitics through posing the concept of “Rim-land” and “border zones,” as part of the future destiny and definitions within the development of the new science within international relations. Within this work, Dugin also discusses Halford Mackinders concept of a geographical pivot of history, the evolution of a new geopolitical order, the geopolitics of orthodoxy, and the applied geopolitics of European destiny.

Contributing a specific focus on Nepal is Upadhya’s (2012) presents a comprehensive overview of Nepal’s domestic politics and foreign relations from

ancient to modern times, with emphasis on the historical interactions between Nepal, China, Tibet and India. This book included a discussion of death of the aging Fourteenth Dalai Lama, the radicalization of the Tibetan diaspora, and the ascendancy of the international campaign to free Tibet – all of which are of increasing geopolitical importance to Nepal. Based upon Nepal's unique central position between China and India and the sharing of a common border with Tibet, the author emphasizes how PRC focus could quickly shift to Nepal which is currently home to some 20,000 Tibetan refugees, a shift which would exacerbate the State's chronic political turmoil which has been traditionally perpetuated by the mutual rivalry amongst the Asian giants.

Upadhyaya's work is also interesting as it provides information from newly declassified information from U.S. and British archives which shed new light on Nepal's place in international Cold War politics. In particular, the reminiscences of key senior leaders in India and the United States offer deeper external insights to specific events. In addition, published memoirs by Nepalese protagonists who have thrived in the intellectual and academic openness of the past two decades, have enriched the discourse. He also includes an abundance of academic, journalistic and personal writings for China where Nepal only appears in passing. When these accounts are taken in proper context, they provide revealing insights on the political and security dynamics between Nepal and its dominant neighbors. During the development of this work, the author has woven these diverse materials into his analysis which has widened his overall perspectives and understanding of Nepal-China-India relations, and improved the quality of discussions with some key personalities in Nepal's royalist, democratic and communist camps over the past three decades.

At the conclusion of each chapter, Upadhaya highlighted the impact of the Tibet considerations on the Sino-Indian-Nepalese relationship for that particular period. While there is no attempt to address the international legal status of Tibet, the reality exists that the region has been under outright Chinese political influence or control for much of the period. Conversely, the author highlights that during periods when Tibet has been able to act more independently PRC influence, they have been able to make reasonably positive impacts on the regional relationships. Thus, at times, Nepal's relationship with Tibet and that with China seem to run parallel, while at others points they converge. As far as possible, the author of this paper has leveraged Upadhaya's rich insights and has attempted to present the Nepalese, Tibetan, Chinese and (British) Indian versions of principal events in a fair and balanced manner.

The continuing strife in the northeastern states of India (which are strategically located at the crossroads of the Indian subcontinent, China and Southeast Asia) hold the key to understanding the true complexity of the hostilities and political ambitions harbored by Asia's two major powers. Bertil Lintner, who is acknowledged as one of the foremost experts on insurgencies in the region, unpacks the layers and layers of complex political intrigues and spy networks that define the Great Game East, and examines how it will significantly impact the course of global politics. Lintner (2016) notes that as the 'Asian century' dawns on the eastern fringes of the Indian subcontinent, the rivalry between India and China grows ever warmer. The call of the Nehruvian area, *Hindi - Chini Bhai-Bhai* was drowned out by the Tibetan resistance and the unrest in India's northeast regions as the two countries involved in bordering area unrest. The rivalry resulted in an on-the-ground battle in 1962 and an undeclared war since. Spies and agents from both

countries have been stirring up trouble in the volatile frontier areas for decades as the intelligence services from influential observers (such as the United States, among them) have kept a sharp eye on the regional conflicts and developments in India's northeast Region (Bertil, 2016).

MacGregor et al. (1994) present a practical process through which rulers and states have actually framed strategy. They utilize a common interpretative framework for strategy development, applied across consists of seventeen case studies ranging from fifth-century Athens and Ming China across Hitler's Germany, early days of Israeli independence through the post-1945 development of Cold War strategy by the United states. The volumes emphasize the constants in the rapidly shifting world of the strategist as the authors analyze the forces that have driven the transformation of strategy since 400 B.C. and which seem likely to impact its development and transformation into the future (Knox et al.,1994).

Complementing these views on strategy development are the views of political geographers such as Dixit (2001) who argues in his *Neighbourhood Routes and Maps* that those in their field are major contributors to crafting strategies while also performing a critical role as commentators on the international affairs and foreign policy as critical elements of strategic analysis and design. In all, he sees political geography's analysis of the critical physical environmental characteristics as major elements of statecraft. He also comments that the growing interrelationship of world economic factors along with new communications and weapons technologies portend the death of discrete geographic considerations with the emergence of trans-global communications and media. Finally, Dixit asserts need of geographical framework for the study of nation building and a state is politico-territorial phenomena, and that geopolitics is the "politics of place and power".

Additionally, Agnew (2000) notes that scholars with detailed knowledge of physical spaces are increasingly in demand to interpret the key dynamics States and their neighbor, the division of world within both East and Western sphere, and the divisions between communist versus capitalist governments. Agnew's argues that political identities that can be equated to stable or fixed national identity, within which geopolitical factors are a key element of foreign policy development and can be deconstructed from the texts and speeches of political leaders and the various “intellectuals of state craft” including media commentators and television pundits.

Of value also in understanding the impact of geopolitics is the work of Taylor & Flint (2004) in *Political Geography* who explored liberal and conservative views on the impact of spatially-centric structures such as land power versus sea power. They offer a detail discussion of the geopolitics during the period from 1924 forward through the Cold War in the establishment of the contemporary geopolitical world order as the “super states” and “pan-regions” effect a new geopolitical transformation. While their views are a bit of “new wine in old bottles,” they also put some “old wine in new bottles” as they describe the key aspects of geopolitics since the Second World War as a remarkable international transformation of the pre-war world order.

Several works also highlighted the challenges of border and water security amongst many of the South Asian states which are lingering remnants of their colonial past. Gokay highlights that lingering territorial disputes, incomplete demarcation of land borders and disputed maritime boundaries are a major aspect of regional geopolitical tensions. India and its surrounding neighbors are large enough to be a “sub-continent” in its own right, and is guarded from the Eurasian powers by the massive wall of the Himalayas, from the Middle East by the

Hindukush Mountains of the North West frontiers, and Burma and Indo-China by lower but heavily forested jagged mountain ranges. He also aptly highlights rampant bilateral disputes which put South Asian states in constant quarrel (Gokay, 2002). Additionally, within the sub-continent region intra-state conflict between diverse ethno-linguistic and religious groups with cross-border affiliations are legacies of this same past as political borders were imposed irrespective of these factors by European colonial powers. Finally, the fact that many countries of the region share water resources from common rivers, including that of the Ganges, contributes to the inabilities of states to ensure water security along with food security in areas where agricultural production is heavily dependent upon access to irrigation from water sources originating from beyond their own borders. Amplifying these water security challenges Iyer (2004) in *Water Perspectives, Issues, Concerns* who focuses on serious regional water security related issues between India, Nepal, and Bhutan. In all, both authors reinforce that geography and social condition highlight that no state in South Asia can control its own political and security destiny based upon being able to control their borders.

There were several general resources on international relations which were very valuable in defining concept of geopolitics and its overall evolution across the past century. Of value was the work of Bajpai and Shukul (1993) offered numerous perspectives on the structural aspects of geography and their impact upon politics which dates back to the period prior to Sir Halford Mackinder in Britain and of American naval strategist Alfred Thyer Mahan. Their academic contributions were widely acknowledged and both had an enormous influence in their time on the idea that the ability of states to control major regions and domains were directly tied to their global power and influence in geopolitical affairs (Bajpai & Shukul, 1993).

Geoffrey has made a profound contribution about geopolitics in the past, present and future, particularly the impacts of international development within existing systems (Bajpai & Shukul, 1993). In addition, Glassner (1996) in his Political Geography highlighted the importance of geo-settings shaping activities of the human environment, as he analyzes the influence of political geographers, political scientists, foreign ministry officials, military intelligence and specialists in these efforts. He also stressed that many interrelated factors overlap such as territory, population, government, economy, circulation, military strength and foreign relations to shape geopolitical dynamics (Glassner, 1996). Within former colonial territories, Levi also notes that foreign policy formulation is challenging as former colonizers and the colonized population are vastly separated from one another with few if any linkages between the individual interests' former administrators, local leaders, missionaries' traders, refugees and laborers who played key roles within their local systems (Levi, 1952).

Agnew (2000), emphasizes that the global study of political geography is the study of location and physical environmental characteristics as the determinants of statehood and statecraft. Within this, he analyzed the major factors continuing to influence worldwide divisions between East versus West, to include the continued historical influences shaping former of communist versus capitalist states, and how these shapes their political identities which can develop stable or fixed national identities. Within these dynamics, the author notes that geopolitical claims are implicit in the practices of foreign policy and it can be deconstructed from the texts and speeches of political leaders and the various "intellectuals of state craft" from scholars down to popular commentators and television pundits (Agnew, 2000). In addition, he notes that political geographers play a key role as influential contributors

and crafters of formal strategic proposals, as well as being critical commentators on the actual state of world affairs and foreign policy. However, several factors within an increasingly interconnected world are undermining the influences of diverse geography as global trade and economics, advanced communications methods and weapons technologies and “pretend the death of geography in terms of Trans Global Communications” (Agnew, 2000)

Expanding upon these points are Nye & Welch (2009) who expand substantially to provide a lucid and thought-provoking survey of international relations and provide a penetrating introduction of world politics based upon complex interstate interdependence. This work employs lessons from both theory and history to evaluate conflict and cooperation among global actors to provide a flexible and resilient analytical framework for analyzing geopolitics. Their work provided analysis of several twentieth and twenty-first century conflicts as well as the key influencing factors to include global trade and finance, governance, and impact of the information revolution (Joseph & David, 2009).

In *Global Geography*, Miller and Renner (2004) note that the combination of traditional political heritage and Marxist revolutionary heritage across the globe have tended to produce a balance or equilibrium in world affairs. According to this book it is better to analyze situations geographically because it shines a bright light on the relationship between human beings and their environment. As such, the authors highlight the linkage between human beings and geography and how geospace determines economy, culture, and politics that influence all human interactions (Miller & Renner, 2004). In addition, Muir (1998) has quoted the speech of Mao-Tse-Tung as “Letting a hundred flowers blossom and a hundred schools of thought contend is the policy for promoting the progress of the arts and the

sciences". Additionally, because foreign policy begins at home, Pradhan (2003) notes that domestic support and interconnected factors at home are intertwined with international relations. He stated that foreign policy begins at home, domestic support, international relations. He noted that foreign policy begins at home, and effectiveness is heavily dependent upon domestic support and interlaid factors that shape the role of diplomacy for the Nepali state.

Rosenau (1976) noted that the study of foreign policy is largely the analysis of policy inputs and outputs. As such, the major sources of foreign policy are not just planning but also the factors of location, time and systemic aggregation for a state's population. Rosenau pointed out that politicians and bureaucrats are inherently narrow-minded and selfish people but their role in formulating and guiding the implementation of foreign policy is very important. In all, Rosenau provided valuable perspectives on the impacts of key individuals and motives and ethnic groups as key factors for foreign policy formation.

Finally, Gray (2012) explains the permanent importance of but ever-changing character of strategy in light of the whole strategic experience of the twentieth century. The classic writings of Carl von Clausewitz are reconsidered for their continuing relevance, while possible successors are appraised. In addition to arguing that Clausewitz figured out what strategy was, and how it worked, the book probes deeply into strategy's political, ethical, and cultural dimensions. It explains how strategic behavior in the twentieth century has expanded from the two-dimensional world of the land and the surface of the sea, to include the ocean depths, the air, space, and most recently the 'cyberspace' environments. It also offers detailed analyses both of nuclear matters and of the realm of irregular violence. In his work, Gray makes sense of the strategic history of the twentieth

century, and provides understanding of what strategic history implies for the century to come (Colin, 2012).

In analyzing South Asian international affairs, several references provided interesting insights into regional geopolitical issues and challenges which were very useful in preparing this work. In *Trans-Boundary Rivers*, Kumar (2005) provided key insights on the critical security challenges for the states within the region, noting that many are neither sufficiently engaged nor influential in ensuring their national security objectives are achieved. As a result, these states continue to lack the confidence and trust of the people they govern as they fail to solve problems of national and regional integration which would bring chaos under control in the post-Soviet interventionist period. He also highlights how the prevalence of “secessionist movements” amongst local populations heavily affects the region and challenges state building processes. For example, throughout history India fragmented into sub regions, the most recent being Pakistan and Bangladesh, to provide local autonomy based upon religious, social and political influences. Accordingly, this penchant for division instead of unity over past several decades has sparked a mosaic of crises including insurgencies, secessionism, ethnic and sectarian conflicts, terrorism, irredentism civil and conventional war. In all he estimated this dynamic has resulted in over 2.4 million deaths across the region from unending conflicts and violence (Kumar, 2005).

Kamr et al. (2003), note that conflict within the South Asia and Central Asia region largely stems from several factors, such as pre- and post-colonial border alignments and legacies which are fiercely defended by their inheritors. Such lingering ethnic and religious conflicts have resulted in increased terrorism and fundamentalism (which ignore boundaries) as a means to achieving group ends as

well as competing claims on land and maritime territories which are rich in natural resources, and which have political or socio-cultural importance (factors such as organized crime and the conflicts) (Kamp, 2003)

The past three decades have witnessed a dramatic surge in the desires amongst South Asian nations to embark upon regional integration, which has been one of the most important developments in world politics. Virtually all smaller countries across the globe have become members of at least one regional grouping, and the developing countries of South Asia are no exception to this trend. In December 1985, seven South Asian countries came together to establish South Asian Association for Regional Cooperation (SAARC) as a geopolitical forum for addressing issues of peace and development in the region. In *Regionalism in South Asia* (2008), Kishore C. Dash examines regionalism in South Asia, exploring the linkages between SAARC institutional structures, government capabilities, and domestic actors' preference to explain the dynamics of regional cooperation. His analysis focuses on the formation and evolution of SAARC by exploring why its institutional developments and program implementations have remained relatively modest and slow-moving over past decades. Dash also addresses the impact of important issues such as the acquisition" of nuclear capabilities by India and Pakistan, the unending conflict in Kashmir, the West's war against global terror in Afghanistan, and India's growing economy. Drawing on a wealth of empirical research, including elite interviews and trade transaction data, this book shed new light on the major SAARC cooperation challenges South Asia and provides important perspectives on the trends and prospects for regional cooperation in future years (Dash, 2008).

An emerging geopolitical reality is the growing linkage and alliances being formed between Asia and Europe is the new geopolitics of central Asia, and the growing possibility of a wider and deeper co-operation between Europe and Asia. Additionally, the book pinpoints that Britain's foreign policy is to promote and protect its interests through world peace and economic growth, and how Britain frames its geopolitical relationships with other countries (Overseas Relation and Defense, 2004).

Within South Asia, Nepal faces a variety of geopolitical challenges in conducting effective relations with both India and China. As Nepal's largest and most long-standing neighbor within South Asia, India and Nepal have always shared a special but unequal relationship. As countries linked by common cultures, religions, economic and security concerns, sharing a common and porous border, the two countries interests have been, and always will be intertwined. From the British colonial period through the country's independence following World War II, India has always dominated the geographic and political affairs of South Asia. From its earliest days as a state, India has charted an independent and dominant role in regional geopolitics. Nehru (1946), noted the primacy of India and the former British colonial holdings charting an independent path from the Superpowers of the Cold War. As such, Nehru championed the establishment of the Non-Aligned Movement (NAM) and the rise of a strong nationalist movement in India. Within this approach, he demonstrated a strong sense of rationality and prudence in charting the leading approach for India in regional geopolitics. In all Nehru adopted the geopolitical concepts of heartland and rimland in his concepts of national growth and decay (Nehru, 1946). Also useful in analyzing the emerging dominance of India were the views of Kunda Dixit, a well-known journalist from

Nepal where he offered a broader view of India's controlling influence on regional affairs. He provided valuable views on the multiple historical, socio-cultural and economic dimensions through which India advances its interest. Dixit also notes an emerging trend of political instability and structural uncertainty affecting India's immediate neighborhood, to include Nepal which shares deep cultural, linguistic and religious bonds with its larger neighbor, which forms the basis for positive relations between the two (Dixit, 2005).

In *Diplomacy for 21st Century* (2002), N. Singh notes that throughout the Cold War period which ended in 1989 and beyond, India has prudently exercised the diplomatic restraint in the years that have followed. Singh discusses the ethical confrontation between power and conscience in a wide range of international decisions and actions, and points to the difficulty of reconciling the promotion of universal human rights with respect for national sovereignty. The author makes a series of significant point on the continuing lack of privacy that impact India and its neighbors in conducting international diplomacy and negotiations due to an increasingly intrusive media. Additionally, he shows that nuclear capability amongst India and its nuclear-capable neighbors is not a restraint against frequent military intervention and warns against inflated views of what can be expected from the United Nations in moderating such tensions. He concludes with thoughts about the quest for peace in Indo-Pakistan relations. In all the author's perspectives were instructive, erudite, and witty as he walked through the key elements of diplomatic history and vividly demonstrated that the wisdom of the past can be immensely valuable as we seek to negotiate and maintain peace in the future (Singh, 2002).

As the major power within South Asia, India is centerpiece of regional geopolitics and the major driver of key relations with the political and economic leaders of East Asia. Grover (2003) provided valuable insights into Indian's foreign policy and her relations with China and Japan. He provides in depth coverage and analysis of India's relations with its two powerful Asian neighbors and provided insights on the centuries-old historical linkage and conflicts between these two powers. Grover also highlighted the guiding value for India of maintaining Nehru's policy of non-alignment. An important fact noted in the book is that both Chou and Nehru greatly contributed to the development of foreign policies for their countries based upon the principle of peaceful co-existence among the third world countries. He also notes that the ties between Japan and India are primarily focused around trade opportunities, whereas India's commercial and economic relations with other South Asian states - especially India's immediate neighbors - are not so good as its relation with distant countries (Grover, 2003).

As in all interstate relations, those between India and Nepal must be based upon shared, mutual interests which operate based upon the mutual trust and credibility between the two partners. However, research continued to emphasize that the unequal, India-dominated relations are rife with abuses and lack of respect for the needs of the smaller partner. In many cases, the Indian government has led the government in Nepal to conduct a "historical striptease" by denuding or repudiating its past positions in favor of more advantageous, short term advantages. In all, Dhruva Kumar (1990) saw no "permanent solution" to the problems in sight, as the options for preventing a continued repetition of this frictional and dysfunctional relationship continues to go astray amid the lack of focus and priorities by Nepalese leaders surrounding the nature of relations that Nepal seeks

to establish with India. Continuing to negotiate and conduct relations based upon the 1950 treaty which Nepal acquiesced to over a half century ago will only maintain the status quo without ameliorating systemic shortfalls and perpetuating Nepali economic stagnation. As the author noted, it is time to revisit this relationship with India around the economic issues must be balance within the ongoing challenges of Nepal's geostrategic and economic imperatives and Indian security sensitivities. This new approach would require major systemic changes in the domestic context for both partners in achieving progress toward a new alternative. In all, it will be a painful process of domestic as well as external readjustment for both parties and should be embarked upon without any illusions that Indians will carefully consider Nepalese interest and work toward its preservation even if Nepal accepts key demands by India (Dhruba Kumar, 1990).

Singh (2009) provides valuable analysis on the evolutions of India's relations with Nepal in the broader context of relations with other world powers from the British colonial period forward to current considerations governed by globalization. It covers a wide array of political topics including policy formulation, implementation and even analysis of attitude keeping in view the regional and global intricacies of the time. This book highlights the key influences of India's changing social patterns and transformative factors based upon the ultimate victory of the people who are the real sovereign and spirit of their democratic governments. The authors emphasize that these popular interests must be uppermost in developing the external policies that guide India-Nepal relations.

Complementing Singh's views were those of Shrestha and Anjana (2013) which provided a compilation of the wisdom, contemplation and knowledge of the prominent protagonists of the country on the issues of foreign policy, diplomacy

and international relations. This publication provided essential perspectives on key foreign policy issues and efforts to forge a united voice on foreign policy matters. In the views of Shrestha and Shakya, the fundamental, appropriate conduct of foreign relations is inevitably needed for the independence and sovereignty of the country, and no country can move ahead without developing an effective, practical approach to foreign relations which guides their long-term path to success. Every freedom-loving country requires the handling of foreign relations very sensitively, which entails the promotion of as cordial and warm contacts with other countries as possible through the effective efforts of the embassies abroad as well as the offices of various agencies of the international organizations which enhance the good image and status their countries in the global arena. With these considerations in mind, Nepal's leaders need to revise and extend bilateral relations through building an internal domestic support for a more independent and freewheeling direction with respect to India and the world at large (Shrestha & Shakya, 2013).

Shukla (2006), proposes that improving academic programs may offer a way of reducing misunderstandings and conflicts between the two countries. Indo-Nepal relations are subsumed under the impact of day-to-day developments and relations by leaders and administrators in who lack understanding of their cross-border counterparts. However, neither the politicians nor the academic institutions of either country have paid serious attention to addressing this key shortfall. In Shukla's views, such gaps in understanding could be remedied through the establishment of coordinated international studies programs, i.e. Indian studies program in Nepal and Nepali studies in India – which could greatly benefit the policy makers and scholars in both countries. Additionally, the media of both countries are that is expected to play an interactive role in covering and

representing the major issues accurately for the people of their countries – a role that they have shown they cannot capable of accomplishing effectively. The media of both countries are dominated by a liberal bias and motivated by a desire to find interesting and sensational issues to increase their readership, and rarely consider the impacts and sensitivities of both sides which in turn multiply tensions and conflicts within bilateral relations. Involving the media in similar efforts to increase understanding of issues and perceptions beyond their own borders might also offer a way of minimizing the irritants and the negative impact of their reporting on developing mutually beneficial relations between the two countries (Shukla, 2006).

With respect to Nepal's geographical position, Bala (2001) highlights the problems of being a land locked state (LLS) in general, and the specific problems of Nepal in relations with India concerning trade, transit treaties and control of inter-state traffic and transportation. She proposed several key points must be considered about every LLS when analyzing its relations with other states. Each country has its geographical (physical) features invariably associated with the name and "persona" of the country, and the society and history of LLS's may fuel bias and resentment with exterior neighbors who hold the economic future in their hands.

Kumar also notes that the serious geopolitical challenges which Nepal faces are not confined to its relationship with India. As a rival superpower to India on within Asia, relations between Nepal and the People's Republic of China is a major consideration in foreign, security and domestic policy for both states. The author provides a valuable historic perspective on Nepal – China relations and how they influence ongoing tensions with India. In the past, the PRC has remained almost silent on the issues pertaining to Indo-Nepalese relations, aside from offering

limited arms support reiterating its commitment to support Nepal's zone of peace proposal.

In the past, China has applied a “wait and see” approach to assessing how Nepal would manage ongoing conflicts and periodic crises with India. His observations from several decades ago have remained true into today – that the future of the Chinese policy and efforts in Nepal vis-A-vis India will depend much on Nepal’s goals and challenges in its ongoing relations with India. As Kumar noted, if Nepal yields to Indian security sensitivities regardless of its avid position on maintaining a zone of peace, then the Chinese attitude toward Nepal will be shaped accordingly. Conversely, unless India changes its tunnel vision with respect to security along its northern border, there can be little change in the structure of Indo-Nepalese relations. Hence, the Nepalese dilemma of the past continues on into the present – that the only rational alternative for Nepal appears to be a structural transformation in national life to build a cohesive national force to sustain and confront with some degree of strength the complex challenges that may emerge in the future (Kumar, 1990).

While both China has traditionally viewed Nepal as a key “buffer” state (though Nepal in recent times aims to be a bridge between the two) along its southern border with India, it has sought to continuously influence affairs to minimize Western influences as well. While India was instrumental in abolishing the monarchy, China saw the institution as a solid anchor of Nepalese nationalism and independence which safeguarded China's fundamental security interests of keeping Western powers at bay. In *China Meets India in Nepal* (2013), Madhukar SJB Rana asserts that with the abolition of monarchy, China was forced to deal with a plethora of competing political parties whose leaders were under strong

Indian influence. This included the insurgent Communist Maoists (UCP-M) which China supported in hopes of potentially uniting with to create a countervailing force to India's diplomatic influence in Nepal's internal politics. Because China feared the acute centrifugal forces of ethnic federalism in Nepal sponsored by India, China has become more vocal in backing Nepal's territorial integrity, sovereignty and independence (Rana, 2013).

This stridency is particularly noticeable after India propped up the Madhesi parties' demand for 'One Madesh, One Pradesh' by supporting their creation of a united front following the astounding victory of the CPN (Maoists) in the first Constituent Assembly elections. China most likely perceived a Federal Republic Nepal with a united Terai province and several ethnic provinces in the Hill Mountain regions as a recipe for ethnic wars which would eventually lead to fragmentation in Nepal as the Madhesh province which demanded self-determination would choose integration with India. China also saw an alternative scenario of India militarily occupying the Terai Plains to restore law and order by claiming it as a legal act to protect people of the same ethnic origins. Finally, these Chinese fears were exacerbated by Indian insistence on the Madhesis' right for over 4 million of them to receive immediate Nepalese citizenship (Rana, 2013).

Finally, understanding the China-Pakistan Axis is essential to understanding the economic, political and security map of Asia. In *The China-Pakistan Axis: Asia's New Geopolitics* (2015), Andrew Small explores Beijing's extraordinary support to Pakistan's nuclear programme and defense planning which expanded PRC influence and strategic cooperation in security areas with India, the United States and Afghanistan in counter-terrorism efforts. As with its efforts in Nepal, China sought to neutralize Western influence in the region while simultaneously

maintaining continued constructive tension along India's western boundary (Andrew, 2015).

Within South Asia border security is a continuing challenge across the region. The problem of border demarcation between India and Nepal has existed the days of British rule in India. This lack of a defined boundary has made border maintenance and security a difficult, serious and unending challenge for Nepal. As Regmi (1965), notes the problem dates back to 1829 when an agreement was concluded between the two countries over new border pillars whenever the old pillars were destroyed. The problem of border demarcation arises was based in two factors. First, sometimes stone pillars erected on the border are destroyed by accidents or by parties seeking to grab land, both of which create confusion about the line of demarcation and create disputes between the two countries. Second, rivers such as the Gandak sometimes change their course and destroy the existing border pillars. Regardless of the cause, border disputes have serious implications for relations between the two countries, The 1960's Susta border dispute was caused by the displacement of border pillars in the Tanakpur Dam area was raised, thus creating the Tanakpur barrage controversy by the opposition political parties in Nepal. Nepal has also raised claims that the Kalapani area belongs to her. This region forms a narrow neck along Mahakali River in Pithauragarh and Dharchula districts of India and Nepal, respectively. Such tensions led to Indian paramilitary forces guarding this region since a Chinese attack in 1962. The issue is still not settled (Singh, 2010).

In addition, Shrestha (2000) points to the continuing border dispute within the overlapped area of Nepalese territory at the Indian border marker called as Junge Pillar. The Barrage was constructed by removing the original pillar which in

turn led to over 1179000 Ropani of Nepali land being overlapped. The author is an expert on the problem since he is the only person who had presented dispute in front of both national and international border resolution forums. This book provides solid evidence which substantiates Nepalese border claims, and is useful in that many governments on both sides of the border have been were formed and dissolved over time, while the problem remains unresolved as India continues to deny charges of illegally claiming Nepali territory. While there have been numerous foreign affairs seminars and meetings which have failed to resolve the problem, such efforts fail to recognize that such disputes are important national matters for citizens. In summary, Buddhi Narayan gives a list of overlapped area on the Indo-Nepal border (Shrestha, 2000).

Complementing Shrestha's analysis are the point offered in Geographies of Development by Robert Potter, et al. (2017) which highlight the nature of specific development variables in particular geographical location lying within border regions. The authors analyze the various factors which impact such disputes, to include those impacting local populace and their environment across various areas and creating a range of impacts from broad to very micro levels. The book also provides information on the location and impacts of major international water disputes in the region (Potter, et al., 1999). Additionally, Gilani (2020), offers his experiences as an international boundary monitor in dealing with international boundary disputes involving the major actors across the region which include China, Nepal India and Pakistan. He also offered excellent descriptions of the Kalapani disputes and Sugauli treaty 1816 between the British East India Company and Nepal. He also notes that the boundary line is Mahakali River. Lipiyadhura not Lipulek is Nepal's land (Potter, 1999). Finally, Sehgal (1996) analyzes the factor

behind India and China border disputes and how these impacts their abilities to peacefully co-exist. He highlights how foreign policy and national defense factors are intertwined in border disputes, and provides a useful dictionary useful for those who want the impacts of such disputes within geopolitics (Sharifs, 2004).

Based upon Nepal's unique geographic location between Asia's two major superpowers, it occupies a special significance within South Asian geopolitics. Mishra (2013), analyzes the significance of how a buffer state can prevent conflict between the two rival or potentially hostile greater powers which it physically separates. When such states maintain a legitimately independent and sovereign status, they typically pursue a neutralist foreign policy which distinguishes them from satellite states. Within international relations, the concept of buffer states is an essential element of balance of power theory which played a major role in European strategic and diplomatic thinking in the 17th century. In South Asia during the 19th century, the manipulation of buffer states like Afghanistan and the Central Asian emirates was an element in the diplomatic "Great Game" played out between the British and Russian Empire for control of the approaches to strategic mountain passes that led to British India. Traditionally within the region, Nepal and Bhutan have been the key buffer states between India and China. Formerly, both of these nations had very close ties and cordial relations with India due to economic and political factors in addition to traditional ethnic and cultural considerations. But in recent past, dramatic changes are taking place in Indo-Nepal or Indo-Bhutan relations due to the 'China factor' of increasing aggressive and expansionist PRC efforts in South Asia. Mishra offers detailed, exhaustive geopolitical analysis of strategic considerations to include the objectives and actions of Nepalese and surrounding partner armed forces; foreign relations, and domestic politics

influencing China–Nepal and India–Nepal relations. He also includes analysis on the continuing impacts of the former Nepalese Civil War and historical influences of Bhutan on foreign relations as the core points of his study.

With respect to the growing threat of international terrorism and transnational violent extremism, there are several key resources which were useful in preparing this work. To many international relations experts, South Asia is increasingly viewed as a volatile region due to its manifold problems and challenges. In the views of Upreti and Upadhyay (2012), the region is passing through a critical stage because of internal and external threats of security, political instability and underdevelopment. They focus upon some of the aspects of domestic conflict in South Asia which has largely influenced the security scenario of the region. They offer valuable commentary on some key geopolitical considerations such as movements toward comprehensive security, partition syndrome amongst states its implication for stability and security, state media and information challenges, and the failure of democratic governance leading to rising terrorism which are the focal point of their regional analysis (Upreti & Upadhyay, 2012).

In addition, Singh (2010) notes that the lack of regional security agreements on regulating cross border movements by violent actors is a major challenge throughout South Asia. In all, open borders are a boon to criminals, murderers, bandits and other anti-social elements of both sides. After committing crime on one side of the border they easily escape to the other side. These activities naturally give rise to the problem of jurisdiction, incidents of police crossing the border without consulting its counterpart on the other side of the border etc. More recently the problem of cross-border terrorism has become serious as terrorists wanting to operate in India find Kathmandu a safe place whenever they are under pressure

from security forces because of unchecked cross-border movements. Both the countries have concluded extradition treaties to help each other in the case of criminals. But it is extremely difficult to identify anti-social elements due to open border. These activities bear security problems for both countries. For instance, increased terrorist activity Indo-Nepal border may have serious implications for national security of the two. It is in this context that the crime and terrorist activities in the border is a serious issue which may even affect other aspects of relations between two countries. Thus, an open border may become a source of threat to the internal security of the concerned countries (Singh, 2010).

Because the focus of this work is on the impacts of regional geopolitics on Nepal, research focused on identifying the major factors influencing Nepali diplomatic and security decision making. Several references were very useful in analyzing and identifying the key elements, objectives and challenges influencing Nepali international policy making and internal governance challenges over the past century. As a start point, Rose (1973) explains Nepal's relation with foreign countries as a buffer state which has forced the country to implement a foreign policy which employs specific tactics to maintain its political, cultural and physical integrity. Over time, there have been notable changes based upon the changing demands of maintaining good relations with surrounding, more powerful partners. These include notable changes from King Prithivi Narayan Shah to King Mahendra and then to King Birendra.

Building upon Rose's views are those by Khatri (2011), focuses identifying the major geopolitical factors which can form the "directive principles" for future policy formulation and decision making within a landlocked, developing country. In all, the individual beliefs and values which guide the mutual respect sought

within effective regional relations is what Nepal must seek. In turn, these efforts inform how every state actor and their populace possess sovereign status and full access to realize national aspirations which empowers countries to formulate proactive, effective national and international policies. For example, America's national Constitution guides how America has formulated grand strategy for short and long-term relationship in world relations; accordingly, American diplomats are guided by these factors throughout all diplomatic and security plans. In turn, such an approach encourages and maintains the support of the American people for the decisions and action abroad of its government. This model informs the policies and foreign affairs of state actors within the international community as they both develop relations with foreign actors and participate in global forums and cooperation as a member of the international organization. Key however for Nepal is their landlocked position which limits their sovereign decision-making status, as the state must often consider international perspectives and pressure. Accordingly, they cannot make their own decisions freely, and must be bound in their decision making by economic and security factors determined by their more powerful neighbors (Khatri, 2011).

In Khatri's view, Nepal faces major challenges to conducting effective geopolitics because it not only faces significant challenges based on external factors, but most importantly from the lack of internal political stability and capacity within its national government. In conducting relations with its immediate neighbors of India and China, Nepal faces several geographical and political challenges such as an open border system, globalization, inventory system, uncertainty in relations with the regional and international community and difficult human space considerations. However, he sees the major internal shortcoming

which creates weakness and ineffectiveness for Nepal in geopolitics is the lack of effective and cohesive government.

In his view, Nepal's political leaders have failed to implement diplomacy and preserve the national interests, causing a decline in respect by neighboring nations for Nepal's sovereignty. Because of internal structure problems, the Nepal government has failed to develop effective foreign policies because of a lack of diplomatic ability by the political "party cardholder" appointees who fill major ministry positions and the inability to appoint competent and qualified ambassadors who lack diplomatic ability. Because of this lack of leadership and diplomatic competence, Nepal has failed to develop an effective foreign policy which is a systematic statement of deliberately selected national interests within the geopolitics of South Asia. It is necessary for Nepalese leaders to understand its neighbors and adjust diplomacy based upon the geographical considerations such as location, climate and rivers. Nepal's major problems within the geo-setting that creates a number of problems inside Nepal and along its borders are hunger, famine, disaster, different types of diseases, the lack of access to seaports and maritime routes, border problems, and water security (dam) problems. In all, Khatri views the continuing problems in regional geopolitical progress are mostly due to the lack of effective progress in internal government actions such as the final resolution of the peace process, constitution making, and integration combatants in Nepal army – major problem the stable government (Khatri, 2011).

Several authors point to the early 2000's as the point where Nepal entered a very crucial stage of its domestic history as an evolving "nation state" through the experience of its own internal Civil War; this experience also marked a critical point in the country's transition within South Asia as well. As Chapman (1997)

noted, while every “state” is by definition a political and a geographical unit, this is separate from its being a “nation” which is determined by its composition as a cultural and/or ethnic creature.

This creature can be defined as group of people who are bound together into a single entity through the aggregation of history, customs, value, language, culture, tradition, art and religion. In contrast, a state is simply a patch of land with a sovereign government. As a politico-judicial entity, a political state is identified by its sovereign rights as a member of the international community who in turn guards against the unwanted intrusion of outsiders in its internal affairs. When ‘nation’ and ‘state’ coincide, they form a "nation state" which assumes a shared, collective political and cultural existence of the people living together with an official language(s), a system of law, a currency system, and a bureaucracy which orders the elements of society within the limits of respecting diversity within a unified national identity. As a nation state, Nepal has forged its own political and societal realities that are unique its history and evolution as a sovereign entity (Chapman, 1997).

Two other authors offered key insights into Nepal’s evolving geopolitical dealings in the early 21<sup>st</sup> Century. Particularly useful were the views Dahal (2002) on how Nepal deal with neighboring countries in the process of facing significant national and international problems in recent decades. He provides insights on the important determinants of Nepalese foreign policy in the 21<sup>st</sup> century and the characteristics, goal and objectives of Nepalese foreign policy, Nepal's management of difficult external relations, Nepal significant relationship and contributions to United Nations efforts, and the achievements and challenges of Nepal's foreign policy within the world context. He also highlighted that Nepal's

foreign policies in dealing with partner nations was one of the most critical factors in evaluating the success of government efforts, and the death of twelve Nepalese peacekeepers in Iraq is the failure of governments' policies and the example of weak management of diplomacy. Aditya and Dahal (1998) highlight the importance of geopolitical situation of Nepal as a determinant factor for Nepalese foreign policy. He also pointed out that national identity and national interest were key elements of the foreign policies of King Mahendra.

Complementing Dahal's views are those of Bhattarai (2005) where he analyzed Nepal's changing geopolitical character in which the country found itself as the Civil War ended. In all, the unique geographical location, size, culture and religion, economic strengths and weaknesses, and natural resources were (and continue to be) major determining factors in defining the geopolitics of Nepal which are used in formulating its geo-strategy for survival and development within the region. Other major external events in international politics such as the establishment of the United Nations, the adoption of the Universal Declaration of Human Rights, the process of decolonization within South Asia and the formation of the Non-Aligned Movement (NAM) are all remarkable developments in modern international politics which have had tremendous implications on Nepal's foreign policy. In the last five decades of the 20<sup>th</sup> Century, Nepal began its transition to playing an assertive and active role in the region through expanding its bilateral and multilateral relations with key partners.

With respect to Nepal's move past the tumultuous events of its Civil War, Baral (2012) provides a comprehensive exploration of these realities in the background of its history and the efforts towards democratic consolidation. Several weeks of mass protests in April 2006 followed by several months of peace

negotiations between the underground Communist Party of Nepal (Maoists), the major political parties formed an interim coalition “crisis” government composed to negotiate an end to the so-called ‘people’s war’ (which was supported by Indian agencies acting behind the scene) which succeeded in overturning the evolutionary process of national and political change in Nepal. Baral explains from his characteristic vantage point the major efforts which have set the course of national reconciliation – the basis of Nepal’s continuing political development which led to significant political change in Nepal. In addition to these views, Bhattarai & Geja Wagle (2010) analyze Nepal’s changing security perspectives during the last one and half decades. It has been widely recognized that Nepal has been passing through a transition in its political, social and foreign security policy during this period, and there has been notable change and, some will argue, significant systemic transformation over last four and half years. This radical change comes as the latest, ongoing development within the country’s political structure of the last two and half centuries and has made a critical impact on Nepal’s domestic and international profiles to include its security policies.

Regarding the summary literature review, geo-politics is the term that denotes the inter-relationship of geography with other factors that determines the relationship between states. South Asia is the focal point of the international politics, and the focus of research for this work has been to gain a broad appreciation for international factors, and dynamics that guide geopolitics throughout this vital region. Therefore, the background literature consulted on South Asia has been purposefully broad, encompassing a variety of topics including geography, strategic importance, ecological systems, political development, historical traditions, economical elements, the ongoing process of nation building, social and cultural conditions, regional dynamics and their integration into

international systems have all been essential to developing the foundations for this work.

Geopolitics is a dynamic and fast changing field which is constantly evolving and incorporating new areas of study. As history has shown, from its origins in Greece where philosophers and statements sought gain understanding of the interrelationship air, sky, land and fire as the elements governed by “Geo” as the goddess of earth. Seeking an understanding of the foundational relationships of the earth’s universal elements and how they influenced human existence and interactions formed the earliest foundations for what has evolved throughout European and Asian political and international studies to become the art and practice of geopolitics.

In particular, research has highlighted the value of following directive principles, because this approach is most relevant to Nepal’s real future. In a land locked and still developing country, there is a distinctive need to pursue geopolitics through directive principles to develop and implement foreign policy. Within such an approach, it enables the country to formulate national and international policies which integrates the sovereign status and full of national aspirations of nation’s people. For example, United States of America formulated grand strategy for short through long term world relationships based upon the beliefs and aspirations set for in its constitution. In turn, American leaders are guided in their foreign policy efforts to constantly link their vision and action for international relations and security efforts to fulfill the desires of the American people which are focused by national leaders. Within this work, the author will analyze and focus on using such a geopolitical model to present relevant aspects of regional and Nepalese and South Asian foreign policies and affairs within a global context. International community plays vital role not only in forming relationships for members of international

organizations and guiding nation states through the challenges of globalization. Within this, this paper will consider the particular challenges of land locked countries such as Nepal whose decisions as a sovereign state are constantly subject to international pressure. In all, they cannot make their own decision freely, and are bound not just by their geography but by the political and economic dynamics which are influenced heavily by regional neighbors and major powers across the globe.

Geographically, in South Asia all nations are heavily connected with India. Additionally, in South Asia most of the countries except Nepal were under colonial power of England for around 200 years. That is why this region has similar kind of culture, social, economic and political problems. Besides this, there are shared areas of mutual interest such as education, health, law, trade and transit. Countries of South Asia such as Nepal Bangladesh, Bhutan, Sri Lanka, Afghanistan, India and Pakistan have the similar ecology system. However, this region is full of competition, issues, discourse and rat race against the power politics between (amongst) each other.

Given the above geo-psychological scenario, this work will analyze how China will meet India in the buffer state of Nepal as the country seeks to safeguard its national interests. Foremost, it is analyzed possible Sino- Indian relations in the global context as this will bear on their Nepal policies. Uniqueness of the relations between South Asian countries and Nepal is unparalleled in many respects. Geography, polity, society, culture and economy are the factors that have encouraged between countries to adopt close bilateral relationships within the region. These are also the factors, which have provided platform to various irritants and constraints between the both countries. Both deep-rooted, people to people,

informal closeness and formal diplomatic relations have equal importance in India-Nepal relations. Despite the differences in size, population, resources and economy there are numerous causes which bring India and Nepal close to each other and can also pull them apart.

## **2.5 Security Challenges of Nepal**

The Federal Democratic Republic of Nepal is a nation still finding its footing. Emerging from the shadow of a centuries-old monarchy, Nepal transitioned to a constitutional monarchy in the mid-20th century, only to abolish the monarchy entirely and establish a republic in 2008. This relatively young democracy, nestled amidst the awe-inspiring peaks of the Himalayas, is a landlocked country in South Asia. Despite its breathtaking beauty, Nepal's journey has been far from simple. Its rich and varied history, marked by ancient kingdoms and diverse cultural influences, has left a complex legacy. Today, Nepal grapples with a multifaceted political landscape, striving to balance the needs of its people with the challenges of a young democracy. National Security becomes a bigger priority among their challenges and it has evolved throughout its transition from monarchy to federal democratic republic. Both Traditional and Non-Traditional Security issues are of great concern to Nepal.

Traditional security issues are primarily threats against political sovereignty through the means of traditional security with weapons and arms like a direct military threat. Traditional security issues involve threats to state values, with means such as weapons and alliances evolving due to technological innovation and political changes, shaping the security agenda of states and international organizations like the UN and EU.

Attinà (2016) noted that the chapter discusses traditional security issues related to military threats against state sovereignty. It emphasizes the importance of

multilateralism for security protection and highlights the cooperation between China, the US, and the EU. China is seen as a cooperative global player, while Europe is concerned about changing power dynamics. Both China and the EU are actively involved in peace operations and support multilateral security measures. The focus is on promoting peace and stability through international cooperation, despite potential challenges from the US.

One of the important challenges for Nepal's National Security was the Nepalese civil war from 1996 to 2006. Sakellaropoulos (2011) explains how the economic conditions led to the leftist parties to gain influence. Nepal is a country with notably authoritarian structures, contributing to the reproduction of relations of domination and acute exploitation and fostering inequality and poverty. This reality had brought the following issues to light: a) the very limited freedom of political expression and action; b) the existence of acute social inequalities and widespread poverty; c) the oppression of non-Hindu nationalities; d) the social discrimination generated by the caste system; e) the oppression experienced by women.

These are questions that emerged over a course of more than two hundred years and could not be coped with by the powers of the day of any period, or for that matter by the parliamentary governments of 1990-2002. The military occupation by the Maoists of the greater part of Nepalese territory, the exacerbation of chronic social problems, the crisis of the parliamentary system and the extreme authoritarianism of the regime all operated cumulatively to move the Nepalese social formation into a new era. In 1981, 91% of the economically active population were farmers but by 1991 this had fallen to 81% and by 2001 to 66%, with a great expansion of the secondary sector, which from 3% in 1991 rose to 13% in 2001. Trade as a percentage of GNP underwent a steep increase from 21.9% in the 1981-1985 period to 42.1% in

1996-2001. For the same period, the volume of exports rose from a 4.9% increase in the trade deficit. In the first half of the 1990s when GNP was rising at a rate of 5% annually, the agricultural sector recorded a growth rate of only 1.6%, with a negative growth rate in most years of the second half of the decade.

In the twenty years between 1976 and 1996, there was a significant increase in poverty in Nepal: the proportion of the population living in poverty rose from 33% to 42%, largely as a result of the impoverishment of the agricultural sector, and in mountain areas, where the poverty rate rose from 44% to 62%. Health care was extremely problematic, with less than 1% having coverage beyond the very basic essentials and 58% having less coverage than the very basic essentials and with there being dramatic differences between the various regions (Pathak, 2005).

The reason that the Maoists managed in such a brief space of time to increase their influence, and during a period that could not be said to be characterized by a flourishing of Leftist ideas, was that they linked a consciousness of the need for bourgeois-democratic change to an orientation towards the accumulated social problems of Nepal. This line may well be judged to have had contradictory implications for a Communist party which, instead of promoting socialism, gave priority to a line of Left-radical modernization.

Mantoo (2021) explains that the idea of security is complicated and dynamic, particularly in tiny governments like Nepal. Political instability, economic concerns, and environmental deterioration are all examples of security challenges. The nation is also under pressure from migration, and internal clashes with Maoist militants. China is concerned about Tibetan refugees in Nepal, while external challenges include refugee issues and economic embargoes. The acts of King Gyanendra in 2002, as well as the ensuing peace treaty with Maoist militants, changed Nepal's political

environment. Overall, Nepal must handle a variety of security challenges in order to maintain stability and growth. This research explores Nepal's unconventional security concerns in this new period and discusses their consequences for the country's political future, social programs, and regional security. The general growth of Nepal's economy is not inclusive, and the current democratic administration should create and implement economic policy measures to benefit the country's common people.

Also, the poor economy poses a severe threat to Nepal's internal security, and if the government fails to prioritise it, serious fractures will form in the country's entire social fabric. Additionally, environmental deterioration is a difficult problem for Nepal's authorities, who must design short- and long-term plans for environmental conservation, as environmental security is critical to the nation's overall growth. He also explained one of the major external challenges that Nepal faces, which is the India-China rivalry on the grounds of Nepal. He explained the events briefly on how China's interest in Nepal and India's aid to the landlocked country has evolved over the years. In 2008, China's interest in Nepal shifted due to the protests on the Tibetan plateau. China's main concern was the political activities of Tibetan refugees, which China viewed as a potential threat to its security. Then China linked economic and military aid to Kathmandu's adherence to a "One China" policy, a reference to Nepal's ban on political demonstrations by Tibetan exiles. China pledged USD 140 million in assistance to Nepal during Prime Minister Wen Jiabao's visit to Kathmandu in 2012 (Naeem, 2013). China also pledged support for infrastructure development, including an international airport in Pokhara, three large hydropower stations in the west, and improvements of roads and rail networks. On the other hand, India pledged approximately USD 220 million in grants to Nepal for the year 2012-13.

On the political level, the struggle between the two Asian powers has an influence on Nepal's political growth. Despite China's strong connections with all political factions, the country is uncertain about the future owing to the present political deadlock. Unlike India, which has a direct influence on Nepalese politics due to its long-standing historical, cultural, economic, and political ties with the monarchy and the Congress party, China's strategy appears to be to establish equidistance relations with the most important political parties and cordially and mutually reinforce its policy direction through economic incentives. Mantoo (2021) gives recommendations and suggestions to ensure peace and security like the security agencies of Nepal (the Nepal Army, the Nepal Police, the Armed Police Force, and the National Investigation Department) need to be mobilized for the effective maintenance of the rule of law. The Government of Nepal should enhance the capacity of security agencies to boost their professionalism, ability and performance by providing advanced training, technology and instruments.

Though Nepal, a young republic, is dealing with political imbalances, traditional security threats have been relatively low in comparison to its turbulent history. However, the country's intricate geographic setting in the Himalayas creates a wide range of unconventional security threats, further obscuring its security condition.

Similarly, non-traditional security threats have also huge impact on Nepal's security. Jha & Pandey (2023) noted that this paper discusses the modern security challenges faced by Nepal, including issues such as fraud, cyber-crime, corruption, and political disputes. It emphasizes the importance of comprehensive and human security, highlighting the need for concrete policies and effective security measures. The research focuses on exploring the current security scenarios in Nepal through discourse analysis and qualitative research methods. Border security is identified as a

major concern, with challenges in monitoring and controlling borders. The paper suggests the need for strategic planning and technological advancements to enhance national security in Nepal. This article investigates discourses of rethinking national security and the current security concerns of Nepal, focusing on both comprehensive and human security elements.

The above literature on Nepal has discussed the issues of threats such as fraud, cyber-crime, corruption, transnational organized crime, such as illegal migration, identity politics raised by ethnic and religious groups, the transit hub of narcotics, political disputes, economic downturns, and suggests ways of addressing those threats in both policies and implications. Nepal has emphasized focusing on many facets of national security. The major problems seen in security assurance are relevant and concrete policies, political instability, political intervention in security agencies and other development institutions, natural disasters, irregularities in finance in most institutions, lack of morale in public service providers, and so on. Political freedom, human rights, the rule of law, and economic growth are considered vital to human security, which includes all security problems.

Another unconventional challenge is cyber security. Kshetri (2017) Nepal, a small country between India and China, faces cyber terrorism threats due to its strategic location. There are disputes over the birthplace of Lord Buddha and the ownership of Mount Everest. Internal factors like political instability and civil war contribute to cyber-attacks. The lack of proper cyber security measures and outdated technology pose challenges. The government needs to establish a strong cyber division and partner with international security agencies to counter cyber terrorism (Kshetri, 2017). He further explains the reasons for cyber threats Nepal is the transit

point for cyber terrorism and various other critical powers today in South Asian Association for Regional Cooperation (SAARC) and Asia.

The political instability, long civil war in Nepal, interim constitution amendment after the end of the 240-year-old monarchy by 601-member assembly, the conflicts between Communists and Nepali Congress in government formation, and lack of proper vision and mission of political parties, are the primary reasons for this attack on Nepal's CI (Critical Infrastructure) by its neighbour nations. Some internal factors are believed to be the sister organizations of "left" political parties, cyber issues and vulnerabilities besides several internal threats, political imbalance, a new constitution and vulnerabilities, the critical infrastructures of Nepal impose greater threats from its neighbour nations, China and India. Both opportunities and threats are exposed together due to the rise in digital technology and digital business.

Non-state actors or state actors are directly depending upon cyber space to conduct any attacks or crime against any party or organization which creates a connection line with cyber and terrorism. Numbers of STEM graduates every year in under-developed and developing countries, worldwide use of social media (Instagram, Twitter, Facebook, LinkedIn, Flickr, Pinterest, Tumblr, Vine, Reddit etc) from every walk of life, necessity for finance organizations to go online in the competition world, motivation to youth by several non-state actors, lack of adequate laws and punishment in cyberspace, and use of outdated technology can be major and active challenges of the digital world. The Government of Nepal has not yet managed to identify its critical infrastructure and plan its security.

Non-traditional security challenges can vary widely; one such challenge that Nepal faces with its neighbours is water issues. (Malhotra, 2010) explains about this particular problem. She explores the complexity of sharing water resources in the

Ganges River basin, a system critical to Nepal, India and Bangladesh. Malhotra raises some vital issues; Knowledge gap: In contrast to the quantity of news pieces, Malhotra notes a lack of scientific study on this subject. News stories, while useful for current events, are subjective and lack the in-depth research required for long-term solutions. Potential for friction: The Ganges River system is under growing pressure due to reasons such as population expansion and climate change. This, along with each country's unique water demands, has the potential to escalate tensions and spark violence. Treaties with limitations: Existing accords, such as the 1977 Ganges Water Treaty between India and Bangladesh, provide a basis for collaboration. However, trust difficulties and political factors may impede its efficacy. Political solutions are crucial. Malhotra highlights that overcoming political barriers and building confidence among these countries is crucial for long-term water management in the Ganges basin. Collaboration and data exchange are critical for managing this difficult challenge. The paper emphasizes the significance of more study and political will to achieve fair and responsible water sharing in the Ganges basin, noting the limitations of present knowledge and urging for regional collaboration.

Within South Asia border security is a continuing challenge across the region. The problem of border demarcation between India and Nepal has existed the days of British rule in India. This lack of a defined boundary has made border maintenance and security a difficult, serious and unending challenge for Nepal. As Regmi (1965) notes in *Land Tenure and Taxation in Nepal*, the problem dates back to 1829 when an agreement was concluded between the two countries over new border pillars whenever the old pillars were destroyed (Regmi, 1965). The problem of border demarcation arises was based in two factors. First, sometimes stone pillars erected on the border are destroyed by accidents or by parties seeking to

grab land, both of which create confusion about the line of demarcation and create disputes between the two countries. Second, rivers such as the Gandak sometimes change their course and destroy the existing border pillars. Regardless of the cause, border disputes have serious implications for relations between the two countries. The 1960's Susta border dispute was caused by the displacement of border pillars in the Tanakpur Dam area was raised, thus creating the Tanakpur barrage controversy by the opposition political parties in Nepal. Nepal has also raised claims that the Kalapani area belongs to her. This region forms a narrow neck along Mahakali River in Pithauragarh and Dharchula districts of India and Nepal, respectively. Such tensions led to Indian paramilitary forces guarding this region since a Chinese attack in 1962. The issue is still not settled (Singh, 2010).

In addition, Shrestha (2000) in his work *Transforming Foreign Affairs of Nepal* points to the continuing border dispute within the overlapped area of Nepalese territory at the Indian border marker called as 'Junge Pillar'. The Barrage was constructed by removing the original pillar which in turn led to over 1179000 'Ropani' of Nepali land being overlapped. The author is an expert on the problem since he is the only person who had presented dispute in front of both national and international border resolution forums. This book provides solid evidence which substantiates Nepalese border claims, and is useful in that many governments on both sides of the border have been formed and dissolved over time, while the problem remains unresolved as India continues to deny charges of illegally claiming Nepali territory. While there have been numerous foreign affairs seminars and meetings which have failed to resolve the problem, such efforts fail to recognize that such disputes are important national matters for citizens. In

summary, Buddhi Narayan gives a list of overlapped area on the Indo-Nepal border (Shrestha, 2000).

These activities naturally give rise to the problem of jurisdiction, incidents of police crossing the border without consulting its counterpart on the other side of the border etc. More recently the problem of cross-border terrorism has become serious as terrorists wanting to operate in India find Kathmandu a safe place whenever they are under pressure from security forces because of unchecked cross-border movements. Both the countries have concluded extradition treaties to help each other in the case of criminals. But it is extremely difficult to identify anti-social elements due to open border. These activities bear security problems for both countries. For instance, increased terrorist activity Indo-Nepal border may have serious implications on their national security. It is in this context that the crime and terrorist activities in the border is a serious issue which may even affect other aspects of relations between two countries. Thus, an open border may become a source of threat to the internal security of the concerned countries (Singh, 2010).

## **2.6 Research Gap**

Nepal's unique geopolitical positioning between two Asian giants, China and India, presents both strategic opportunities and significant challenges, directly influencing its national security and foreign policy. While extensive research has been conducted on Nepal's geopolitical constraints, there remains a significant gap in exploring the opportunities that Nepal's location offers.

Scholars such as Rose (1971) analyzed Nepal's vulnerabilities, emphasizing the challenges of maintaining a delicate balance between its two neighbors, particularly in trade, security, and political affairs. Similarly, Thapa (2002), discusses Nepal's struggle to uphold a balanced foreign policy amid economic dependence on

India and growing Chinese influence. His study highlights key challenges such as internal political instability, weak governance, and external interference. Likewise, Thapa (2005), focuses on Nepal's foreign policy dilemmas, debating whether Nepal should align with India, China, or adopt a middle path to safeguard its sovereignty and national interests.

Despite these comprehensive studies, existing literature has largely focused on the geopolitical challenges Nepal faces, rather than the opportunities that arise from its strategic location. Given the increasing geopolitical importance of South Asia—reinforced by former U.S. President Barack Obama's "Pivot to Asia" strategy—Nepal's potential role in regional politics requires deeper scholarly attention. The growing competition between India and China, coupled with the increasing influence of the United States in the region, creates strategic openings that Nepal can leverage.

This study aims to fill this research gap by shifting the discourse from Nepal's geopolitical constraints to its opportunities. It seeks to analyze how Nepal can capitalize on its unique position to enhance its foreign policy, economic diplomacy, and regional engagement. By re-examining Nepal's strategic importance in the evolving global order, this research contributes to a more balanced understanding of Nepal's geopolitical prospects in the 21st century.

## **CHAPTER III**

### **RESEARCH METHODOLOGY**

The study starts with explicit theoretical predispositions. Thus, it primarily uses inductive reasoning. The study basically follows analytical and descriptive methodology for the interpretation of Nepal's geopolitics and the opportunities and challenges it offers to Nepal. All the relevant data is thematically analyzed. Research design, nature and sources of data, reliability and validity of the data as well as analysis method are the focal point of this chapter.

#### **3.1 Research Philosophy**

Research philosophy in social science refers to the underlying beliefs and assumptions about how knowledge is generated, interpreted, and validated. It typically encompasses positivism, which emphasizes objective observation and measurement, and interpretivism, which focuses on understanding the subjective meanings and experiences of individuals.

##### **3.1.1 Ontology (Nature of Reality)**

Ontology concerns the nature of reality and what can be known about it. In this study, a constructivist ontology is adopted, which acknowledges that geopolitical realities are shaped by historical, political, and socio-economic contexts. Nepal's geopolitical positioning is not a fixed reality but is continuously shaped by shifting regional power dynamics, economic interdependencies, and domestic policies. While Nepal's geopolitical had different context and significance during the cold war, where the US and Soviet were competing against each other, the current geopolitics has different context as it is between India and China, Asia's two rising power competing for influence and the US sees South Asia a fulcrum to Asia, from where it can have influence over Asia. By recognizing that Nepal's geopolitical opportunities and

challenges are subject to multiple interpretations, this study embraces a relativist perspective rather than an absolute or objective one. Geopolitics of Nepal is one of the realities of this study including opportunities and challenges. Therefore, it is under these multiple realities under the interpretative philosophy.

### **3.1.2 Epistemology (Nature of Knowledge and Inquiry)**

Epistemology refers to the theory of knowledge and how we come to understand the subject of study. This research follows a qualitative interpretivist epistemology, which means knowledge is generated through analyzing diplomatic, historical, and policy-oriented narratives rather than purely empirical data. Given the complex nature of Nepal's geopolitical landscape, this study relies on historical analysis, expert interviews, treaties, and policy document reviews to build an in-depth understanding of how Nepal navigates its foreign policy challenges and opportunities. The study also draws from realist and liberal perspectives in international relations, recognizing both security constraints and cooperative possibilities in Nepal's diplomacy.

### **3.1.3 Axiology (Role of Values in Research)**

Axiology concerns the role of values in research. Since geopolitical studies involve political, strategic, and national interests, this research acknowledges that absolute neutrality may not be possible. However, the study maintains academic objectivity by incorporating diverse perspectives from scholars, diplomats, policymakers, and security experts. The research does not advocate for any particular foreign policy approach but rather aims to provide a balanced, critical, and policy-relevant analysis of Nepal's geopolitical choices.

### **3.2 Research Approach**

This study adopts an inductive research approach, meaning that conclusions are drawn based on qualitative data analysis rather than testing a predefined hypothesis. The research explores patterns in Nepal's foreign policy behavior, strategic alignments, and security concerns to develop theoretical insights on how Nepal can optimize its geopolitical positioning.

This study follows an inductive approach by deriving theoretical insights from observed geopolitical patterns and case studies. Instead of testing pre-existing theories, the research will analyze empirical data and qualitative findings to develop a deeper understanding of Nepal's national security challenges. By drawing general conclusions from specific instances of geopolitical maneuvering, the study aims to contribute to broader theoretical discussions on small-state geopolitics and security strategies.

### **3.3 Nature and Sources of Data**

The research is based on secondary data of qualitative nature. Qualitative research allows the researcher to explore and better understand the complexity of a phenomenon of geopolitics. Obviously, qualitative research is more complex than quantitative research, as it deals with national interests. Qualitative methods have been used for eliciting deeper insights into geopolitics, administering, and interpreting the nature of regional security, and exploring the behavior of Nepal, which lies between two big powers – India and China.

For Secondary data the researcher accessed published and unpublished works such as Ph.D. dissertations, degree thesis, magazines, journals, reports, seminar paper, government reports, articles and other documents that are available at the Central Library of Tribhuvan Univeristy Kirtipur, Nepal Army library, Military Museum

Chhauni, US Embassy library, Keshar Library, National Library. Nepal Bharat Library, Nepal Government offices such as Foreign Ministry, Defence Ministry, Nepal army HQ, etc. Documents of different conventions such as Vienna Convention, Text of different treaties of British – India, government of India and Nepal etc. Asia Pacific Centre for Strategy Studies Library in Honolulu, Hawaii, USA and National Defence University Library, Washington DC, USA. Similarly, different online and digital sources such as Jstor, Googlescholar, Springer and others were also visited. For primary data, the author interviewed several security experts, defence personnels, policy makers, leaders, jouranalist and experts.

Purposive sampling was employed in this study to select nine respondents who possess significant expertise and experience relevant to the geopolitics and national security of Nepal. The respondents, including policymakers, security analysts, and academics, were chosen for their in-depth knowledge of Nepal's geopolitical dynamics and security challenges. Semi-structured interviews were conducted to gather qualitative insights, allowing for a deeper understanding of the respondents' perspectives on Nepal's foreign policy, security strategies, and regional relations. This targeted approach ensures that the data collected reflects expert viewpoints crucial for analyzing Nepal's national security landscape.

### **3.4 Reliability and Validity of the Data**

The reliability and validity of the data used in this study are ensured through a combination of primary and secondary sources, including government reports, expert analyses, academic journals, and interviews with policymakers and scholars. To establish reliability, data from multiple reputable sources are cross-verified to mitigate biases and discrepancies. The validity of the data is further strengthened by incorporating both qualitative and quantitative research methodologies, ensuring that

the information accurately reflects Nepal's geopolitical challenges and security dynamics. This rigorous approach guarantees that the analysis is both robust and reflective of the evolving geopolitical landscape affecting Nepal's national security.

### **3.5 Data Analysis**

The data analysis in this chapter on the "Geopolitics of Nepal: Challenges and Opportunities to its National Security" focuses on examining the complex interactions between Nepal's geopolitical position, regional dynamics, and its security interests. Using a combination of qualitative and quantitative methods, the analysis identifies key trends, including Nepal's balancing act between neighboring giants India and China, as well as its engagement with international institutions and multilateral platforms. By analyzing historical, political, and economic data, the chapter delves into the implications of Nepal's strategic decisions, such as its foreign policy shifts and security alliances, and assesses the impact of these on its national security. Additionally, the analysis explores potential opportunities for Nepal to leverage its unique position to enhance security and foster diplomatic relations, while also addressing the emerging challenges posed by regional instability, transnational threats, and internal vulnerabilities.

### **3.6 Theoretical Framework**

The theoretical framework draws upon key concepts of geopolitics and different theories that deal with geopolitics. Geopolitics refers to the study of the relationship between geography, politics, and power in shaping international relations. It examines how physical space, resources, and strategic location influence the behavior of states, alliances, and global actors, guiding decisions related to national security, diplomacy, and economic interests. Different theories that deal with geopolitics are used to understand geopolitics.

Mackinder (1904)'s Heartland Theory posits that the nation controlling the central part of Eurasia, or the "Heartland," would have the strategic advantage to dominate the world. He argued that the Heartland's vast resources and geographical position made it a critical area for power projection, and whoever controlled it could command the "World Island" (Eurasia and Africa) and, by extension, the global order. In contrast, Spykman (1944) Rimland Theory challenged Mackinder by emphasizing the importance of the coastal areas or "rimlands" surrounding the Heartland, particularly Europe, the Middle East, and Asia. Spykman argued that control of these regions would be key to global dominance, as they acted as buffer zones to the Heartland and were critical for maritime power. Karl Haushofer, a German geographer and geopolitician, developed the concept of Geopolitik, which integrated geopolitics with Nazi ideology. He argued that geographical factors were central to understanding a nation's political power and advocated for a territorial expansion based on strategic geographic positions, including the conquest of Eastern Europe. Haushofer's ideas deeply influenced German expansionist policies during World War II, linking geopolitics with nationalist and militaristic objectives. These theories collectively shaped the way geopoliticians analyze the balance of power, emphasizing the strategic importance of geography in global politics.

These geopolitical theories provide insight into how Nepal's strategic location between India and China influences its security decisions and its need to balance regional dynamics. Additionally, concepts from security studies, including human security and national security, are incorporated to examine both traditional and non-traditional security threats facing Nepal. This framework allows for an in-depth analysis of Nepal's security landscape, highlighting both the constraints and opportunities it faces in navigating regional power rivalries, economic interdependence, and emerging security challenges in an increasingly multipolar world.

## CHAPTER IV

### SIGNIFICANCE OF NEPAL'S GEOPOLITICAL LOCATION

Geopolitics plays a pivotal role in shaping a nation's foreign policy, influencing decisions based on geographical location, resources, and strategic interests. Nations situated at crossroads of major powers or trade routes often craft policies to balance relationships and safeguard sovereignty. For instance, maritime nations focus on securing sea lanes, while landlocked states prioritize regional connectivity. Geopolitical dynamics, such as regional rivalries, alliances, and economic interdependence, shape diplomatic priorities and defense strategies. Emerging global trends, including the Indo-Pacific's rise and Arctic accessibility, further underscore the impact of geopolitics. Ultimately, a nation's foreign policy reflects its response to both opportunities and threats posed by its geopolitical context.

#### 4.1 Small Power and International Politics

The foreign policy of smaller states has traditionally been overlooked by mainstream International Relations (IR) theories, particularly within the realist school. Realist theory often positions smaller states low in the hierarchical structure of the international system, suggesting their influence on global affairs is minimal. This perspective was briefly challenged during the rise of the Non-Aligned Movement in the 1960s and early 1970s, prompting some mainstream theorists to reconsider the behavior and significance of small states. However, with the decline of the Non-Aligned Movement, the dominant view that small states have little impact on the international system regained prominence.

This argument has been widely debated within academic scholarship. Critical theorists have contended that the relationship between the 'West' and the 'Rest' is inherently extractive, positioning non-Western states as peripheral to Western

practices of domination and conceptualizations of world order. Despite their critique of Western imperialism in theoretical traditions, these critical theorists also tend to marginalize small states, often failing to acknowledge their capacity for independent decision-making. Thus, even within discourses that challenge mainstream views, the autonomy and significance of smaller states remain largely underappreciated.

For small states, the primary objective of foreign policy is to ensure survival and strengthen their position in the international arena. While larger states share similar objectives, small states frequently grapple with issues of viability, particularly in economic and political spheres. They are especially vulnerable to the interests of larger neighboring countries, which can exert influence through political, economic, and military means. In the international system, the smallest states are vulnerable if they rely on isolationism. With limited power and resources, these states often have minimal influence on global affairs. Consequently, they typically use international organizations to promote conditions conducive to their survival. By engaging with these organizations, small states can bolster their status as independent sovereign nations, gain a sense of formal equality, and derive a degree of security from their membership. This affiliation can also potentially deter larger states from engaging in threatening actions.

Although the security provided by such memberships may be more psychological than tangible, these activities prevent small states from appearing insignificant and grant them a limited but important role in world affairs. For these states, developing national recognition and an active role in the international system is often more crucial than the actual security that membership might provide. Huldts has conducted a notable study on the behavior of small states, shedding light on these dynamics (Rogers 2007).

Most research on small states has emphasized their disadvantages in international relations. Works by Benedict (1967), Plischke (1977), Jalan (1982), and Misra (1988) specifically use the term 'problem' in their titles, while books by Blair (1967), Allen (1980), Diggines (1985), Harden (1985), and Dommen and Hein (1985) also highlight their drawbacks. Few authors have focused on the positives and advantages of being a small state in international politics. This study aims to highlight the advantages of small states, such as Nepal, which benefits from its strategic location between two large neighbors, India and China. While small states do face challenges like a limited skilled workforce and less national wealth (Swain 1991), they can also leverage their unique positions to gain significant geopolitical advantages. Small and buffer states have been largely neglected in the field of International Relations. There is a notable absence of comprehensive theoretical perspectives specifically addressing these states. While some theoretical literature exists on the behavior of small powers, small buffer states remain underexplored. Although small powers and small buffer states are distinct concepts, they share similarities, particularly the 'Lilliputian dilemma' (Keohane 1969) they face in the international system.

One of the earliest systematic studies on small power behavior was conducted by Fox (1959), who examined the actions of five small power states during the Second World War. In her work, "The Power of Small States," she investigated how the governments of small and militarily weak states resisted the pressures exerted by great powers during crises. Some of these smaller states successfully convinced the great powers of their neutrality, while others did not. Fox attributed these successes to diplomatic skills but also acknowledged that geostrategic location plays a critical role in a small state's ability to leverage diplomacy. However, she did not further explore

how geographical positioning structurally influences a country's response, leaving a gap in understanding the broader implications of a small state's location in international relations.

Neumann & Gstohl (2006), in their book "Small States in International Relations," trace the literature on small states and argue that their behavior has not been extensively studied because the discipline of International Relations, particularly the realist school, has traditionally focused on Great Powers. They assert that small states have unique dilemmas, a theme explored in their essay "Lilliputians in the Gulliver's World?" within the same book. Keohane (1969) also addresses these dilemmas, coining the term "Lilliputians' Dilemma" to describe the challenges small states face in choosing between balancing, bandwagoning, and neutrality.

Similarly, scholars like Rothstein (1968), Vital (1967), and Martin (1967) have examined small power behavior, particularly in the context of what was seen as an emerging coalition of small powers during their time: The Non-Aligned Movement. These scholars concurred that non-alignment was an attempt by small states to distance themselves from great power rivalries and enhance their bargaining strength. While these works provide valuable insights, they tend to categorize non-aligned states broadly within the Third World, offering conceptual rather than geographical analyses of the dilemmas faced by small powers.

Ingerbristen (2006) offers a novel thesis regarding small states. Based on her case study of the Scandinavian countries, she argues that these states act as 'norm entrepreneurs,' which grants them standing and security in the international system. However, the broader applicability of this approach is questionable, as this dynamic is not observed outside the relatively peaceful context of Europe.

Reiter (2006) presents a different perspective on the foreign policy of small states. He argues that such states often rely on historical perceptions. While larger powers might pursue adventurous or expansive policies seeking goals beyond security, smaller states typically base their security strategies on their historical successes or failures. Reiter's "Shadow of the Past" argument holds particular relevance for buffer states, suggesting that those with successful foreign policies in the past tend to maintain consistent alliance patterns whether balancing, bandwagoning, or neutrality while those with historical failures tend to shift alliances. This hypothesis, however, oversimplifies the issue. Buffer states may change alliances not due to past preferences but to pursue potential future gains. A past relationship might have been beneficial, but if future prospects appear better with another power, a buffer state is likely to realign. Realism and its theories of state alliance behavior inform most of these studies. A key issue with applying the structural variant of realism, epitomized by Waltz (1979), to analyze the foreign policy of buffer states is that realist theory generally does not specify which foreign policies states should follow. Structural realism is particularly challenging to apply when considering geography's role in diplomacy. Despite this, various realists have made differing claims about state alliance patterns, allowing for comparative analysis.

Kenneth Waltz aligns more closely with the balance of power tradition exemplified by Morgenthau (1949), although they differ on the reason states pursue balance. Waltz provides structural explanations, while Morgenthau attributes it to domestic motivations for maximizing power. Both argue that weak states tend to balance against strong states to avoid being preyed upon. Waltz also notes exceptions where small states might bandwagon if balancing against the strongest power

threatens their survival. Generally, balance of power theory suggests buffer states would ally with the lesser of two great powers.

In practice, this is rarely observed. For instance, Nepal and Myanmar serve as buffers between India and China, yet neither allies with New Delhi to balance against Beijing, the stronger state. Instead, these buffer states exhibit shifting alliance patterns. This indicates that the behavior of buffer states is more complex and context-dependent than traditional realist theories might suggest. The recent literature highlights that Nepal should be a 'bridge' between India and China, rather than the 'yam' or 'buffer'.

Walt (1987) reformulated the balance of power argument into the "balance against threat" theory. According to Walt, states ally not against power but against perceived threats, which he defines using four variables: aggregate capability, geographical proximity, offense-defense balance, and perceptions. However, this theory's structural intent is undermined by the subjective nature of what constitutes the offense-defense balance and perceptions, leading to reductionist arguments and post-facto rationalization. For example, in the context of India and China, it's difficult to conclusively determine which nation appears more threatening to buffer states.

Another perspective, emerging from historian Schroeder (1994)'s, critique of Waltz, suggests that states often bandwagon rather than balance. This implies that Nepal might ally with China to appease it. Schweller (2006) further argues that states are not merely status-quoists, as defensive realists suggest. Instead, states seek opportunities for profit, grabbing them whenever possible. Schweller's argument, however, faces conceptual challenges. The term "profit" needs clear definition, as it could encompass anything from military power to gaining normative superiority. Additionally, Schweller's focus on bandwagoning with revisionist powers leaves

questions about bandwagoning with status-quoist powers largely unaddressed. While Schweller's predicted behavior aligns with the alliance patterns of South Asian buffer states, it may not be generalizable to other buffer states.

A different approach comes from the Innenpolitik School, which emphasizes domestic variables. Mainstream constructivists (Wendt, 1992, Ruggie, 1998), cultural theorists (Lebow, 2009), and democratic peace theorists (Doyle, 1997) explore domestic features and questions of identity, culture, and norms. While domestic variables can explain differences in behavior, they fall short in accounting for similarities among buffer states.

The approach of this study integrates both external and domestic variables to discern patterns and provide a comprehensive explanation of buffer state behavior. This integrated approach aims to address the complexities and nuances that single-variable theories often overlook, offering a more holistic understanding of the strategic choices made by buffer states in the international system.

#### **4.2 Objectives of Foreign Policy in International Relations**

In the complex landscape of today's International Relations and global affairs, myriad international issues are shaping the course of nations and the world at large. From climate change and environmental degradation to geopolitical tensions and economic disparities, the challenges that the international community face are all diverse and interconnected. With that, foreign policy plays a vital and pivotal role in navigating and addressing these issues, influencing strategies, decisions, and the relationships that sovereign nations pursue to safeguard their own interests and contribute to global stability. One of the most important strategies that is utilized in the day-to-day work of international organizations and the relationships of each state is foreign policy. Without it, state representatives would be clueless on what their

state wants, as well as their neighbours would not know who they are. Walter Carlsnaes provides a traditional explanation of what foreign policy is, describing it as the actions undertaken by government representatives on behalf of their sovereign communities, directed towards specific goals, conditions, and actors, both governmental and non-governmental. On the other hand, Christopher Hill offers us a broader interpretation, defining foreign policy as the total official external relations conducted by an independent actor, typically a state, in the realm of international relations (Smith et al., 2016). Foreign policy guides a state in pursuing its national interests and establishing a rightful position among the community of nations, as no state desires to operate in total isolation.

Hill also explains that the interaction between many actors is a dynamic process that creates a constant evolution of structure and actors. The most important actors when it comes to creating foreign policy and deciding on it are the heads of state, heads of government, and foreign ministers or secretaries of states- as they are the ones politically responsible for these decisions. It is not to say that they are the only actors. Other actors involve civil servants and experts involved in the process within the Ministry of Foreign Affairs, military establishments, economic ministries, intelligence services, lobbying firms, think tanks, research institutes, and the media. Geun Lee and Kadir Ayhan stated that non-state actors are important because these policies need a relational, networked, and collaborative approach to make them more effective and have long-term outcomes. They propose that these entities are capable of and should be utilized when a state seeks partnerships with non-state actors, as well as when it seeks to explore collaboration opportunities offered by non-state actors. Although these actors are domestically based, they have counterparts in other states or organizations that act as if they are in consort with one another (Lee & Ayhan, 2015).

Valerie Hudson outlined that the process of making foreign policy decisions entails foreign policy analysis, which involves examining the process and outcomes of human decision-making that have known implications for foreign entities. In essence, the focus of the analysis, foreign policy, revolves around understanding the thoughts and actions of foreign policy decision-makers (Carlsnaes, 2016).

The importance of Foreign Policy in International Relations revolves around its focus fields which are national security, economic interests, politics and diplomacy, culture and environment. Foreign policy decision-making is widely recognized as a primary tool available to a state for advancing its national interests, representing a comprehensive political endeavour for states. A successful foreign policy would naturally enable a state to achieve its national interests and secure a rightful position among the community of nations. Consequently, the examination of foreign policy constitutes a significant component of the field of international relations. Foreign policy decision-making involves a sequence of processes and engages various actors. It holds significant sway over a state's international affairs. In the absence of a well-structured foreign policy, a state is likely to forfeit its standing and influence in global affairs, ultimately impeding the pursuit of its national interests. Conversely, nations with well-crafted foreign policies tend to experience the opposite outcome (Bojang, 2018). Through this comprehensive exploration, we will delve into how foreign policy influences national security, supports the achievement of economic objectives, advances political and diplomatic goals, addresses cultural and humanitarian concerns, and promotes environmental objectives. Understanding the multifaceted impact of foreign policy across these domains is essential for comprehending its broad significance in international relations.

#### **4.2.1 Foreign Policy and National Security**

Foreign policy plays a crucial part in ensuring the safety and security of a country and its citizens, often involving the development of military capabilities, formation of alliances with other nations, engagement in diplomatic efforts to prevent conflicts, and the protection of national sovereignty. The execution and management of foreign policy significantly influence a nation's ability to safeguard its interests and protect its assets, reflecting the intricate interplay between international relations and national security. National security is a fundamental concept in the examination of foreign policy, a fact that holds true for government leaders tasked with shaping and executing their nation's foreign policy. A primary aim of foreign policy is to attain national security. Realists offer an elucidation for the paramount importance of national security, citing its underpinning principles of statism, survival, and self-help (Shmidt, 2016).

According to realists, sovereignty serves as the foundation for ensuring security and order within the political community residing within a state's territorial borders. In the absence of a governing body externally, states must independently address the challenge of providing security due to the anarchic nature of the international system. This situation leads to competition and conflict among states, stemming from the necessity for states to secure themselves and the prevalence of perceived threats to their security. Realists argue that this underscores the pervasive nature of national security as a concern for states, ultimately emphasizing why the primary objective of foreign policy is survival. The rise of realism and the advent of the Cold War further solidified the significance of national security concerns for both scholars and decision-makers, establishing it as a prevailing theme in international relations.

Furthermore, the military strength of a nation significantly influences its foreign policy approach. The ability of a state to defend its borders against armed aggression plays a pivotal role in shaping both its domestic and international policies. States with strong military capabilities often enjoy greater autonomy in formulating their foreign policies, exerting less dependence on external influences. Furthermore, an increase in a state's military capabilities can lead to a shift in its foreign policy, transitioning from peaceful to more aggressive approaches. For example, North Korea's possession of new weapons of mass destruction has steered its foreign policy toward a more aggressive stance. This demonstrates that nations with robust military capabilities, such as the US, China, and Russia, tend to be proactive and assertive in pursuing their foreign policy objectives on the global stage. Conversely, nations with limited military capabilities often rely more heavily on seeking alliances with stronger powers and international organizations to pursue their policy goals, due to their comparatively diminished influence in the international arena (Bojang, 2018).

One notable security-focused policy is the Strategic Concept of NATO, which delineates the Alliance's enduring purpose, fundamental security tasks, and its approach to security in a changing environment. This policy emphasizes resilience, countering hybrid threats, and addressing challenges such as terrorism and conflict, reflecting NATO's commitment to security. Additionally, the US National Defense Strategy (NDS) prioritizes great-power threats and other challenges, reflecting a focus on ensuring policies and posture are sufficient to address these key security concerns (NATO, n.d.; The White House, 2016). These examples illustrate the strategic and multifaceted approaches taken by organizations and nations to address security challenges and protect their interests on the global stage.

The intricate relationship between foreign policy and national security underscores the critical importance of these factors in shaping a nation's place in the global landscape. From the realist perspective, the concept of sovereignty provides the foundation for security and order within a state's borders, while the anarchic nature of the international system necessitates states to independently address security challenges. The rise of realism and the Cold War further emphasized the significance of national security, establishing it as a prevailing theme in international relations. Moreover, the influence of a nation's military strength on its foreign policy approach demonstrates the pivotal role of defense capabilities in shaping both domestic and international policies. This dynamic interplay between foreign policy, national security, and military capabilities showcases the complex and multifaceted nature of a nation's role in the global arena, highlighting the enduring relevance of these considerations in contemporary geopolitics.

#### **4.2.2 Foreign Policy and Economic Objectives**

One of the recent contentious issues in economic foreign policy pertains to the imposition of sanctions on Russia following its invasion of Ukraine. Economic sanctions, despite being a widely utilized foreign policy strategy, face challenges in achieving significant foreign policy objectives. While not always successful, governments occasionally employ them as part of a broader strategy to convey their diplomatic intentions in a symbolic manner. The foreign policy of a country is also influenced by its level of economic development. Advanced industrialist countries often play a dominant role in global politics and shape their foreign policies to maintain their superiority in the international system. Nations such as the United States, Russia, Germany, and France possess significant resources to develop military

capabilities and extend financial assistance to other states in the form of aid and loans, aiming to forge alliances with these nations.

In line with this, the United States has pursued an assertive foreign policy to safeguard its national interests, closely linked to its economic and technological development. It has effectively utilized foreign aid as a tool to advance its foreign policy objectives. An illustrative instance of this can be observed in the United Nations' denouncement of Donald Trump's recognition of Jerusalem as Israel's capital. The US ambassador to the United Nations, Nikki Haley, expressed the expectation that those aided by the US would not oppose its interests, warning that the US would take note of such actions. Furthermore, President Donald Trump threatened to cut off financial aid to countries that voted in favour of a UN resolution rejecting the US's decision on Jerusalem.

Conversely, smaller states like the Gambia pursue a limited and calculated foreign policy due to their limited economic power. Consequently, developing and underdeveloped countries rely more heavily on advanced industrialist nations for development loans, technology imports, healthcare provision, access to higher education, and even food-grain supplies, necessitating adjustments in their foreign policy to align with these economic considerations.

In recent years, Germany has emerged as a leading force in European politics despite not being a permanent member of the UN Security Council and being a non-nuclear state. This heightened leadership can be attributed to Germany's economic development. Similarly, the ascendance of China and India on the global stage is rooted in their economic resurgence in recent years. In contrast, Russia's influence waned considerably in the post-Cold War period due to the diminishing of its economic power after the disintegration of the USSR.

The natural resources available to a state also significantly influence its foreign policy. Minerals, gas, petroleum, crude oil, and water resources abundant in regions such as Africa and the Middle East empower countries in these areas to play crucial roles in international politics, despite their relatively small size. As a result, nations in the Middle East, such as Qatar, Bahrain, and Kuwait, assertively pursue foreign policies due to their oil power, thereby wielding substantial influence in world politics through oil diplomacy (Bojang, 2018).

Economic sanctions present a contentious issue in contemporary economic foreign policy, particularly in the context of sanctions imposed on Russia after its invasion of Ukraine. While widely used, economic sanctions face challenges in achieving significant foreign policy objectives and are sometimes used symbolically. The foreign policy of a country is heavily influenced by its economic development, with advanced industrialist nations shaping their policies to maintain dominance. The United States, for example, uses foreign aid to advance its interests, as seen in responses to its recognition of Jerusalem as Israel's capital. Smaller states like The Gambia pursue limited foreign policies due to their economic limitations, relying on aid and resources from more developed nations. Germany, China, and India have emerged as influential global players due to their economic resurgence, while Russia's influence has waned. Additionally, the availability of natural resources, such as oil in the Middle East, empowers nations in these regions to assertively pursue foreign policies, shaping their influence in global politics.

### **4.2.3 Foreign Policy and Diplomacy**

Diplomacy and foreign policy are foundational to the functioning of the international system, holding significant influence and responsibility in shaping the interactions between sovereign states. Across the globe, independent nations actively

engage in diplomatic and foreign policy endeavours, each tailoring their approach to suit their unique circumstances. In a world marked by an absence of central authority and characterized by anarchy, states are compelled to protect and advocate for their interests through peaceful and constructive means.

Diplomacy, as a practice, serves as a mechanism for resolving misunderstandings, mitigating potential escalations, and fostering harmonious relations among nations. Its pivotal role lies in the facilitation of dialogue, negotiation, and mediation, thereby ensuring that conflicts are managed and resolved through peaceful channels. Moreover, diplomacy acts as a conduit for the dissemination of information, the establishment of mutual understanding, and the cultivation of cooperative relationships between states. This multifaceted process of diplomatic engagement involves the participation of representatives from countries, international organizations, and other relevant global actors, collectively contributing to the maintenance of stability and peace in international affairs. The realm of foreign policy, on the other hand, encompasses the comprehensive strategic plans and initiatives that a country employs to engage with other nations, with the overarching goal of safeguarding national interests and enhancing the well-being of its populace. It encompasses a spectrum of activities, ranging from trade agreements and international alliances to humanitarian aid and cultural exchanges, all designed to serve the broader objectives of the state. The execution of foreign policy is intricately intertwined with diplomacy, constituting a systematic and deliberate approach to managing international relations, negotiations, and interactions in a peaceful and constructive manner.

Furthermore, the role of diplomats, who act as the official representatives of their respective countries on the global stage, cannot be overstated. Whether

appointed directly by the head of state or through diplomatic channels, these individuals play a pivotal role in advocating for their nation's interests, fostering positive relationships, and navigating the intricacies of international diplomacy. In many instances, the head of state assumes the mantle of chief diplomat or ambassador, ensuring that the appointed diplomats are not only competent but also aligned with the nation's strategic objectives and priorities (Mwale, 2022). The symbiotic relationship between diplomacy and foreign policy forms the bedrock of international relations. Through the art of diplomacy, nations strive to navigate the complexities of global interactions, resolve disputes amicably, and forge enduring partnerships. Meanwhile, foreign policy serves as the blueprint for a country's engagement with the international community, guiding its actions and initiatives to achieve overarching national objectives. Together, diplomacy and foreign policy play instrumental roles in promoting peace, resolving conflicts, and advancing the collective interests of nations on the global stage.

#### **4.2.4 Foreign Policy and Cultural and Humanitarian Objectives**

Culture has become a key component of international relations and foreign policies. Nations use cultural diplomacy to showcase their unique cultures, enriching global diversity and fostering collaboration and dialogue. In our interconnected world, cultural diplomacy promotes peace and stability by building mutual understanding and trust and enhancing international relations in various cooperative areas. This intercultural exchange strengthens multilateral cooperation, addressing issues like misinformation, societal disparities, conflict, and climate change.

Historically, cultural diplomacy has roots in the activities of explorers, traders, teachers, and artists. Early cultural exchanges, such as those between Korea and Japan, date back to the formation of modern states. European countries in the late 19th

century, like France and Italy, established institutions to promote their cultures abroad, while Brazil mapped cultural relations in the 1920s to enhance its international image. The use of radio broadcasts in the 1920s transformed cultural diplomacy, and post-independence countries often centered their foreign policy around cultural initiatives. For instance, Senegal emphasized "culture-peace," focusing on intercultural dialogue and soft power. The Caribbean used cultural diplomacy to support national development, exemplified by festivals like CARIFESTA. Although cultural diplomacy has long existed, the term itself gained recognition only recently. Joseph Nye's concept of "soft power" and Milton Cummings' definition highlight cultural diplomacy as the exchange of culture to foster mutual understanding. This practice includes forging alliances, stimulating economic development, and supporting peace and security.

Cultural diplomacy involves not just state-driven efforts but also non-governmental actors such as artists, journalists, and students. Programs like the Fulbright Foreign Student Program and the EU's Erasmus exchange, along with museums, play significant roles in promoting cultural exchange. Locally, cities are engaging in cultural diplomacy, fostering global cooperation and leadership. Digital technologies and the pandemic have further expanded the reach and methods of cultural diplomacy, enabling virtual exchanges and digital platforms to engage audiences worldwide (UNESCO, 2022).

Peacekeeping is a key tool used by the international community to promote peace and security. Initiated by the United Nations in 1948, peacekeeping operations have evolved over the past 70 years to include peacebuilding, peace enforcement, and humanitarian assistance. These operations aim to support disarmament, demobilization, refugee repatriation, and the implementation of democratic policies.

The decision to deploy peacekeepers is influenced by individual states' foreign and security policies. Factors such as the impact of conflicts on national security, refugee flows, international trade, and the enhancement of international standing play a significant role. Since the late 1980s, peacekeeping has become a more comprehensive and frequently used tool for crisis management and foreign policy.

The post-Cold War era has seen a shift in international relations, with a rise in intrastate wars, new security actors, and threats. This has led countries to expand their foreign and security policy agendas to address issues like terrorism, organized crime, weapons proliferation, climate change, regional conflicts, state failure, and humanitarian crises. Peacekeeping operations, which can involve special envoys, mediators, and multidisciplinary teams of civilian, military, and police personnel, reflect these broader concerns. While commonly associated with the United Nations, peacekeeping is also conducted by regional organizations, security alliances, ad-hoc coalitions, and individual states. National governments decide on participation, provide consent, contribute financially, and deploy personnel. Guided by principles such as consent, impartiality, and non-use of force (except in self-defense and defense of the mandate), peacekeeping operations aim to promote international peace and security and address specific foreign policy concerns like terrorism and refugee flows (Meiske & Ruggeri, 2017).

Cultural diplomacy and peacekeeping stand as crucial instruments in the realm of international relations and foreign policies. Cultural diplomacy serves as a bridge for nations to promote their cultural distinctiveness, fostering global diversity and paving the way for cooperation and dialogue. In an increasingly interconnected world, it plays a key role in enhancing peace and stability, fostering understanding, trust, and

exposure to various cultures, thereby strengthening international relations and addressing contemporary challenges.

Similarly, peacekeeping has emerged as a fundamental tool for advancing global peace and security. Since its inception in 1948, peace operations have evolved to encompass a wide array of objectives, from humanitarian assistance to promoting liberal democratic values. Beyond addressing crises of global peace and security, the decision to engage in peacekeeping operations is influenced by individual states' foreign and security policy considerations, reflecting the growing significance and comprehensiveness of peacekeeping endeavors since the late 1980s. Both cultural diplomacy and peacekeeping underscore the pivotal role of collaboration and understanding in shaping international relations, highlighting the interconnectedness of global diplomacy and the pursuit of peace and security.

#### **4.2.5 Foreign Policy and Environmental Objectives**

In the 21st century, there has been an observable and gradual increase in society's awareness of environmental issues, reflecting a growing recognition of the profound and genuine threats faced by the environment. This heightened awareness has led to the convergence of various entities, including governments, corporations, civil society organizations, and diverse groups, all coming together with the shared objective of addressing environmental concerns. Through collaborative discussions and the formulation of guidelines, these entities strive to raise awareness and foster behavioural changes aimed at effectively addressing the primary environmental challenges that confront our global community.

Public diplomacy, as a specific governmental aspect of public relations, encompasses the strategic communication efforts of a state in the international arena. It involves the deliberate management of communication among diplomatic actors,

including nations and non-state entities, with the specific aim of conveying informational or motivational messages to foreign publics through diverse communication channels. This strategic communication serves the overarching goal of promoting and advancing the national interests of the state. Notably, this definition underscores the relational approach and the two-way flow of communication that aims to attract foreign publics, engaging them in the co-creation and negotiation of meanings that ultimately support a nation's foreign policy objectives.

The intricate and interconnected nature of environmental issues, coupled with the diverse array of groups involved in the process of drafting and agreeing on global environmental conventions, has underscored the increasingly pivotal role played by non-governmental organizations (NGOs) and individual citizens in shaping environmental diplomacy. Furthermore, the exponential growth in scientific knowledge and the widespread increase in public awareness have significantly influenced and redefined environmental diplomacy in the 21st century. This transformative shift has elevated the moral significance of knowledge, with a renewed emphasis on the preservation of the environment assuming a heightened ethical importance. This evolving ethical imperative emphasizes the collective responsibility to safeguard the conditions necessary for the continued existence of humanity on Earth. Consequently, the preservation of nature has transcended from being solely an environmental concern to becoming a moral and ethical imperative that should be embedded in all facets of human "being" and "doing" (Sebastiao & Soares, 2022).

In the intricate realm of modern international relations, foreign policy stands as a fundamental instrument through which nations navigate a host of global challenges, from climate change and geopolitical tensions to economic disparities and cultural exchanges. Foreign policy is essential for states to articulate their interests,

strategize interactions, and foster relationships both within the international community and with non-state actors. This comprehensive exploration underscores the multifaceted nature of foreign policy, highlighting its critical role in national security, economic objectives, diplomatic engagements, cultural diplomacy, and environmental sustainability.

Foreign policy objectives are diverse and interconnected, reflecting the intricate nature of global interactions. National security remains a primary concern, as states seek to protect their sovereignty and citizens from external threats through alliances, defense strategies, and international agreements. Economic objectives are equally pivotal, with foreign policy facilitating trade relations, attracting investment, and promoting economic growth. Diplomatic engagements are crucial for maintaining peaceful international relations, resolving conflicts, and collaborating on global issues such as terrorism and human rights. Cultural diplomacy, an often-underappreciated aspect of foreign policy, plays a vital role in fostering mutual understanding and respect among nations. Through cultural exchanges, educational programs, and the promotion of a country's cultural heritage, states can build soft power and enhance their global image. Environmental sustainability has become an increasingly prominent objective, as nations recognize the necessity of addressing climate change and promoting sustainable development through international cooperation and policy initiatives.

In essence, foreign policy is not only about advancing national interests but also about contributing to the broader international community. Effective foreign policy promotes peace, stability, and cooperation, addressing global challenges that transcend national borders. By balancing national priorities with global responsibilities, foreign policy helps shape a more interconnected and resilient world.

Thus, the strategic formulation and execution of foreign policy are indispensable for any nation aspiring to play a significant role on the global stage, ensuring that it can respond adeptly to the evolving dynamics of international relations.

### **4.3 Strategic Location of Nepal**

Nepal's strategic importance is deeply rooted in its history. For centuries, Nepal has acted as a buffer state between India and China, a role that has shaped its foreign policy and interactions with its neighbors. Historically, Nepal managed to maintain its sovereignty and independence despite the expansionist ambitions of neighboring empires. During the Sino-Nepalese War (1788-1792), the Treaty of Betrawati was signed, making Nepal a tributary state to the Qing Dynasty while preserving its autonomy (Dorji, 2019). This arrangement allowed Nepal to navigate a delicate balance, leveraging its strategic position to maintain a degree of independence. Similarly, during the British Raj, Nepal used its strategic location and military prowess to avoid colonization, negotiating treaties that ensured its autonomy while avoiding direct control by the British Empire (Gellner, 2008).

The geopolitical landscape of South Asia has evolved significantly since then, but Nepal's role as a buffer state remains relevant. Its location provides a critical geographical barrier, with the towering Himalayas acting as a natural defense against potential military incursions. This strategic buffer has implications for both regional security and the broader geopolitical strategies of India and China (East Asia Forum, 2022).

A key element in the growth and development of the nation is its geostrategic importance. With its strategic location sandwiched between China and India, Nepal has both possibilities and problems. Great nations are paying Nepal more attention because of its strategic location. The nation's sovereignty, wealth, and expansion are

not entirely guaranteed by its strategic location; rather, they need deliberate and helpful efforts. Since Nepal is a buffer state, both neighbours are always concerned about its security status. India has always played a significant role in Nepal's commerce, investment, transportation, and economic cooperation. With its investments in development projects, increasing bilateral visits, bilateral mechanisms, and cultural collaboration, China's assistance for Nepal appears to have expanded since the nation's transformation to a republic (Aryal, 2022).

One may see China's growing influence in Nepal as a challenge to the geostrategic interests of other superpowers. The question that has to be answered is if Nepal's position, which may be used to its advantage for national development while also carefully balancing diplomacy and foreign policy formulation to prevent the start of a cycle of counterbalancing incursion, makes it strategically significant. Prioritizing Nepal's national interests and maintaining a perfect balance between them, Nepal should carefully examine these major nations and their rising foreign policies while developing its diplomatic strategy (Aryal, 2022).

Nepal is an important place for China and India due to its strategic location. It serves as a deterrent state against any Chinese attack and is a major hub for trade and cultural engagement with India. While Nepal's close links to India provide an intense cultural and economic bond, Nepal's involvement in China's Belt and Road Initiative (BRI) may strengthen Chinese influence in the area. Because of its advantageous position, Nepal is able to maintain cordial and amicable neighbourly ties with both China and India, which is crucial for the country's political and economic stability.

Nepal is important to India because of its close vicinity and shared history. India has been supporting Nepal's attempts at modernization by arming and educating the Nepal Army (NA). To showcase the robust military cooperation between India

and Nepal, the two nations perform the biannual Joint Military Exercise "Surya Kiran" at the battalion level. Approximately 32,000 Gorkha soldiers who are part of the Indian Army reside in Nepal as well. With almost 30% of all authorized foreign direct investments, Indian companies are among the biggest investors in Nepal and are the country's top trading partner. In order to promote strong cultural and economic relations, the Treaty of Peace and Friendship of 1950 guarantees that Indian and Nepali nationals would be treated equally in terms of residency, property, commerce, and mobility.

China values Nepal because of its advantageous geographic position and opportunities for economic collaboration. Through infrastructure development and commercial engagement, China has been gaining ground in Nepal and may eventually surround India strategically. Due to the possibility of substantial increases in Chinese-backed infrastructure projects and connectivity, Nepal's engagement with China's Belt and Road Initiative (BRI) might put Indian interests at risk as well as increase Nepal's reliance on China for commerce. China can project influence and authority outside of its boundaries thanks to its growing strategic depth in South Asia, which is facilitated by its growing involvement in Nepal (Aryal, 2022).

#### **4.4 Nepal in the Changing Geopolitical Landscape of South Asia**

South Asia is an exceptionally noteworthy locale in terms of worldwide legislative issues, given that it has over 25% of the world's occupants (Live South Asia Population Calculator, 2024). This locale extends from the incredible Himalayas in the north to the endless Indian Sea in the south and comprises assorted societies, political frameworks, and economies. World players such as India, Pakistan, Bangladesh, and Sri Lanka impact worldwide financial patterns, security flow, and political relations. Understanding South Asia's geopolitical significance gets to be

progressively critical as worldwide control arrangements alter over time. South Asia's proximity to major nations like China, as well as its borders with the Middle East, add to its geopolitical prominence. India's long-standing border disputes with China and Pakistan complicate the region's geopolitical situation (Drishti, 2023; Aljazeera, 2022). Furthermore, South Asia's position makes it a hub for several number of regional organizations, like the South Asian Association for Regional Cooperation (SAARC), which seeks to foster economic and regional integration. Diversifying partnerships beyond India and China is crucial; engaging with countries in Southeast Asia and regional organizations like SAARC and BIMSTEC can open new avenues for cooperation (B.D. Pradhan, Personal Communication, 2 February 2023).

The continuing conflict between India and Pakistan, both nuclear powers, has serious consequences for regional and global security. Their rivalry has an impact on international peacekeeping, terrorism, and nuclear non-proliferation. The Kashmir dispute remains a flashpoint, with frequent flare-ups risking greater conflict (Center for Preventive Action, 2021).

The Chinese growing footprint in South Asia, largely due to programs such as the Belt and Road Initiative (BRI), has an impact on regional alignments and global power structures. The China-Pakistan Economic Corridor (CPEC) is an important part of this strategy, as it improves connectivity between China and the Arabian Sea. China's investments in Sri Lanka, Bangladesh, Maldives and Nepal are changing regional dynamics (Drishti, 2021).

Significant military capabilities and strategic relationships define South Asia's security landscape (Lowy Institute Asia Power Index, 2024). India, with its large defense budget and advanced military technology, is an important player in regional and global security. India's strategic engagement with the United States, as seen by

defense accords and joint military exercises, highlights the need of counterbalance China's influence in the region.

The presence of nuclear-armed states like India and Pakistan complicates South Asia's security environment. The long-standing rivalry between these two countries, particularly over the disputed territory of Kashmir, is a continual danger to regional stability. Furthermore, the existence of multiple terrorist organizations in South Asia makes the region's contribution to global counter-terrorism efforts important. However, the following aspects are directly proportional to the Security concerns of South Asia (Center for Preventive Action, 2024).

As a result of the prevalence of terrorism in South Asia, the contribution of this region is important to global counter-terrorism (South Asia Terrorism Portal, 2024). Terrorism and conflict have been significant issues in Afghanistan, Pakistan, and India (Tiwari, 2024). The importance of the region on global security can be illustrated by the international efforts to stabilize Afghanistan, principally through a Global coalition.

There have been many terrorist attacks in India hence strong measures have to be taken against it with international support. The Mumbai bombings in 2008 internationalized terrorism disputes as well as exemplified the significance of coordinated responses (D'Souza, 2024). India's interconnectedness to other nations like the USA and Israel amongst others on intelligence sharing and counter-terrorism acts highlights global security networks (Herman, 2016; Mishra, 2018).

South Asian security is complicated by the existence of India and Pakistan as nuclear-armed states. Regional stability is always at risk from a never-ending dispute between these two countries with regard about Kashmir and how each one wants it. There is a delicate equilibrium of power between the two states that maintains this

because both of them have reliable second-strike capabilities (Singh, 2019; Cheema, 2022).

India's nuclear posture, which is clarified by its "No First Use" policy, highlights that nuclear weapons serve as deterrents (Jacob, 2019). However, Pakistan has adopted an ambiguous approach suggesting that conventional military threats would be countered with nuclear attacks (Tasleem, 2016). This not only makes the security situation in the area unpredictable but also potentially dangerous for many reasons.

The political landscape of South Asia has a long history of conflict that continues to affect stability. The beef between India and Pakistan over Kashmir along with the internal crisis inside Pakistan is still a major tension point (Center for Preventive Action, 2024) . Things boil over from time to time there in ways that jeopardize broader regional chill and some of the countries in the neighbourhood like Afghanistan, Sri Lanka, and Myanmar struggle with getting their political acts together internally, which also amps up the regional drama.

The drama spilling out of Afghanistan especially has been a global headache - fueling terrorism and people fleeing the country. Sri Lanka and Myanmar have also seen humanitarian crises and stability issues stemming from dept, ethnic, and political pressures (IFRC, 2022, Bhattacharyya, 2023). So the regional volatility has reach stretched way beyond the neighbourhood.

India's military has one of the biggest and most massive budgets in the South Asia, with over \$70 billion from 2019 and going towards keeping their troops sharp and their weapons top-notch They've got new fighter jets, ships, and missile systems that'll put any potential enemies on notice (Hooda, 2024). Their Indian Navy,

constantly patrolling the waters, performing anti-piracy task and taking part in international exercises to keep the Indian Ocean region safe and sound.

On the other side of the fence, Pakistan's military got a decent-sized force, too, despite their economic woes (Global Firepower, 2024). They see India as their main rival and have built up their armed forces to match, or even surpass, them in some areas. The Pakistan Armed Forces are packing some serious heat, with both conventional and nuclear capabilities, and they've had their fair share of help from the U.S. over the years (Gordan, 2022). All in all, both India and Pakistan are major players in the South Asian military game, but it's the Indian Navy that stands out as the heavy hitter when it comes to maritime security in the Indian Ocean region.

South Asia's history and culture have had a huge impact on the world, from shaping religions and philosophies to influencing art, literature, music, and food (Khan, 2019). This region is where Hinduism, Buddhism, Jainism, and Sikhism all developed, and their cultural contributions don't just stay here (Center for South Asia Outreach, Religions of South Asia, 2020). They spread all over the world and made people everywhere appreciate their unique flavors. It's pretty awesome to think about how much this little part of the world has given to everyone else.

The South Asian diaspora has a big influence on cultural and economic networks all around the world (ClearIAS, 2022; Drishti IAS, 2024). You can find lots of South Asians living in the United States, the United Kingdom, Canada, and the Middle East. They have important roles in business, technology, academics, and politics, which helps to boost the region's global impact (Springer Link, 2005). Geopolitically, South Asia's position at the crossroads of major trade routes and its proximity to influential powers like China and the Middle East make it a hotspot for strategic competition. The ongoing rivalry between India and China, as well as the

long-standing conflict between India and Pakistan, particularly over Kashmir, will continue to shape the region's security landscape and have ripple effects globally. While the stability of Afghanistan remains a concern, influencing not just South Asian security but also international efforts to combat terrorism and promote peace.

Due to the changing geopolitical landscape of South Asia, the geopolitical importance of Nepal has also increased substantially. Rise of India and China and the increasing importance of South Asia possess some challenges, but it also offer immense opportunities for Nepal. Nepal plays a major and diverse role in South Asia. With its advantageous location sandwiched between the rapidly developing nations of China and India, Nepal actively claims its unique and crucial geopolitical relevance for US interests in the area. Relationships Nepal has historically and currently with its neighbours are closely linked to the country's cultural and social importance in South Asia.

Due to its distinctive cultural legacy, which combines Buddhism, Hinduism, and native customs, Nepal is a major centre of culture in the area. Strong social cohesiveness and a feeling of community are hallmarks of Nepal's social fabric. Notably, there are sizable populations of indigenous people, such the Madhesis, who have deep sociocultural and marriage links to India. With ties to Tibet both historically and currently, Nepal's cultural and social position in South Asia is further reinforced. These ties have influenced its diplomatic and strategic interactions with China and India.

Nepal has a geographical importance too. The country is an important buffer state between China and India. Due to its location, Nepal gets the advantageous geographic position, which contributes to its geopolitical relevance. Nepal plays a critical position in the US Indo-Pacific Strategy, supporting US interests in South

Asia and acting as a check on China's expanding influence in the area. There have been several obstacles in Nepal's diplomatic attempts to strike a balance between its relations with China and India, especially in light of the former's Belt and Road Initiative (BRI) and the latter's expanding strategic alliance with the United States (Jha, 2020).

Since 1951, the US has been a significant donor to Nepal, giving financial support for both social and economic advancement. To assist Nepal in becoming a middle-income nation, the US and Nepal inked a new \$559 million, five-year development assistance agreement in May 2022. US aid seeks to promote enterprise-driven economic growth, enhanced resilience to natural catastrophes and climate change, and better democratic governance in Nepal in order to promote sustainable development.

As early as 1956, India built the Tribhuvan Rajpath, Nepal's first highway, connecting Birgunj with Kathmandu by means of the nation's most treacherous and rocky hill areas. India completed over 75% of the East-West Highway, which runs across the Terai area and connects the two ends of the nation. The only bridge connecting Nepal's whole eastern area to the rest of the nation is the Koshi Barrage, which is crucial for irrigating land in both India and Nepal. Nepal benefited greatly from other important Indian initiatives, such as the Gandaki Irrigation project, the Devighat Hydropower project, and the B.P. Koirala Institute of Health Sciences in Dharan. In addition to building other connection roads in the Terai region, India has been building a portion of the Hulaqi Sadak (Postal Highway) for a considerable amount of time. To provide a year-round supply of oil from India to Nepal, a 69-kilometer cross-border petroleum pipeline was built in September 2019 between Motihari, Bihar, India, and Amlekhgung, Nepal (Jha, 2020).

In order to promote people-to-people exchanges and bilateral trade between the two nations, the Jogbani-Biratnagar Integrated Check Post was finished in 2020 and the Birgunj-Raxaul Integrated Check Post was finished in 2018. Another significant development in the two nations' ties will be India's assistance to Nepal in building the cross-border railway between Bardibas, Nepal, and Jaynagar, Bihar, India. The 150 Indian businesses that have been doing business in Nepal are also helping Nepal. These projects account for more than 30% of all authorised foreign direct investments in the nation. The Indian companies have a major role in investing in Nepal. For example, Indian companies like TATA Power, Asian Paints and Manipal groups and many other companies invest heavily in Nepal. These investments brings a lot of money and FDI which eventually helps in GDP growth, citizens of Nepal prosper due to employment. All these factors later contribute to economic prosperity and development of the country (Jha, 2020).

The peg system that existed between the Indian and Nepalese currencies gave Nepal a buffer to keep its currency's value stable. The historical ties of goodwill between Nepal and India were reinforced by the economic cooperation between the two nations, which also assisted Nepal in laying a solid platform for future economic growth. As long as there are sporadic rifts in the two nations' ties, this economic cooperation should continue as it may have a healing impact.

As part of its Indo-Pacific Strategy, the US views Nepal as essential to establishing a “free, open, secure, affluent region.” Although Nepal has not publicly accepted the US defence policy, the US is looking to deepen its defence cooperation with the country and has included Nepal as an ally nation in the Indo-Pacific under the State Partnership Programme (SPP). The US and Nepali military collaborate on

humanitarian aid and disaster relief drills as part of the US's growing security engagement with that country.

With its advantageous location between the two dominant countries in the area, China and India, Nepal plays a significant role in South Asia. Nepal is committed to non-alignment and autonomy, as seen by its foreign policy strategy of hedging with both neighbours rather than siding with one. Nepal is closely connected to India, its biggest trading partner and foreign investment source, even as it pursues economic prospects from China through programmes like the Belt and Road Initiative. The nation demonstrates its dedication to regional stability and collaboration by its participation in international organisations like as the South Asian Association for Regional collaboration (SAARC). With the goal of promoting regional integration and collaboration for socioeconomic development, Nepal has actively engaged in SAARC (Aryal, 2024).

Despite of difficulties and obstacles, like the Indo-Pak conflict that impede SAARC's operations, Nepal has continuously tried to resuscitate the organisation and guarantee the seamless execution of decisions reached at summits. Nepal has been commitment to regional stability and developing South Asian countries (Aryal, 2024). The country's collective self-reliance is demonstrated by its membership in SAARC. By encouraging and promoting the communication, collaboration, and economic advancement among participating nations through programmes like SAARC, Nepal helps maintain regional stability and eventually works towards a more affluent and integrated South Asia.

In a nut shell, Nepal plays a vital and diverse role in South Asia that spans cultural, social, political, economic, and strategic spheres. Nepal is a key nation for the US and Western powers because of its advantageous position, capacity as a buffer

state, and involvement in the US Indo-Pacific Strategy. In an effort to advance its own interests and offset China's influence in the area, the US is interacting with Nepal through joint economic development, security cooperation, and support for democracy.

Nepal's location between China and India gives it geopolitical significance and presents both possibilities and difficulties for its further growth and development. Historic trade routes and cross-cultural contacts have resulted from the countries' close proximity and shared history; the 1950 India-Nepal Treaty of Peace and Friendship guarantees equal treatment for Indian and Nepali people with regard to residency, property, commerce, and migration. India and Nepal are India's main commercial partners, and Indian companies are one of Nepal's main sources of funding.

Given their shared rich cultural and historical past, China and Nepal have always had strong cultural and business ties. The 1950 Treaty of Peace and Friendship between India and Nepal guarantees that Indian and Nepali citizens would be treated equally in terms of housing, property, trade, and transportation. The two nations have worked together on a number of projects, including infrastructure development and international conferences.

Giants are drawn to Nepal's border because of its closeness as well as same interests, hobbies, and economic status. A charge of 10% is often paid to transporters for goods that are sold between India and Nepal. The 361 million or so residents of the neighbouring Indian states on the other side of the border provide further prospects for trade and industrial development in the Nepalese border region.

The border regions of Nepal are perfect for setting up Special Economic Zones (SEZs), which enhance the prospects for exporting commodities from Nepal to those

Indian states. However, because Nepal serves as a vital hub for monitoring and counterbalancing China's expansionist aspirations as well as India's regional influence, the US and other Western nations are interested in Nepal's geopolitical position.

Since 1951, India has been a major donor to Nepal, giving money for the country's social and economic development. Major infrastructure projects constructed by India include the Devighat Hydropower Project, the Gandaki Irrigation Project, and the B.P. Koirala Institute of Health Sciences in Dharan. Significant investments are made in Nepal by Indian businesses including Manipal Group, Asian Paints, and Tata Power, which boost the country's GDP and economic well-being.

Because of its strategic location between China and India, two countries dedicated to autonomy and non-alignment, Nepal has a prominent position in South Asia. It has strong ties to India, which is both its largest economic partner and a source of foreign investment, and it actively engages in global institutions such as the South Asian Association for Regional Collaboration.

#### **4.5 Objectives of Foreign Policy of Nepal**

Nepal is a landlocked nation tucked away in the Himalayas with a strategic location between China to the north and India to the south. Nepal's foreign policy aims are shaped by its unique positioning, in addition to its intricate internal dynamics and varied cultural history. The necessity to protect its sovereignty, advance economic growth, and uphold regional peace and stability serves as the country's fundamental driving force behind its foreign policy. This chapter examines the main goals of Nepal's foreign policy, considering strategic interests, historical backdrops, current issues, and the tenets outlined in the Foreign Policy of Nepal 2020 and the Constitution of Nepal. The core objectives of Nepal's Foreign Policy are as follows:

#### **4.5.1 Preservation of Sovereignty and Territorial Integrity**

##### *a) Geopolitical Balance*

Preserving its sovereignty and territorial integrity is the main goal of Nepal's foreign policy. In order to stay out of regional disputes, Nepal has always adopted a policy of non-alignment due to its placement between two strong neighbors. By keeping a careful balance, this tactic seeks to prevent China or India from becoming the dominant nation. Nepal's efforts to maintain cordial but autonomous relations with both countries are shown in the 1950 Indo-Nepal Treaty of Peace and Friendship and later accords with China, such as the 1960 Boundary Treaty (Upadhyaya, 2012).

##### *b) Border Management*

Nepal's sovereignty depends on efficient border control. Relationship tensions with India have occasionally resulted from disputes over areas like Kalapani and Susta. Nepal prioritizes the peaceful resolution of such conflicts through diplomatic diplomacy and international legal frameworks. Preventing intrusions and preserving national security depend on having safe and distinct borders (Shrestha, 2020).

#### **4.5.2 Economic Development and International Cooperation**

##### *a) Trade and Investment*

Encouraging economic growth is one of Nepal's main foreign policy goals. In order to promote growth, the nation aims to increase trade links and draw in international investment. Bilateral trade agreements and special economic zones (SEZs) both seek to improve the business climate for international companies. The government of Nepal hopes to take advantage of this potential as a commerce transit point between China and India by implementing infrastructure projects such as the Belt and Road Initiative (BRI) (Adhikari, 2018).

#### *b) Tourism and Remittances*

An important part of Nepal's economy is tourism. To draw in foreign visitors, the government aggressively advertises Nepal's stunning natural surroundings and rich cultural legacy. Remittances from Nepali employees working overseas are also a crucial source of economic support. Encouraging the wellbeing of Nepali migrants and extending labor agreements with destination nations are the main goals of diplomatic initiatives (Sijapati, 2015).

### **4.5.3 Promotion of Regional and Global Peace**

#### *a) Non-Alignment and Multilateralism*

Active engagement in multilateral institutions and non-alignment are the cornerstones of Nepal's foreign policy. Nepal demonstrates its dedication to international peace and security by participating in peacekeeping operations as a member of the UN. The nation's commitment to regional stability and cooperation is demonstrated by its membership in regional organizations like the South Asian Association for Regional Cooperation (SAARC) and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) (Pattanaik, 2010).

#### *b) Environmental Diplomacy*

Nepal's engagement in international environmental diplomacy is motivated by its distinct environmental difficulties, which include the effects of climate change on the Himalayas. The nation promotes climate action and sustainable development, looking to the international community for assistance with adaptation and mitigation initiatives. Nepal's dedication to tackling environmental concerns with local and global ramifications is demonstrated by its active involvement in international climate conferences (Karki, 2020).

#### **4.5.4 Cultural Diplomacy and Soft Power**

##### *a) Promoting Cultural Heritage*

The use of cultural diplomacy in Nepal's foreign policy is important. The nation uses its rich cultural legacy—which includes festivals and UNESCO World Heritage Sites—to improve its standing abroad and promote goodwill. International cultural festivals and exchanges provide a stage for advancing Nepal's identity and developing its soft power (Acharya, 2013).

##### *b) Diaspora Engagement*

An important factor in raising Nepal's international profile is the country's diaspora. Through investments, remittances, and the promotion of culture, Nepal actively connects with its expatriate community, acknowledging their contributions to the country's progress. By protecting their rights and promoting their participation in national projects, diplomatic missions seek to fortify their relationships with the diaspora (Thapliyal, 2012).

#### **4.5.5 Strengthening Bilateral and Multilateral Relationships**

##### *a) Bilateral Relations with India and China*

An important ally in Nepal's foreign strategy is India. Strong historical, cultural, and economic links exist between the two nations. A wide range of industries, including infrastructure, hydropower, and trade, benefit from bilateral collaboration. But periodically, problems like border disputes and the impression that India is meddling in Nepal's internal affairs cause tension in the relationship. Nepal prioritizes equality and sovereignty in its efforts to sustain a harmonious and mutually beneficial relationship with India (Muni, 2016).

China has made large investments in infrastructure and development projects in Nepal, demonstrating its expanding influence in the country. Relationships have

been further deepened by the Belt and Road Initiative (BRI), with Nepal hoping to gain from increased connectivity and commercial prospects. Nepal manages geopolitical sensitivities while promoting economic collaboration, making sure that its links with China do not negatively impact its ties with India (Sigdel, 2018).

*b) Relations beyond Neighbors and Participation in International Organizations*

Nepal aims to expand its international connections beyond its nearby neighbors. Trade, technology transfer, and development assistance all depend on interactions with nations like the US, Japan, and EU members. Building strategic alliances that support both national development and international peace is a key component of Nepal's foreign policy (Sharma, 2017). Nepal's foreign policy is based in large part on its active engagement in international organizations. Nepal is able to contribute to international norms and reap the benefits of global collaboration through its membership in the United Nations, World Trade Organization (WTO), and other global organizations. Nepal's commitment to international peace and security is demonstrated by its participation in UN peacekeeping operations (Rana, 2015).

#### **4.6 Foreign Policy of Nepal**

The major determinants of Nepal's foreign policy, as identified by Muni (1973), include geopolitical factors, socio-cultural legacy, nationalism, and the post-war international milieu. Muni highlights two notable ideas: the Nepalese metaphor of a 'tarul' (a root vegetable wedged between two large stones), and insights from David Vital's "Inequality of States," which argues that smaller states are vulnerable in their relations with larger neighbors, who are often sources of coercion. The 'tarul' metaphor aptly describes Nepal's relationship with its two major neighbors, India and China, but it does not extend to its relations with the broader international community.

Agarwal et al. (1985) delve into Nepal's adherence to the Non-Alignment Policy and its "Zone of Peace" concept, aimed at securing its foreign policy objectives. They also discuss Nepal's stance on regional cooperation. Khanal a seasoned Nepalese diplomat, offers a personal perspective on Nepal's foreign relations. He explores Nepal's interactions not only with its immediate neighbors but also with the United Nations and major global powers like the United States and the former Soviet Union.

Rose (1971) examines Nepal's foreign policy and its geopolitics from a historical perspective, highlighting the internal and external challenges faced by Nepal and Kathmandu's responses. He emphasizes that Nepal's most formidable challenges in formulating and implementing its foreign policy stemmed from neighboring powers like the British East India Company and the rising Chinese presence in Tibet.

The fundamental contours of Nepalese foreign policy, which aim to maintain equal and friendly relations with its two immediate neighbors, trace back to King Prithvi Narayan Shah, the founder of modern Nepal. He advised that Nepal, placed "like a yam between two stones," should prioritize safeguarding its sovereignty and independence, maintaining friendly relations with the Chinese emperor, and fostering great friendship with the British. This geographical reality has been a major concern in Nepalese foreign policy objectives, making non-alignment a contingent need rather than a historical imperative.

According to the Nepalese Ministry of Foreign Affairs (MOFA), the primary objective of Nepal's foreign policy is to enhance the nation's dignity by safeguarding its sovereignty, territorial integrity, and independence, while promoting economic well-being and prosperity. It also aims to contribute to global peace, harmony, and

security. The guiding principles of Nepal's foreign policy, as stated by the Ministry, include mutual respect for territorial integrity and sovereignty, non-interference in internal affairs, respect for mutual equality, non-aggression, peaceful settlement of disputes, cooperation for mutual benefit, and abiding faith in the United Nations Charter and the value of world peace.

Nayak argues that the Tibet issue, a major security concern for China, has significantly influenced Chinese foreign policy towards Nepal since 1959, when Tibetan Khampa rebels used Nepalese territory. Until the monarchy was abolished in 2008 by the Communist Party of Nepal (Maoists), China supported the Nepalese palace for political stability, offering periodic economic assistance. This support stemmed from Beijing's perception that Nepalese democratic forces and political parties were under Indian influence and that political parties in power would not act against Tibetans in Nepal. China's strategy of maximizing its influence on the king benefited it in the past, as evidenced by the fluctuating status of the Dalai Lama's office in Kathmandu and the attitude of Nepalese authorities towards NGOs supporting the Dalai Lama. China has consistently discouraged democratic movements in Nepal to prevent their spillover into Tibet (Nayak, 2009).

China is also concerned about Nepal being used by other powers to challenge its strategic interests. Chinese security analysts argue that Nepal is part of the United States' strategy to encircle China (Adam, 2005). During the 1960s, several protests by Tibetan separatists, who had bases in Nepal, took place in Kathmandu and Tibet, causing China to view external engagement in Nepal with suspicion. Chinese Ambassador Zheng Xianling mentioned that foreign forces were actively instigating anti-China activities in Nepal.

Over the years China has endorsed a pro-establishment policy towards Nepal, which accentuates three policy determinants. First, the relationship is based on the Five Principles of Panchsheel. Second, China would not intervene in Nepal's domestic politics. Third, it expects Nepal's support on issues concerning China's sovereignty and national interests, including on Tibet, Taiwan, and human rights.

The palace had established a close relationship with China in order to counter Indian influence as India was perceived to have close relations with Nepalese democratic forces. The anti-Indian King Mahendra, played the 'China card' during the 1950s and 1960s to counter Indian influence. Gyanendra's open support for China's entry into the South Asian Association for Regional Cooperation's (SAARC) thirteenth summit in Dhaka as an observer reinforced the palace's proximity to China. Moreover, Gyanendra indicated at the Dhaka summit that Nepal would veto Afghanistan's entry into SAARC unless China was simultaneously invited as an observer (Kharel 2005).

The abolition of the 240-year-old monarchy puts China in a dilemma. It lost a credible and dependable partner when Nepal became a republic. Following the abolition of the monarchy, China began to develop its relations with the Maoists and other political parties to serve its interests in Nepal. The Maoists in Nepal also looked towards China with sympathy due to ideological affinities (Nayak, 2009). Prachanda, the top CPN-Maoist leader, refused permission for a representative office of the Dalai Lama in Kathmandu and stated that his party would not 'condone any action that could displease China' (The Hindustan Times, 2007).

China also attempted to control the anti-China activities and the pressure of external forces in the border regions by suggesting to undertake infrastructure development projects in the northern districts of Nepal. Significantly, the Communist

Party of Nepal-Maoist (CPN-Maoists), in their election manifesto, promised to set up eight new national highways linking Nepal to China (Communist Party of Nepal-Maoist, 2008, p. 21).

#### **4.6.1 Historical Context of Nepal's Foreign Policy**

##### *a) Pre-Modern Era*

The foreign policy of Nepal has a long history. Because of its rugged topography and strict monarchical government, Nepal was relatively isolated from the outside world during the premodern era. The main diplomatic contacts were with Tibet and the bordering republics of the Indian subcontinent. Nepal became a more unified state after King Prithvi Narayan Shah united the country in the middle of the 18th century, and this had an impact on its foreign policy. The famous statement of Prithvi Narayan Shah that Nepal should be seen as a "yam between two stones" captured the core of Nepal's geopolitical strategy, which is to maintain a balance between relations with its two major neighbors, China and India. (Rose, 1971).

##### *b) Rana Regime and British India*

British India and the Rana dynasty (1846–1951) were closely associated at this time. By supporting British colonial goals, the Ranas were able to maintain both external and domestic security and preserve their rule. Modernization was scarce during this time, and nothing was done internationally outside of the British Empire. Nepal's territorial and diplomatic limits were greatly impacted by the Treaty of Sugauli (1816), which put an end to the Anglo-Nepalese War. While it curtailed Nepal's ambitions, it did secure some autonomy under British patronage (Joshi & Rose, 1966).

*c) Post-1951 Democratic Movement)*

Nepal's foreign policy entered a new chapter with the overthrow of the Rana regime in 1951 and the installation of a democratic government that followed. In an effort to broaden its foreign policy, the nation joined the UN in 1955. During this time, Nepal pursued a non-alignment foreign policy, interacting with other countries and international organizations while attempting to maintain a balance in its ties with China and India. One of the main tenets of Nepal's diplomatic initiatives is the five-point set of principles known as Panchsheel (Baral, 2010).

#### **4.6.2 Foreign Policy Objectives According to the Constitution of Nepal**

A historic document outlining the goals and tenets of the nation's governance, including its foreign policy, is the Constitution of Nepal 2072. Important guidelines that direct Nepal's relations with the international world are enshrined in the constitution.

*a) Sovereignty and Independence*

The Constitution's Article 5 highlights the preservation of independence, territorial integrity, and national sovereignty as the main goals. The Constitution of Nepal states that Nepal shall ensure that no external power has excessive influence over its internal or external affairs and that it will conduct its foreign relations in a way that preserves these principles.

*b) Non-Alignment and Neutrality*

Article 51 of the constitution reiterates Nepal's commitment to a non-alignment policy. Maintaining balanced ties with other world powers and adjacent countries is contingent upon adherence to this principle. Additionally, it emphasizes Nepal's neutral position in international conflicts and its desire to stay out of conflicts that do not directly impact its national interests (Nepal Constitution). Similarly, Nepal is one

of the important members that raises the voices of Global South and such global platforms and alliances are in Nepal's interest (Malla, 2024).

*c) Peace and Friendship*

Encouraging world peace and friendship is one of the main objectives of Nepal's constitution. Encouraging friendly relations with all nations based on mutual respect and the values of equality and fairness is called for in the preamble and the paragraphs that follow. This entails abiding by international law and conventions as well as actively participating in international organizations (Constitution of Nepal, 2015).

*d) Economic Diplomacy*

Article 51(d) emphasizes the importance of international cooperation for economic development. The constitution supports measures that increase trade, draw in foreign capital, and use international alliances to advance infrastructure and technology. The goals of this economic diplomacy are to raise the standard of living for Nepali citizens and achieve sustainable development (Constitution of Nepal, 2015).

*e) Protection of Nationals Abroad*

The Nepalese Constitution requires that the interests of its nationals living overseas be safeguarded and advanced. This entails safeguarding their welfare, rights, and dignity in addition to cultivating relationships with the Nepali diaspora in order to support the advancement of the country. The government is mandated to take diplomatic action to protect the rights of foreign nationals and migratory laborers. (Constitution of Nepal, 2015).

### **4.6.3 Foreign Policy of Nepal 2020**

Nepal's Foreign Policy 2020 provides additional details regarding the nation's strategic goals within the current international environment. The Ministry of Foreign Affairs developed this policy document, which offers a thorough foundation for Nepal's diplomatic activities.

#### *a) Strategic Autonomy*

The significance of strategic autonomy, which enables Nepal to autonomously pursue its national interests, is emphasized in the Foreign Policy of Nepal 2020. This entails expanding alliances with other nations and areas while preserving a balanced relationship with large powers like China and India. The policy emphasizes the importance of avoiding playing second fiddle in international conflicts (Ministry of Foreign Affairs, 2020).

#### *b) Enhanced Regional Cooperation*

Priority should be given to regional collaboration, especially within South Asia. The policy promotes active participation in BIMSTEC and other regional forums, as well as the revitalization of SAARC. For regional stability and prosperity, it is believed that enhancing cultural interaction, economic integration, and security cooperation are essential (Ministry of Foreign Affairs, 2020).

#### *c) Multilateralism and Global Governance*

Nepal's dedication to multilateralism and active involvement in global governance is emphasized in the 2020 policy. It emphasizes how crucial it is to work with the World Trade Organization (WTO), the United Nations, and other international organizations to handle issues like pandemics, terrorism, and climate change. Nepal wants to be a part of and gain from the international system of rules (Ministry of Foreign Affairs, 2020).

*d) Economic and Development Diplomacy*

Economic diplomacy is still a primary concern. The policy delineates tactics aimed at drawing in foreign direct investment, augmenting tourism, and improving trade. It encourages the pursuit of foreign aid and technical support for development initiatives through diplomatic channels. The significance of environmental preservation and sustainable development is also emphasized by the policy (Ministry of Foreign Affairs, 2020). As a vital trade corridor nestled between the economic powerhouses of India and China, Nepal has the potential to facilitate commerce, attract foreign investment, and drive its own economic growth. This strategic position allows Nepal to serve as a bridge for trade routes, promoting not only its own exports but also acting as a conduit for goods moving between its larger neighbors (Pradhan, 2023).

*e) Soft Power and Cultural Diplomacy*

Nepal's 2020 Foreign Policy emphasizes the use of soft power to improve Nepal's standing abroad. It is believed that promoting Nepali heritage, culture, and the arts internationally will increase goodwill and fortify diplomatic relations. Facilitating educational exchanges, international cultural events, and exhibiting Nepal's historical and natural resources are all examples of cultural diplomacy (Ministry of Foreign Affairs, 2020).

*f) Diaspora Engagement*

The policy includes steps to more effectively engage Nepali expatriate groups in recognition of their significance. This entails safeguarding their rights, promoting investment in Nepal, and motivating them to take part in the country's development programs. The goal of the policy is to deepen Nepal's relationship with its international community (Ministry of Foreign Affairs, 2020).

*g) Integration of Constitutional Directives and Policy Framework*

A cogent and strategic approach to international relations is produced by integrating the instructions given in Nepal's 2015 Constitution with the goals outlined in Nepal's 2020 Foreign Policy. When combined, they provide a strong basis for Nepal's foreign policy, helping the nation to protect its interests while navigating the challenges of international diplomacy.

*h) Harmonizing Sovereignty and Development*

In order to ensure that Nepal retains control over its destiny while forming advantageous foreign connections, the strategic autonomy highlighted in the 2020 policy and the constitutional duty to protect sovereignty operate in concert. Nepal can pursue economic development thanks to this harmonization without sacrificing its independence (Ministry of Foreign Affairs, 2020).

*i) Balancing Non-Alignment and Strategic Partnerships*

The 2020 policy's initiatives for regional cooperation and strategic alliances operationalize the clear position that the constitution establishes by reinforcing non-alignment. Nepal is able to effectively handle both regional dynamics and global power structures thanks to this equilibrium (Ministry of Foreign Affairs, 2020).

*j) Promoting Peace and Regional Stability*

The policy's emphasis on multilateralism and regional cooperation reflects the constitution's emphasis on friendship and peace. Nepal is a nation that promotes peace, as seen by its active participation in peacekeeping and regional stability programs, which is a practical execution of its constitutional directives (Constitution of Nepal, 2015; Ministry of Foreign Affairs, 2020).

#### **4.7 Opportunities of Nepal and the Strategic Adjustments to Nepal's Foreign Policy**

The geopolitics of Nepal offer immense opportunities to Nepal and its strategic calculations, though it has severe challenges as well. Some of the opportunities and challenges are discussed below:

##### *a) Adapting to Geopolitical Shifts*

Nepal faces both opportunities and difficulties as a result of the shifting geopolitical landscape and the growing rivalry between China and India. In order to maintain a balanced approach and protect national interests, the 2020 policy lays forth options for adapting to these changes. Maintaining these connections requires consistent diplomatic efforts (MOFA, 2020). While the rivalry offers challenges, it also brings lots of opportunities as Nepal can balance both the neighbours and bring maximum gains from them. India and China can also compete to expand their influence in Nepal by offering more development assistance to Nepal.

##### *b) Addressing Economic Vulnerabilities*

Nepal is between world's two largest economies of the world. However, Nepal has failed to benefit as there has not been any trickle-down effect. Nepal should invest in connectivity projects so that there is flow of investment and growth to Nepal. Similarly, strong economic diplomacy is required in light of economic vulnerabilities like trade imbalances and reliance on remittances. By tackling these vulnerabilities through diversified economic engagement, the 2020 policy's focus on attracting foreign investment and enhancing trade is in line with the constitutional purpose of economic development (Constitution of Nepal, 2020).

### *c) Tackling Environmental and Climate Challenges*

Nepal has huge number of majestic Himalayas which attracts huge number of tourists. Nepal is also home for variety of flora and fauna. However, there is rapid decrease in the snow level due to the global warming and rise in temperature. Thus, for Nepal, environmental issues are very important, especially those pertaining to climate change. The strategy endorses the constitutional requirements to address environmental protection and sustainable development by emphasizing international collaboration in these areas. Securing international support and funding for global climate initiatives requires active participation (Nepal Constitution, 2015; Ministry of Foreign Affairs, 2020).

### *d) Enhancing Technological Capabilities*

The world is entering into the technological revolution that will transform the world. Fortunately, Nepal lies between India and China, who are known for their rapid technological advancement that can accelerate the rate of development.

Technological advancement is essential for national growth in the digital age. With a focus on technology and digital diplomacy, the 2020 policy seeks to strengthen Nepal's standing in this domain. Nepal can better utilize technology for innovation, development, and governance by working with technologically sophisticated nations and international organizations (MOFA, 2020).

The goals of Nepal's foreign policy, as stated in the country's Constitution (2015) and Foreign Policy (2020), are to protect development and preserve national sovereignty while navigating the challenges of contemporary international relations. Nepal aims to improve its international reputation and attain sustainable development through leveraging cultural diplomacy, fostering regional and international peace, and striking a balance between non-alignment and strategic relationships. Integrating

policy frameworks and constitutional mandates guarantees a deliberate and cogent approach to foreign policy, allowing Nepal to take advantage of new opportunities and confront current issues (MOFA, 2020).

#### **4.8 Nepal's Expanding Role in the United Nations**

Nepal has held a longstanding association with the United Nations (UN) since its admission into the global organization in 1955. This relationship, characterized by mutual cooperation and shared objectives, has allowed Nepal to make significant strides in global peacekeeping, climate action, and diplomatic relations. Nepal's contributions to global peace and stability have been substantial, earning the country a distinctive reputation in the international arena. Nepal's active participation in the UN underscores its commitment to the principles embodied in the UN Charter, namely the maintenance of international peace and security, promotion of friendly relations among nations, and fostering social progress. Over the years, the country has consistently demonstrated its dedication to global cooperation and mutual understanding, making it a vital contributor to the UN's mission. The country has been an active participant in UN peacekeeping missions, with over 130,000 Nepali peacekeepers having served in various conflict-ridden regions since 1958. Furthermore, Nepal's support for Ukraine, independent foreign policy, and climate change initiatives have further strengthened its position as a key player in global peace and stability. Nepal, through its peacekeeping efforts, diplomatic strategies, and climate action initiatives, has played a significant role in the UN, thereby contributing substantially to global peace, stability, and sustainable development.

#### **4.9 Nepal's Contribution to Peacekeeping Operations**

Nepal's involvement in UN peacekeeping missions began in 1958, just a few years after it joined the UN. Its first peacekeeping deployment was to Lebanon to

serve in the United Nations Observation Group in Lebanon (UNOGIL). Since then, Nepal has been a consistent contributor to peacekeeping missions, with over 130,000 Nepalese peacekeepers having served in more than 42 UN peacekeeping missions. Nepalese peacekeepers have served in some of the most challenging and dangerous missions, including those in Congo, Lebanon, Sudan, South Sudan, Liberia, and East Timor. They have worked in various capacities, including as infantry battalions, military observers, staff officers, and police units, demonstrating their versatility and commitment to peacekeeping. Nepal's contributions to UN peacekeeping have been recognized on several occasions. In 2018, Private Chitra Bahadur Khatri was posthumously awarded the Dag Hammarskjöld Medal for his service in the UN Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) (United Nations, 2018).

Nepal has consistently ranked among the top contributing countries to UN peacekeeping operations, which is a testament to its commitment to global peace and security. Through their service in UN peacekeeping missions, Nepalese peacekeepers have made a significant impact on global peace and security. They have been instrumental in maintaining peace and stability in conflict-ridden regions, facilitating the delivery of humanitarian aid, protecting civilians, and supporting the implementation of peace agreements. Among many personal stories of bravery and dedication, the story of Lieutenant Colonel Bharat Prasad Poudyal stands out. In 2019, he was awarded the UN Military Gender Advocate of the Year for his efforts to improve the operational effectiveness of his unit through gender-responsive military operations while serving in the UN Mission in South Sudan (UNMISS). In conclusion, Nepal's contributions to UN peacekeeping operations have been significant and impactful. Despite being a small country, Nepal has made a substantial

impact on global peace and security through its unwavering commitment to peacekeeping. The stories of Nepalese peacekeepers serve as a testament to their bravery, dedication, and commitment to the cause of peace (The Kathmandu Post, 2024).

#### **4.10 Nepal at the International Forums**

Nepal actively participates in international forums, advocating for global peace, climate action, and sustainable development. As a UN member since 1955, it contributes to peacekeeping missions and regional cooperation through SAARC and BIMSTEC. Nepal emphasizes multilateralism, economic diplomacy, and climate resilience in global discussions, promoting its national interests.

##### **4.10.1 Nepal and SAARC**

The South Asian Association for Regional Cooperation also known as SAARC is a regional organization of South Asian nations founded in 1985 to emphasize economic, cultural, technological, and social development while emphasizing self-reliance (Brittanica, 2024). Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka are the members while Australia, the People's Republic of China, the European Union, the Islamic Republic of Iran, Japan, the Republic of Korea, Mauritius, Myanmar, and the USA are observers in SAARC (MOFA, 2018).

The headquarters of SAARC is located in Kathmandu, Nepal and one of its regional centers called SAARC Tuberculosis and HIV/AIDS Centre (STAC) is located in the same capital. STAC was established in 1992 and the center has the mandate to “prevent and control Tuberculosis in the region by coordinating efforts of the National TB Programmes of Member States; exchange of information, research, capacity building and implement activities; collects, collates, analyses and

disseminates information on the latest developments and findings in the field of tuberculosis in the region and elsewhere” (SAARC, 2020).

According to Bhattarai (2021), up to 2014, there have been eighteen summit-level meetings since SAARC's founding. The state leaders and government of the member states now attend it every two years instead of the annual event that was conducted to honor the heads of government of each state. The past three and a half decades' track record indicates that, despite having enormous potential for regional cooperation and South Asian country integration, it has not produced sufficient outcomes.

In line, Nepal as Chair and one of the founding members of SAARC is pushing for a revival of the SAARC process. Historically, Nepal has convened three SAARC summits in 1987, 2002, and 2014. Compared to the preceding two decades, there have been fewer summits in the past ten years. There were eight summits in the first ten years, six in the second, and just four in the third. (Bhattarai, 2021). Since its founding, Nepal has advocated for the timely organization of SAARC summits and the strict implementation of agreements made during such summits.

Nepal not only organizes summits but also persistently advocates for the efficient execution of decisions made during the 18th SAARC Summit. However, there are certain limitations to Nepal's efforts, for instance, given the intensity of the conflict between India and Pakistan, the chances of such efforts providing any tangible results would be very slim (Bhattarai, 2021). Yet it must be noted that despite its unsatisfactory performance as a multilateral framework for cooperation, SAARC's mere existence continues to provide hope to the people of South Asia for better cooperation in the future (ibid). Even after this declaration, there has not been much progress when it comes to implementing past agreements.

In relation to SAARC and Nepal's efforts, Nepal is the first country in South Asia to propose regional cooperation on utilizing its water resources to produce hydropower. In 1977, King Birendra made the following statement to a group of foreign delegates attending the 26th Colombo Plan Consultative Meeting in Kathmandu:

*“It is our conviction that if cooperation can be called for, especially cooperation of Asian countries such as Nepal, India, China, Bhutan, Bangladesh, Pakistan, Sri Lanka and all other regional countries, a vast resource of bountiful nature can be tapped for the benefit of man in this region....Given genuine friendship and mutual cooperation, I declare in the name of my people and my government that Nepal is willing to co-operate in such a joint venture, a venture that will lead not only to ‘Planning Prosperity Together’ but also emphasise our independence”* (Thapaliyal, 2019).

For Bhattarai (2021), an indication of Nepal's steadfast dedication to the regional organisation was its initiative to set up the SAARC Secretariat in Kathmandu. King Birendra insisted on keeping the secretariat in Kathmandu despite Bangladesh's proposal to relocate it to Dhaka. The Heads of State or Government expressed their delight at the establishment of the SAARC Secretariat in Kathmandu, further enhancing the process of regional cooperation in South Asia, according to the Kathmandu Declaration, which was adopted by the Third SAARC Summit, which took place in November 1987. They conveyed their gratitude to His Majesty King Birendra Bir Bikram Shah Dev for the SAARC Secretariat's most graceful opening. (SAARC Declaration, 1987).

More than a platform for establishing an independent image and high-level exchanges in South Asia, Nepal sees SAARC as an essential tool for fostering

regional collaboration. In certain sectors of relevance to the region, Nepal is also leading the way. Nepal actively participated in “initiate cooperation in the field of migration, cooperatives, and social protection, featured for the first time in the SAARC agenda and reflected in the Declaration” during the 18<sup>th</sup> SAARC Summit, which was held in Kathmandu (Bhattarai, 2021).

#### **4.10.2 Nepal and BIMSTEC**

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a regional organization established on 06 June 1997 with the signing of the Bangkok Declaration. Initially known as BIST-EC (Bangladesh-India-Sri Lanka-Thailand Economic Cooperation), the organisation is now known as BIMSTEC and comprises seven Member States with the admission of Myanmar on 22 December 1997, and Bhutan and Nepal in February 2004 (BIMSTEC, 2024).

BIMSTEC has 14 priority areas of cooperation, namely (i) Trade and Investment (ii) Technology (iii) Energy (iv) Transportation and Communication (v) Tourism (vi) Fisheries (vii) Agriculture (viii) Cultural Cooperation (ix) Environment and Disaster Management (x) Public Health (xi) People-to-People Contact (xii) Poverty Alleviation (xiii) Counter Terrorism and Transnational Crime and (xiv) Climate Change. (Nepal Ministry of Foreign Affairs, 2019)

Accordingly, as the name “BIMSTEC” suggests, it focuses on various sectors with one country designated as the lead country: Trade and Investment (Bangladesh); Transportation and Communication (India); Tourism (Thailand); Fisheries (Thailand); Technology (Sri Lanka); Energy (Myanmar); Agriculture (Myanmar); Cultural Cooperation (Bhutan); Environment and Disaster Management (India); Public Health (Thailand); People to People Contact (Thailand); Poverty Alleviation (Nepal);

Counter Terrorism and Transnational Crimes (India) and Climate Change (Bangladesh) (BIMSTEC, 2016).

In 1997, Nepal decided to apply for BIMST-EC observer status. The subsequent BIMST-EC. At the Ministerial Meeting on December 19, 1998, in Dhaka, Nepal was accepted as an Observer. Nepal then declared its intention to join as a full member of BIMSTEC in the year 2000. Nepal became a formal member of BIMSTEC on February 8, 2004. Nepal has been actively involved in BIMSTEC activities ever since.

The delegation from Nepal was led by Minister Sher Bahadur Deuba to the first BIMSTEC Summit on July 31, 2004, in Thailand. In a similar vein, the Nepalese delegation to the Second Summit in New Delhi was led by PM Pushpa Kamal Dahal “Prachanda”. Prime Minister Sushil Koirala attended the Third Summit on November 13, 2008, held in Nay Pyi Taw, Myanmar, on March 4, 2014. (Nepal Ministry of Foreign Affairs, 2016)

As far as Nepal’s leadership for poverty alleviation is concerned, it is admitted that high poverty is a major challenge in the BIMSTEC region resulting in a high priority for poverty alleviation in BIMSTEC. According to Nepal MOFA (2019), thus far, the poverty alleviation agenda has seen three Sectoral Ministerial Meetings. Also, as the pioneer in this field, Nepal drafted the BIMSTEC Poverty Plan of Action (PPA), which was approved at the 2012 Second Ministerial Meeting in Kathmandu. By exchanging best practices and identifying shared areas of intervention for poverty alleviation, the BIMSTEC PPA seeks to identify and carry out collective measures for poverty alleviation in BIMSTEC Member States.

#### **4.10.3 Nepal and Asia Cooperation Dialogue**

The Asia Cooperation Dialogue came into being on June 18, 2002. The goal of ACD is to strengthen Asia's interdependence in all spheres of collaboration. Its membership consists of 35 Asian nations. Except for the Maldives, all members of the ACD are part of other regional alliances, including BIMSTEC, ASEAN, GCC, SCO, and SAARC. Kuwait City is home to ACD's permanent secretariat. (Nepal MOFA, n.d)

Quoting from the Nepal Ministry of Foreign Affairs, "Nepal has been participating in the activities/events of ACD". In line, in 2016, Nepal officially became a member of the Dialogue after the ACD Ministerial meeting unanimously endorsed Nepal's membership. In response, Nepal's Deputy Prime Minister Kamal Thapa reiterated Nepal's full commitment to the principles, values, and objectives of the ACD.

#### **4.10.4 Nepal and Shanghai Cooperation Organization**

On June 15, 2001, the Shanghai Cooperation Organisation (SCO) was founded. It seeks to increase trust between people, foster good neighborly relations, and advance productive collaboration in a variety of fields, including politics, trade and economy, science and technology, energy, and counterterrorism (Nepal MOFA, n.d.).

As far as Nepal is concerned, after signing a Memorandum of Understanding (MoU) with the SCO Secretariat on March 22, 2016, Nepal became a Dialogue Partner of the SCO. The Memorandum was signed in the SCO Secretariat in Beijing by SCO Secretary-General H.E. Rashid Alimov and Foreign Secretary H.E. Shanker Das Bairagi. The Memorandum outlines Nepal's SCO engagement in the following areas: science and technology, education, health, culture and tourism, trade, transit

and investment, energy, agriculture, small and medium-sized businesses, security issues, legal and customs affairs, transport and communications, and disasters.

Overall, when it comes to Nepal's regional affiliation and efforts, Nepal is a participant in the Asia Cooperation Dialogue (ACD), a member of the Shanghai Cooperation Organisation (SCO), a member of the SAARC, and a member of the Bay of Bengal Initiative for Multi-Sectorial Technical and Economic Cooperation (BIMSTEC). Nepal is a major supporter of the regional organisation, as seen by its actions and foreign policy role. For example, the Ministry of Foreign Affairs maintains a separate division called the "Regional Organisation Division" that is headed by a joint secretary and is responsible for managing SAARC and BIMSTEC.

#### **4.11 Increasing Geopolitical Importance of Nepal for the West**

For a number of reasons, including its important geopolitical location, its potential as a partner in advancing democratic principles and peace in the area, and its involvement in Western economic development projects, Nepal is of great significance to the United States and other Western nations. The western countries are very much interested in the strategic geopolitical position. Nepal is an important buffer state because of its advantageous location between China and India, two powerful nations in Asia (Nayak, 2020). Since Nepal acts as a strategic hub for tracking and counterbalancing India's regional influence and China's expansionist plans, the USA and other Western countries are very interested in the country. Nepal is essential to preserving stability and security in the area because of its position.

Nepal has been actively promoting the democratic values. Since the end of Nepal's civil war in 2006, the USA has long valued the country's transition to a peaceful, stable democracy. The interests of the West nations to promote democratic ideals and responsible governance in the area to assist Nepal in creating a robust

democratic society. It is believed that the growth and stability of the region depend on Nepal advancing democracy. Apart from the promoting the values of democracy, Nepal has been actively working for betterment of economy of the country (Bureau of South and Central Asian Affairs, 2022). The government of Nepal is also working hard in energy sector. In order to promote clean, resilient energy futures, the USA and other Western nations are very interested in Nepal's abundant hydropower potential. Nepal and the American international assistance organisation Millennium Challenge Corporation (MCC) inked a \$500 million Compact to upgrade Nepal's power transmission infrastructure and boost road upkeep. As the most significant up-front partner nation commitment in MCC history, this effort is seen as a rival to China's Belt and Road effort (BRI). By assisting Nepal in using its hydropower reserves for both internal consumption and sale to India and other countries, the Compact hopes to promote economic integration and stability throughout the region (Bureau Of South And Central Asian Affairs, 2022).

The United States and other Western countries' engagement in Nepal is also perceived as a counterbalance to China's expanding influence in the area. Nepal can preserve its autonomy and independence in international politics by having alternatives to Chinese influence and investments thanks to programmes like the MCC (Bureau Of South And Central Asian Affairs, 2022).

Cooperation in Security and Defence: The United States and Nepal often have high-level diplomatic talks, covering a variety of topics including security and defence. In order to maintain peace and fend off possible threats from hostile nations in the area, the USA needs this collaboration (Bureau Of South And Central Asian Affairs, 2022).

Hence, Nepal is an important country who has significant location, security, politics, economy and regional power which can benefit the western powers. Nepal has the ability and distinct position to play a significant role in both the geopolitical dynamics of South Asia and the interests of major world powers. Particularly, the USA has demonstrated a dedication to supporting Nepal in its goals for development while guaranteeing that it continues to be a democratic and stable state in a strategically crucial area (Bureau of South and Central Asian Affairs, 2022)

## CHAPTER V

### CHALLENGES TO NEPAL'S NATIONAL SECURITY

National security is a comprehensive concept that traditionally refers to the safeguarding of a nation's sovereignty, territorial integrity, and political stability against external and internal threats. It involves the protection of a state from military aggression, espionage, terrorism, and other forms of violence, while also addressing the economic, social, and environmental factors that contribute to a state's well-being (Morgenthau, 1948). Traditionally, national security has been understood through the lens of military power and defense capabilities. However, in the contemporary globalized world, the scope of national security has expanded to include a variety of non-traditional threats that go beyond military defense.

Realist theory, one of the most influential perspectives in international relations, emphasizes the role of military power and the pursuit of national interests in an anarchic international system. Hans Morgenthau (1948) argues that states, driven by the pursuit of power and security, are the central actors in global politics. In this context, national security is often defined in terms of maintaining military strength and geopolitical positioning to deter threats from other states or actors.

On the other hand, the concept of national security has evolved to incorporate broader considerations such as economic stability, public health, environmental sustainability, and cyber threats. The rise of non-state actors, such as terrorist organizations and transnational criminal groups, has prompted scholars and policymakers to rethink traditional security paradigms. As a result, national security is now viewed as a multi-dimensional concept that includes both traditional military concerns and non-traditional threats that impact a nation's overall stability (Buzan, 1991).

One of the most significant shifts in the understanding of national security is the emphasis on human security, introduced by the United Nations Development Programme (1994). Human security focuses on the protection of individuals, rather than states, and includes a wide range of threats such as poverty, human rights violations, environmental disasters, and pandemics. This broader definition aligns national security with global development goals and emphasizes the importance of addressing the root causes of insecurity.

In conclusion, national security is no longer confined to the protection of territorial boundaries and military defense but encompasses a wide range of factors that ensure the overall stability and well-being of a state and its citizens. As global dynamics continue to evolve, the concept of national security must adapt to address both traditional and emerging threats in a rapidly changing world.

### **5.1 Theories of National Security**

National security theories seek to define and address the challenges and strategies that states employ to protect their sovereignty, territorial integrity, and political stability. These theories provide the conceptual frameworks that help policymakers, academics, and security practitioners understand the sources of threats, the nature of power, and the pathways to ensuring national safety and stability. From traditional power-based paradigms to more contemporary human-centric approaches, the study of national security has evolved significantly over the years. This essay explores some of the most influential theories of national security: Realist Theory, Liberal Theory, Human Security Theory, Constructivist Theory, and Critical Security Studies.

### **5.1.1 Realist Theory of National Security**

The Realist Theory remains one of the most influential and longstanding approaches to national security. Rooted in classical political thought and refined in the 20th century by scholars such as Hans Morgenthau, realism views the international system as inherently anarchic, meaning there is no overarching authority above states. In such a system, states are the primary actors, and their main concern is survival.

Morgenthau (1948) emphasized the importance of power in international relations. According to realism, national security is primarily about acquiring and maintaining power to deter potential threats and ensure a state's continued existence. Military strength, strategic alliances, and deterrence are essential tools in this quest. Security, from the realist perspective, is a zero-sum game: one state's gain in security often results in another's loss, fueling a continuous power struggle.

The balance of power is a key concept in realist thought. By maintaining equilibrium among states, the chances of one state dominating others are minimized, thus ensuring collective stability. This theory explains the formation of military alliances like NATO and the strategic posturing of great powers during the Cold War. Despite its enduring relevance, realism has been criticized for being overly focused on military aspects and neglecting non-traditional threats such as environmental degradation, pandemics, and economic crises.

### **5.1.2 Liberal Theory of National Security**

Contrary to realism, the Liberal Theory offers a more optimistic view of international relations and national security. Articulated by scholars like Robert Keohane and Joseph Nye (1998), liberalism argues that states are not the only important actors in the international system; institutions, organizations, and economic interdependence also play crucial roles in maintaining peace and security.

Liberal theorists believe that cooperation, rather than conflict, is possible—even in an anarchic world. They emphasize the importance of international organizations such as the United Nations, the World Trade Organization, and regional bodies that create norms, facilitate dialogue, and reduce the likelihood of war. Economic interdependence also plays a stabilizing role; when countries are economically tied, they are less likely to engage in conflict due to mutual loss.

Diplomacy, international law, and multilateralism are the preferred tools of liberal theorists. From this perspective, national security is not merely about military might but also about participating in international systems that promote collective peace and stability. While liberalism offers a compelling counter-narrative to realism, critics argue that it may underestimate the persistence of power politics and the potential for states to act unilaterally, as seen in instances where powerful nations bypass international institutions.

### **5.1.3 Human Security Theory**

In the post-Cold War era, the definition of security began to shift from state-centric to human-centric concerns, giving rise to the Human Security Theory. This approach gained prominence with the United Nations Development Programme's (UNDP) 1994 Human Development Report, which argued for a broader understanding of security—one that emphasizes the safety and dignity of individuals.

Human security encompasses protection from chronic threats like hunger, disease, and repression, as well as protection from sudden disruptions in daily life, such as natural disasters or armed conflict. The theory includes several dimensions of security: economic, food, health, environmental, personal, community, and political.

This approach challenges traditional views by asserting that states cannot be secure unless their people are secure. It shifts the focus from securing borders to

securing lives and livelihoods. Human security promotes a holistic and preventative approach to national and global threats, recognizing the interconnectedness of various security challenges. Despite its broad appeal, human security has faced criticism for being too expansive and lacking clear operational guidelines. Nonetheless, it has been influential in reshaping development policies, humanitarian interventions, and global security agendas.

#### **5.1.4 Constructivist Theory of National Security**

Constructivist theory, championed by scholars such as Alexander Wendt (1999), offers a radically different lens through which to view national security. According to constructivism, the international system is not inherently anarchic; rather, it is shaped by the identities, beliefs, and social interactions of states and other actors.

Constructivists argue that national security is not just about material capabilities or institutions but is socially constructed. The meaning of "threat" and the strategies used to address it are influenced by historical experiences, cultural values, and shared understandings. For example, two states with similar military capabilities may perceive each other as allies or enemies depending on their historical relationship and mutual perceptions.

This theory highlights the importance of norms, ideas, and discourse in shaping national security policies. For instance, the global norm against the use of chemical weapons constrains even powerful states from employing them, not because of material costs alone but due to normative prohibitions.

Constructivism allows for change in the international system by showing that shifts in identities and norms can lead to shifts in behavior. However, critics argue

that the theory lacks the predictive power of more traditional approaches and is difficult to translate into concrete policy recommendations.

### **5.1.5 Critical Security Studies**

Critical Security Studies represents a diverse body of thought that challenges the mainstream theories of security, particularly their narrow focus on state and military issues. Scholars such as Ken Booth (1991) and Richard Wyn Jones (1999) advocate for an emancipatory and inclusive approach to security that seeks to uncover the root causes of insecurity.

Critical Security Studies questions the assumptions underlying traditional security paradigms and calls for an expansion of the security agenda to include issues like inequality, poverty, gender, and environmental degradation. According to critical theorists, focusing solely on military threats serves the interests of the powerful and marginalizes vulnerable populations.

One of the key contributions of Critical Security Studies is its emphasis on the politics of security—how certain issues are framed as threats and others are not, and who gets to define what constitutes a security issue. This approach encourages reflexivity and challenges practitioners to consider whose security is being prioritized.

Critical Security Studies has influenced debates around securitization, wherein issues such as migration or climate change are framed as security threats to justify extraordinary measures. While it offers valuable critiques and new perspectives, some argue that it is more useful for deconstruction than for offering practical solutions.

The concept of national security is continuously evolving, shaped by changes in the global political environment, technological advancements, and shifting societal values. No single theory can fully capture the complexity of security in the modern world. While realism and liberalism offer foundational understandings of state

behavior, emerging theories such as human security, constructivism, and critical security studies provide important perspectives that highlight the multifaceted nature of threats and responses.

Policymakers and security experts increasingly recognize the need for a comprehensive and integrated approach that draws on the strengths of multiple theories. By understanding and applying diverse security frameworks, nations can better navigate the complex challenges of the 21st century and work toward a more secure and just international order.

## **5.2 Security of Nepal**

Nepal, a landlocked nation nestled between two of Asia's most powerful and populous countries—India and China—occupies a unique and strategic position in South Asia. Often characterized by its natural beauty, rich cultural heritage, and a long tradition of independence, Nepal's geopolitical significance is indisputable. However, this positioning also subjects the country to a delicate balancing act, trying to maintain its sovereignty while navigating the pressures and influences of its neighbors.

The late King Prithvi Narayan Shah aptly described Nepal as “a yam between two boulders,” emphasizing the nation’s fragile location between two geopolitical giants. In modern times, however, scholars and policymakers have suggested an alternative perspective—Nepal as a “bridge” that fosters connectivity and cooperation between India and China (Baral, 2012). Whether seen as a buffer or a bridge, Nepal's national security is deeply intertwined with its geographic, political, and strategic context.

### **5.2.1 Geopolitical Significance and Historical Context**

Nepal's location between India and China gives it strategic weight in South Asia. India and China, both emerging global powers, are engaged in expanding their spheres of influence, and Nepal often finds itself at the intersection of their ambitions. India sees Nepal as part of its traditional sphere of influence due to deep-rooted cultural, historical, and economic ties. Conversely, China has sought to expand its presence in South Asia through initiatives like the Belt and Road Initiative (BRI), in which Nepal is a participant.

Historically, Nepal has maintained a careful diplomatic balance between its two neighbors. The 1950 Indo-Nepal Treaty of Peace and Friendship laid the foundation for close ties with India, allowing for free movement of people and goods across borders and granting Nepal economic and military support. While this treaty cemented strong bilateral ties, it also became a source of contention, as many in Nepal perceived it as enabling Indian interference in domestic affairs (Singh, 2011).

In contrast, Nepal's ties with China have traditionally been more transactional and less interventionist, focusing on trade, infrastructure development, and diplomatic support in international forums. As China's global influence has grown, Nepal has sought to deepen its engagement with Beijing, hoping to diversify its economic and strategic dependencies (Pandey, 2017). This evolving dynamic has required Nepal to adopt a more nuanced and flexible foreign policy that aligns with its national interests while maintaining neutrality in the face of Sino-Indian rivalry.

### **5.2.2 Traditional Security Concerns**

Nepal's national security concerns are multifaceted. Traditional security challenges stem largely from its geopolitical positioning and the porous nature of its border with India. While the open border facilitates close cultural and economic ties,

it also presents significant security risks, including cross-border terrorism, human trafficking, smuggling, and illegal migration. Ensuring border security without disrupting people-to-people relations or economic exchanges is a complex challenge (Singh, 2011).

Moreover, the strategic competition between China and India poses new dilemmas. Nepal must avoid becoming a pawn in the broader geopolitical chess game between its neighbors. As observed by R. Chhetri (Personal Communication, 2023), this balancing act has become increasingly difficult as both countries seek to extend their influence in Nepal through diplomatic, economic, and cultural means.

The issue of Tibetan refugees in Nepal is another traditional security concern that affects Nepal's relations with China. Nepal hosts a sizable population of Tibetan exiles, and their political activities are closely monitored due to China's sensitivities about Tibet. Beijing expects Nepal to strictly control any pro-Tibet demonstrations or activities, placing the Nepali government in a delicate position between upholding human rights and maintaining favorable relations with China (Pandey, 2017).

### **5.2.3 Non-Traditional Security Threats**

In addition to conventional security threats, Nepal faces a host of non-traditional security challenges, many of which are exacerbated by its geography and socio-economic vulnerabilities. Natural disasters such as earthquakes, floods, and landslides are frequent, especially in the Himalayan region. The devastating 2015 earthquake that killed nearly 9,000 people underscored the country's vulnerability to seismic activity.

Climate change is compounding these risks. Rising temperatures are accelerating glacial melt in the Himalayas, increasing the risk of glacial lake outburst

floods (GLOFs). Unpredictable weather patterns threaten agriculture, water security, and livelihoods, particularly in rural and mountainous areas (Shakya, 2009).

Environmental security in Nepal also intersects with regional politics. Transboundary rivers flowing from China and India into Nepal are vital for irrigation, drinking water, and hydropower. However, water resource management remains a contentious issue due to competing national interests, lack of comprehensive agreements, and environmental degradation. While there is potential for cooperation, differing priorities and geopolitical competition often hinder meaningful progress (Lobo & Shah, 2020).

#### **5.2.4 Foreign Policy, Economic Security and Development**

Economic security is a vital pillar of national security. Nepal's economy is heavily dependent on remittances, tourism, and aid from neighboring countries and international donors. The lack of industrialization and infrastructure makes it highly susceptible to external shocks. Border blockades, like the one seen in 2015, have shown how political tensions with neighbors can severely impact Nepal's economic stability.

To enhance its economic security, Nepal has attempted to diversify its partnerships. While India remains its largest trade partner and a key source of investment, Nepal has increasingly looked to China for infrastructure development, including highways, railways, and energy projects under the BRI. However, such partnerships also raise concerns about debt dependency and strategic overreach.

Balancing economic interests with strategic autonomy is crucial. As Chhetri (2024) argues, Nepal must pursue policies that maximize the benefits of economic cooperation with both India and China without compromising its sovereignty or becoming overly reliant on either power.

Nepal's foreign policy has traditionally been guided by the principles of non-alignment, peaceful coexistence, and respect for sovereignty. In practice, this has meant avoiding entanglement in regional conflicts and maintaining diplomatic equidistance from India and China.

Strategic autonomy has been a key goal for successive Nepali governments, though achieving it is often easier said than done. The balancing act involves careful diplomacy, strategic communication, and sometimes, difficult compromises. For instance, participating in regional forums like BIMSTEC and SAARC allows Nepal to promote regional cooperation without aligning too closely with any single power.

Additionally, Nepal has sought to expand its international engagement beyond its immediate neighbors. Increasing ties with countries like the United States, Japan, and members of the European Union provides additional leverage and reduces overdependence on India and China.

Given the complex array of challenges it faces, Nepal's security cannot be ensured through isolation or unilateral measures. Regional and global cooperation are essential. This includes active participation in regional bodies like BIMSTEC and SAARC, as well as global initiatives on climate change, disaster risk reduction, and human rights.

Multilateralism offers Nepal opportunities to amplify its voice, advocate for its interests, and build partnerships beyond its immediate geography. Collaborating with international institutions and engaging in global diplomacy enhances Nepal's capacity to address both traditional and non-traditional security threats.

### **5.3 Great Power Rivalry in South Asia and Impact on Nepal's Security**

South Asia has historically been a region marked by strategic contestation, where great power rivalries have continuously influenced its political, economic, and

security dynamics. From Cold War confrontations to the current geopolitical tensions between India and China, the region remains a critical chessboard of global power competition. Nepal, a small yet strategically located country between India and China, is significantly affected by this rivalry. While striving to uphold its sovereignty and neutrality, Nepal often finds itself navigating an increasingly complex and volatile environment shaped by the ambitions and rivalries of powerful global and regional actors. Understanding the historical context and contemporary dynamics of these rivalries is essential to appreciating their implications for Nepal's national security.

### **5.3.1 Historical Roots of Great Power Rivalry in South Asia**

The seeds of great power rivalry in South Asia can be traced back to the Cold War era. One of the most significant manifestations of this rivalry was the Soviet invasion of Afghanistan in 1979. This event escalated the Cold War tensions to the South Asian theater, as the United States, determined to counter Soviet expansionism, provided substantial military and financial support to the Afghan Mujahedeen. This proxy war turned Afghanistan into a battleground between two superpowers, resulting in immense human suffering and regional instability. The aftermath of this conflict contributed to the rise of extremist movements and long-term insecurity not only in Afghanistan but also in neighboring countries including Pakistan and India (History.com, n.d.; Council on Foreign Relations, 2014).

The U.S.-Soviet rivalry also influenced alliances within South Asia. India, maintaining a policy of non-alignment, leaned closer to the Soviet Union for defense and economic assistance, while Pakistan became a close ally of the U.S., receiving military aid and strategic support. This polarization of regional politics had enduring effects on South Asia's security architecture, with lingering mistrust and hostilities among neighboring states.

### 5.3.2 Contemporary Geopolitics: India-China Rivalry

In the post-Cold War period, the center of great power rivalry in South Asia has shifted toward India and China—two rising global powers with competing ambitions. Both nations are among the world's fastest-growing economies and possess significant military capabilities. Their strategic competition is increasingly evident across multiple domains, including infrastructure development, military positioning, trade routes, and diplomatic influence.

China's Belt and Road Initiative (BRI), a global infrastructure and connectivity project, has become a central tool of Beijing's regional strategy. Through BRI, China has invested heavily in South Asian countries such as Pakistan, Sri Lanka, Bangladesh, and Nepal. Projects like the China-Pakistan Economic Corridor (CPEC) and port developments in Hambantota (Sri Lanka) and Gwadar (Pakistan) are seen by India as attempts to expand Chinese influence and encircle India geopolitically (The Diplomat, 2020). In response, India has pursued its own regional connectivity initiatives, such as the Chabahar Port in Iran, which aims to provide an alternative trade route to Afghanistan and Central Asia bypassing Pakistan.

The rivalry is not confined to economic spheres. Military tensions have flared up periodically, most notably in the 2020 Galwan Valley clash in eastern Ladakh, where troops from both sides engaged in brutal hand-to-hand combat, resulting in casualties on both sides. This incident marked the most serious border confrontation between India and China in decades and led to a significant military buildup along the Line of Actual Control (LAC) (BBC, 2020).

Furthermore, both India and China are actively vying for influence over smaller South Asian countries. They offer loans, grants, military aid, and diplomatic support to secure their strategic interests. This competitive dynamic has turned South

Asia into a complex arena of shifting alliances and strategic hedging, where smaller states like Nepal must carefully calibrate their foreign policies to avoid alienating either side (Brookings Institution, 2020; The Economic Times, 2021).

### **5.3.3 Increasing U.S. Presence in South Asia**

Adding another layer to the India-China rivalry is the increasing involvement of the United States in South Asia. While the U.S. has traditionally maintained strong ties with Pakistan due to its strategic role in Afghanistan, recent years have seen a clear pivot toward deepening relations with India. The U.S.-India partnership, driven by shared democratic values and mutual concerns over China's rise, has grown significantly. Military cooperation has intensified through initiatives like the Quad (Quadrilateral Security Dialogue), increased arms sales, joint exercises, and intelligence-sharing arrangements (Council on Foreign Relations, Reuters, 2018).

This growing U.S.-India nexus is viewed by China with suspicion, as it complicates Beijing's strategic calculus in South Asia. At the same time, it places smaller countries like Nepal in a difficult position. As U.S. and Indian strategic interests converge, countries in the region may be pressured to align with this bloc, which risks antagonizing China. For Nepal, which shares a long border with China and has historically close ties with India, this pressure to take sides can threaten its policy of balanced engagement and non-alignment.

Moreover, U.S. global policies, particularly its involvement in the Russia-Ukraine conflict, have had spillover effects in South Asia. By extending military support to Ukraine and imposing sanctions on Russia, the U.S. has reinforced a global order polarized between liberal democracies and authoritarian regimes. For countries like Nepal, which import energy and defense equipment from multiple sources, the

imposition of sanctions and shifting alliances pose serious economic and diplomatic challenges (BBC, 2021; Foreign Policy, 2022).

#### **5.3.4 Impact on Nepal's Security**

Nepal finds itself in a uniquely vulnerable position amidst the intensifying great power rivalry in South Asia. Its geographic location between India and China, combined with its economic dependence on external aid and trade, makes it highly sensitive to regional power shifts. The increased militarization and strategic competition in the region create both direct and indirect threats to Nepal's national security.

##### *a) Geostrategic Vulnerabilities*

As India and China increase their military presence along their borders, Nepal's northern and southern flanks become potential flashpoints. Any conflict between the two giants could spill over into Nepalese territory, or at the very least, disrupt vital trade routes and border security. The border disputes between Nepal and India, such as the Kalapani-Limpiyadhura issue, further complicate matters. In such a tense environment, even a small diplomatic misstep could escalate into a larger security crisis.

##### *b) Economic Pressures*

Both India and China offer substantial financial investments and development assistance to Nepal. While this support is beneficial, it also brings strategic strings attached. Chinese investments, often under the BRI framework, have sparked debates over debt sustainability and economic dependency. India, on the other hand, remains Nepal's largest trading partner and provider of essential goods, including fuel and food. This dependence makes Nepal's economy vulnerable to external political pressures, as seen during the 2015 unofficial blockade by India.

The U.S. has also become a player in Nepal's economic landscape through development programs and strategic partnerships like the Millennium Challenge Corporation (MCC) compact. While this assistance is welcomed by some, it has also stirred domestic political controversies, with critics arguing that it may undermine Nepal's sovereignty or draw the country into larger strategic alignments.

*c) Diplomatic Tightrope*

In the current geopolitical climate, Nepal faces the difficult task of maintaining balanced relations with all major powers. Aligning too closely with one risks alienating the others. This diplomatic tightrope becomes more precarious as India, China, and the U.S. seek to expand their influence. Nepal's foreign policy must remain flexible yet principled, grounded in the core objective of safeguarding national sovereignty and promoting peace.

Maintaining neutrality, promoting regional cooperation through forums like SAARC, and advocating for a multipolar world order can help Nepal avoid becoming a pawn in the power games of larger states. Additionally, strengthening internal institutions, diversifying economic partnerships, and investing in strategic infrastructure are essential steps toward enhancing national resilience.

#### **5.4 Nepal's Internal and External Security Threats**

Nepal is a landlocked country situated between two emerging Asian powers, China and India, both of which are nuclear-armed and share a contentious relationship. This geopolitical context presents Nepal with numerous external and internal security challenges. Although Nepal is not small in terms of geographic size, its economy, military capacity, and position in international politics compel it to function as a small state.

#### **5.4.1 Major Internal Security Challenges of Nepal**

Nepal encounters several major internal security challenges that undermine national stability and social harmony. These challenges stem from a combination of structural weaknesses, governance issues, and socio-economic disparities. Internal security threats disrupt peace, hinder development, and strain state institutions. Ensuring effective internal security requires a holistic approach that strengthens institutional capacity, promotes political stability, and fosters social cohesion.

##### *a) National Security*

National security is a multifaceted issue, encompassing sovereignty, social stability, economic health, cultural preservation, and humanitarian concerns. It is influenced by foreign policy, internal peace strategies, and social security measures, and involves protecting citizens and maintaining secrecy regarding national interests. Political instability and public apathy to democracy poses the greatest internal threat to Nepal's security (Thapa, 2023).

Article 51 of the Constitution of Nepal defines the country's approach to national unity and security. It emphasizes preserving national integrity, freedom, and sovereignty while fostering unity and cooperation among diverse groups. The Constitution mandates the development of a robust national security system involving the Nepal Army, Police, and Armed Police Force, and utilizing former public employees' expertise. However, experts note that frequent external interference threatens Nepal's security, and the National Security Council must clarify its mandate (Niraula, 2075 BS). Past secessionist movements, such as C. K. Raut's Free Madhesh Movement, have posed significant threats but were addressed through political agreements (The Kathmandu Post, 2019). To mitigate future threats, the government must strengthen its National Security Policy 2016.

### *b) Internal Cultural Conflicts*

Nepal is a diverse, multi-ethnic, and multi-religious society with over a hundred ethnic groups and major religions like Hinduism, Buddhism, Islam, Christianity, and Sikhism. Despite general ethnic harmony, religious intolerance and radicalization from neighboring regions can impact Nepal (Karki, 2021). The country faces significant internal security threats from socio-cultural conflicts, including: (1) inter-religious conflicts (Hindu-Muslim and Hindu-Christian), (2) inter-ethnic conflicts (Khas-Mongols and Madhesis-Tharus), and (3) inter-regional conflicts (Pahades-Madhesis). These tensions can lead to national instability and attract regional and international interference, raising concerns about Nepal's stability (Telegraph Nepal, 2019). Similarly, the activities of ultra-leftist groups and left-wing extremism is another most challenging issues (Joshi, 2022).

### *c) Refugee Challenges*

Nepal's commitment to human rights prevents it from forcibly repatriating refugees, resulting in the presence of Tibetans, Bhutanese, and an increasing number of Rohingya refugees (Karki, 2021). While these groups pose humanitarian challenges, their integration into society and subsequent demands for rights can create security and foreign policy issues. China has criticized Nepal for allowing Tibetans to engage in anti-China activities, complicating Nepal's diplomatic relations.

### *d) Economic and Gender-Based Inequality*

Economic and gender-based inequality in Nepal poses severe internal security threats. Economic disparity has fueled armed conflict movements, and gender-based inequality further impacts security. High unemployment drives many youths abroad in search of better opportunities, leading to unlawful activities. Around 1,500 youths migrate daily due to job shortages (The Himalayan Times, 2017), and the COVID-19

pandemic may exacerbate this issue. Remittances from Nepali migrants in countries like Saudi Arabia, Qatar, and Malaysia are crucial for Nepal's economy (Fox, Yokying, Paudel, & Chhetri, 2020). Addressing economic inequality through planned development is essential to avoid future instability.

*e) Food Insecurity*

Food insecurity has long affected livelihoods in Nepal. Agriculture supports 68% of the population and contributes 34% to the GDP, but Nepal struggles with food production due to outdated farming methods and limited access to technology (International Labour Organization). This has led to decreased agricultural output and rural economic decline, resulting in widespread food shortages. Malnutrition is a major issue, with 36% of children under five suffering from chronic malnutrition, leading to severe health problems (USAID, 2020). As noted by Flowers and Man (2019), while agriculture employs three-fourths of the population, it contributes only one-third of the GDP, with imports surpassing exports.

*f) Natural Resource Scarcity and Natural Disasters*

Nepal faces significant internal security threats from over-exploited natural resources and climate change. Limited resources are further strained by corporate monopolies, exacerbating local issues. The country also suffers from severe water scarcity and the effects of climate change, including increased temperatures and precipitation (Shrestha & Aryal, 2019, pp. 315-334). The 2015 earthquake, which caused massive destruction and highlighted Nepal's dependence on international aid, underscored its vulnerability to natural disasters (Cook et al., 2016).

*g) Corruption*

Corruption exacerbates the economic disparity in Nepal, undermining the rule of law and good governance. It creates social discord and weakens state capacity,

fueling internal conflicts. According to Ghale (2020), tackling corruption requires public awareness and a commitment to ethical standards.

#### *h) Climate Change and Security*

Climate-related risks, including droughts and floods, have severe impacts on Nepal's agriculture. The National Adaptation Programme of Action (NAPA) was introduced to address these issues, but funding delays have hindered its implementation (Penniston, 2013). Caste-based inequality further exacerbates food insecurity, with Dalits facing restrictions on land ownership and agricultural practices (Aryal & Holden, 2011). Additionally, labor migration for economic opportunities contributes to land degradation and food insecurity (Kim, 2019).

#### **5.4.2 Major External Security Challenges of Nepal**

Political shifts do not alter geostrategic concerns for Nepal. As a small landlocked state, Nepal faces Robert O. Keohane's 'Lilliputian Dilemma,' trying to balance and bandwagon with larger powers (Keohane, 1969). While Nepal lacks a direct military threat, its geostrategic position makes it vulnerable to external security threats. For example, in 2017, an Indian security guard killed a Nepali citizen in Kanchanpur district due to insufficient local authority (The Himalayan Times, 2017).

Nepal's dependency on foreign fuel and energy heightens its vulnerability to foreign interference and economic blockades. Nepal faced several economic blockades imposed by India performing its hegemony. Nepal's unilateral dependence in trade with India can invite a serious risk. Located between nuclear powers India and China, as well as nuclear-armed Pakistan, Nepal is caught in a volatile region. India and China's rivalries and border disputes with Pakistan contribute to regional instability, which can affect Nepal's security (Thapa, 2023).

### *a) India-Nepal Border*

Boundary disputes between Nepal and India, despite their historical ties, present both internal and external security threats. The 1950 Treaty of Peace and Friendship acknowledges their shared history and open border. However, this open border has facilitated smuggling, terrorism, and human trafficking, particularly of women and children. Disputes such as Kalapani and Susta continue to fuel anti-India sentiments in Nepal. Nepal claims encroachments on its territory, including Kalapani, Susta, and other areas, with border posts missing and inadequate security measures in place. Despite efforts from bilateral task forces and committees, disputes remain unresolved.

### *b) Nepal-China Relations*

Nepal shares a 1,389-kilometer border with China, attracting Chinese tourists and investment, which benefits Nepal's economy. However, the Tibetan refugee issue remains a security concern for Nepal. Since the 1959 Tibetan uprising, Nepal has hosted many Tibetan refugees but is not a signatory to the 1951 Refugee Convention. Balancing relations with India and China has been challenging, with issues like Chinese hacking and Tibetan protests causing friction (Koirala, 2009). Nepal must now seek to maintain friendly relations with both countries, respecting their security concerns.

### *c) New Age Security Threats*

New security threats such as cybercrimes and epidemics are emerging in Nepal. The COVID-19 pandemic has disrupted tourism and employment, leading to increased political demonstrations and violence during lockdowns. As of mid-2019, Nepal had registered 180 cybercrime cases, with 125 in Kathmandu Valley and 55 elsewhere (Pulami, 2020). India, China, and other Western powers have strategic

interests in Nepal. China perceives Western influence as a threat, making it crucial for Nepal to maintain a diplomatic balance to avoid becoming a battleground for great power politics.

### **5.5 Geopolitical Competition and Security Challenges to Nepal**

If geopolitical competition among major powers is not effectively managed, it can pose severe security threats to Nepal, given its strategically significant position between two of the world's most influential countries, India and China. Nepal's geopolitical importance makes it a prime target for nations, each aiming to expand their strategic, economic, and political influence in the region. This intense competition can lead to a series of destabilizing effects on Nepal's security landscape.

Firstly, increased geopolitical rivalry can lead to militarization in the region. Both India and China might enhance their military presence and activities around Nepal, creating an environment of heightened tension and potential conflict. This militarization could provoke a regional arms race, compelling Nepal to allocate more resources to defense, which could otherwise be used for development purposes. The presence of foreign military forces or the establishment of military bases could undermine Nepal's sovereignty and provoke public unrest (Shrestha, 2019).

Secondly, political pressure from these major powers can compromise Nepal's political stability and independence. Both India and China might engage in political maneuvering to install favorable regimes or influence key political decisions in Nepal. This external interference can polarize Nepal's political environment, leading to frequent changes in government, policy inconsistency, and governance challenges. Nepal's political leaders might be coerced or incentivized to align with one of the powers, leading to a loss of autonomy in decision-making and potential conflicts with the opposing side (Ghimire, 2020).

Moreover, geopolitical competition can exacerbate existing ethnic and regional divisions within Nepal. External powers might exploit these divides to advance their interests, providing support to specific groups and fostering internal discord. This can lead to civil unrest, ethnic violence, and even insurgency, severely undermining national security. The politicization of ethnic and regional identities can fragment the social fabric, making it challenging to maintain national unity and peace (Bhattarai, 2021).

The economic implications of geopolitical competition are also significant. Nepal might become a pawn in the economic strategies of India and China, subject to economic coercion or sanctions if it fails to align with their interests. This can lead to economic instability, affecting trade, investment, and overall economic growth. Dependency on one major power for economic support can make Nepal vulnerable to economic manipulation, further compromising its security and development (Rana, 2018).

1Lastly, Nepal's foreign relations can deteriorate as a result of mismanaged geopolitical competition. Aligning too closely with one power can strain relations with the other, leading to diplomatic isolation or conflict. Nepal might find itself caught in a web of conflicting alliances, complicating its international relations and reducing its ability to engage in multilateral diplomacy effectively (Adhikari, 2022).

To safeguard its security in this complex geopolitical landscape, Nepal must adopt a balanced and neutral foreign policy. Promoting regional cooperation, engaging in multilateral diplomacy, and maintaining a non-aligned stance can help mitigate the risks of geopolitical competition. By fostering strong, independent institutions and a cohesive national identity, Nepal can enhance its resilience against external pressures and ensure long-term security and stability.

As discussed earlier, Nepal's location as a buffer state between India and China places it at the center of South Asian geopolitics. This positioning subjects Nepal to the competing influences and interests of both countries. India's historical, cultural, and economic ties with Nepal contrast sharply with China's assertive outreach through initiatives like the Belt and Road Initiative (BRI).

The rivalry between India and China has a direct impact on Nepal's security and foreign policy. Both India and China are vying for economic influence in Nepal. China's investments in infrastructure through the BRI and India's traditional economic ties put Nepal in a position where it must balance the interests of both neighbors. Diplomatic maneuvering by India and China often places Nepal in difficult positions. Nepal's efforts to maintain neutrality are challenged by pressures to support one side over the other in regional and international forums. The militarization of the India-China border regions, especially in areas close to Nepal, raises security concerns. The Doklam standoff and other border conflicts have highlighted the potential for Nepal to be drawn into regional tensions.

In recent times, there is intense competition between China and US in Nepal. While China wants to implement its BRI projects, it sees US's MCC as part of US's Indo-Pacific Strategy that is aimed at China. Thus, China is accused of working against MCC in Nepal. Thus, the involvement of global powers like the United States in South Asia adds another layer of complexity. U.S. interests in countering China's influence can align with India's strategies, further complicating Nepal's position.

Nepal's internal security is also affected by the geopolitical competition. Nepal's political landscape is fragile, with frequent changes in government and political infighting. External influences from India and China can exacerbate internal political instability. Nepal's economic dependency on its neighbors makes it vulnerable to

external shocks. Economic blockades, such as the one imposed by India in 2015, can have severe consequences for Nepal's economy and social stability. Managing open and porous borders with India, and a relatively less defined border with China, presents security challenges. Cross-border smuggling, human trafficking, and illegal trade are persistent issues.

To navigate these challenges, Nepal must adopt strategic balancing and formulate policies that promote its national interests. Nepal should continue to pursue a balanced foreign policy that avoids taking sides in the India-China rivalry. Diplomatic engagement with both neighbors on equal footing is crucial. Strengthening domestic political and economic institutions can reduce vulnerability to external influences. Robust institutions can better manage external pressures and enhance national resilience. Active participation in regional platforms beyond SAARC, such as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), can diversify Nepal's diplomatic and economic engagements. Building security partnerships with other nations, including non-traditional allies, can provide alternative sources of support and reduce dependency on immediate neighbors. Diversifying the economy and reducing dependency on any single country for trade and investment can enhance economic stability and security.

## **5.6 National Security Policy of Nepal**

Nepal's National Security Policy serves as the central strategic framework for protecting the country's sovereignty, territorial integrity, political independence, and overall national interests (Giri, 2025). Rooted in the principles of peace, democracy, and non-alignment, the National Security Policy reflects Nepal's complex geopolitical position and the multidimensional nature of contemporary security challenges. Sandwiched between two rising global powers—India and China—Nepal's security

concerns are shaped by its geography, internal dynamics, and an increasingly interconnected world.

The National Security Policy is designed with four primary goals in mind: (1) safeguarding national sovereignty and independence, (2) ensuring territorial integrity, (3) promoting political stability and democratic governance, and (4) enabling socio-economic development through a secure and peaceful environment. These goals are pursued not just through military preparedness but through a holistic approach that combines diplomacy, law enforcement, disaster resilience, and inclusive development.

The policy is fundamentally defensive and non-aggressive in nature. It seeks to prevent conflict, ensure stability, and contribute to global peace efforts. As a country emerging from a decade-long Maoist conflict and navigating a transition to federal democracy, Nepal's security policy is as much about internal stability as it is about external threats (Giri, 2025).

The National Security Policy of Nepal, 2016, formulated by the Ministry of Defence and ratified by the Cabinet in May 2016, serves as a comprehensive framework to safeguard Nepal's sovereignty, territorial integrity, and national interests. This policy addresses both traditional and non-traditional security challenges, reflecting the nation's commitment to democratic principles and human security.

The National Security Policy of Nepal is designed to safeguard national sovereignty and ensure the protection of Nepal's independence and territorial integrity. It also promotes democratic values and uphold democratic principles, the rule of law, and human rights. It also aims to maintain political stability and foster a stable political environment conducive to national development. Its core objective is

to enhance human security and address the safety and well-being of citizens beyond traditional military concerns.

The National Security Policy of Nepal outlines several internal and external security threats such as foreign intervention that concerns over external influences affecting national sovereignty; border issues such as challenges related to open borders, encroachment, and infiltration.; energy and resource security such as risks associated with fuel and essential goods shortages, as experienced during the 2015 blockade.; internal instability such as political polarization, communalism, regionalism, and the politicization of crime; economic vulnerabilities like weak economy, dependency, and activities of separatist groups and global power Dynamics such as Strategic interests of regional and global powers impacting national security (Giri, 2025).

The National Security Policy 2016 of Nepal proposes some of the strategic approaches to address these challenges such as:

1. Strengthening Intelligence: Enhancing the capabilities of national intelligence agencies to monitor and counter threats.
2. Regulating I/NGOs: Monitoring the activities of international and non-governmental organizations to ensure alignment with national interests.
3. Controlled Military Engagements: Mandating that all security-related interactions with foreign entities be coordinated through the Ministry of Defence.
4. Conscription Possibility: Introducing the potential for mandatory military service for citizens within a specific age group, to be mobilized during national emergencies.

5. Resource Management: Establishing criteria for storing and distributing essential goods, including food, fuel, and medicine, to mitigate future crises.

National Security Policy 2016 of Nepal emphasizes the need for an Inter-Agency coordination to ensure collaboration among various security and governmental bodies. It also suggests there is the need for public transparency because while certain operational details remain classified, the overarching policy is intended to be accessible to the public. There is also the need for periodic review by updating the policy to reflect changing political contexts and emerging security challenges.

Nepal's National Security Policy of 2016 provides a strategic roadmap to navigate the complex security landscape, balancing traditional defense mechanisms with contemporary human security considerations. It underscores the nation's dedication to maintaining sovereignty, promoting democratic values, and ensuring the safety and prosperity of its citizens.

In sum, Nepal's national security is shaped by a complex web of internal vulnerabilities and external pressures, stemming from its geopolitical location, socio-political transitions, and evolving global dynamics. As a small, landlocked country situated between two major powers—India and China—Nepal's security landscape is influenced by regional rivalries, transnational threats, and domestic challenges that demand a comprehensive and adaptive approach to safeguarding national interests. One of the most pressing challenges is the geopolitical competition between India and China, which places Nepal in a delicate position. While both countries offer economic opportunities and strategic partnerships, their rivalry often creates diplomatic and strategic pressures on Nepal to align with one side, thereby threatening its

longstanding policy of non-alignment. This dilemma complicates Nepal's ability to exercise an independent foreign policy and maintain strategic autonomy.

Moreover, border-related disputes, especially with India in areas like Kalapani, Lipulekh, and Susta, remain unresolved and fuel nationalist sentiments and periodic diplomatic tensions. The open and largely unregulated border with India, while historically beneficial for people-to-people ties, has also become a conduit for smuggling, trafficking, and cross-border crime. These issues challenge Nepal's ability to maintain territorial integrity and effective border control.

Internally, political instability and weak governance have historically undermined Nepal's security framework. Frequent changes in government, fragile coalition politics, and inadequate implementation of security policies have led to inconsistencies in national defense planning. Furthermore, the legacy of the Maoist insurgency continues to impact national cohesion, especially in terms of transitional justice, social integration, and public trust in security institutions.

Nepal's security is also threatened by economic vulnerabilities. Widespread unemployment, dependence on remittances, and limited industrialization make the country highly susceptible to external economic shocks. In times of geopolitical tension—such as the 2015 unofficial border blockade by India—Nepal's lack of self-sufficiency in essential goods like fuel and medicine was acutely exposed. Economic insecurity can quickly translate into political unrest and weaken the state's resilience to external manipulation.

In addition to traditional threats, Nepal faces a growing array of non-traditional security challenges, such as climate change, natural disasters, and pandemics. Given the country's fragile topography and reliance on agriculture, environmental hazards like floods, landslides, and glacial lake outbursts pose severe

risks to lives, livelihoods, and critical infrastructure. Climate-induced displacement and resource competition could exacerbate social tensions and strain government capacities.

Transnational crimes such as human trafficking, drug smuggling, cybercrime, and the misuse of I/NGOs for political or ideological purposes further complicate Nepal's internal security. The porous nature of Nepal's borders and limited surveillance capacity allow these threats to thrive, often beyond the immediate control of state authorities.

## CHAPTER VI

### OPPORTUNITIES OF NEPAL'S GEOPOLITICAL LOCATION

Geopolitics has been traditionally used to denote policies of national expansion, both of power and of territorial control. It has also been used in terms of any major policy with respect to other states involving national self-interest – whether this policy be one of expansion, of defence, or of neutrality in the face of conflict among other states. In both cases, the approach is essentially a subjective one at the level of international politics. Kristof has defined a number of important areas in which political scientists and political geographers may work together although these areas have so outgrown the old geopolitics as to be hardly recognizable under the old label.

Kissinger (1979) defined geopolitics as an approach that pays attention to the requirements of equilibrium. In other words, it is an attempt to draw attention to the importance of certain geographical patterns in political history. It is a theory of spatial relationships and historical causation. It can also be argued that geopolitics combines historical knowledge with a sophisticated capacity of theorising. And the result has been a powerful analytical framework. Gray and Sloan (1999) discusses geopolitics and its ultimate aim and approaches for a good geopolitical analysis. Tuathail (1981) described geopolitics as problem-solving theory for the conceptualization and practice of statecraft. Its dominant modes of narration are declarative and then imperative. Geopolitics is not about power politics; it is power politics.

Thus, geopolitical location plays a crucial role in shaping a state's opportunities and challenges within the international system. The geographical positioning of a state not only determines its security risks but also provides unique opportunities for political, economic, and strategic influence. States strategically

located at key crossroads, borders, or trade routes often gain economic and diplomatic advantages, while those in remote or less strategically significant areas may face greater vulnerability but could also develop distinctive opportunities for sovereignty and independence (Adhikari, 2024).

For states located at critical junctures between powerful countries or regions, their geopolitical location can serve as a buffer zone, offering the opportunity to act as a mediator or intermediary in regional conflicts or negotiations. For instance, Nepal's location between India and China places it in a position to benefit from both sides diplomatically, as it can serve as a neutral partner in economic and security-related discussions (Rizal, 2019). Nepal has leveraged its strategic position to maintain relationships with both countries while avoiding alignment with any major power bloc, making its geopolitical location a cornerstone of its foreign policy.

Access to trade routes is another significant opportunity offered by a state's geographical location. States that control vital sea lanes or overland trade routes can significantly benefit from international trade and commerce. For example, the Suez Canal in Egypt, which connects the Mediterranean Sea to the Red Sea, offers Egypt considerable economic benefits and global geopolitical influence by controlling one of the most critical shipping lanes in the world (Harris, 2014). Similarly, states located along the Silk Road, such as Afghanistan, historically enjoyed economic and cultural exchanges, positioning them as vital centers of trade between Europe, Asia, and the Middle East.

Geographical location also shapes a state's defense strategies and security policies. States located near powerful neighbors or within volatile regions may face increased security challenges, yet they can also use their strategic position to their advantage. For instance, the Baltic states—Latvia, Lithuania, and Estonia—have used

their proximity to Russia as a reason to seek stronger defense alliances with NATO (Lia, 2017). By aligning with larger power structures, these states have enhanced their security despite being geographically vulnerable.

Moreover, the location of a state in relation to critical resources such as natural resources, including oil, gas, or minerals, can create both economic and geopolitical advantages. Russia's vast landmass offers it access to a wealth of natural resources, allowing the country to leverage these assets for economic power and influence (Mearsheimer, 2014). Likewise, states in the Middle East, which are rich in oil reserves, are often able to exert substantial influence on the global energy market, with countries like Saudi Arabia using their strategic location to shape energy policies worldwide.

Lastly, the geographical position of a state influences its environmental security and vulnerability to climate change. States situated in high-risk areas, such as coastal or island nations vulnerable to sea-level rise, may find themselves needing to engage in global environmental governance to mitigate these challenges (Bates, 2012). These states can leverage their environmental security concerns to create diplomatic alliances, call for international attention to climate change, and advocate for global action.

In the case of Nepal, Nepal's unique geopolitical location between two major powers, China and India, presents both opportunities and challenges. Both India and China are among the world's largest economies with impressive growth rates. Both are the most populous countries with huge market opportunities. Both also hold the largest militaries with huge defense spending. In demographic terms, China and India are the two most important countries in the world and they are also rapidly becoming the leading powers in economic terms. Although the two countries have many

common features, their recent economic takeoff differs in timing, intensity and key characteristics of the development processes (Marelli & Signorelli, 2011). Unfortunately, both have adversarial relations which put huge geopolitical challenges to Nepal. Similarly, though both India and China have huge economic development, Nepal has failed to reap the benefits.

Nepal can position itself as a vital trade conduit between India and China, facilitating the exchange of goods and services. Establishing special economic zones and modern trade infrastructure can attract investments and boost trade. Proximity to the massive consumer markets of India and China allows Nepal to export its products, particularly agricultural goods, handicrafts, and textiles, with relatively lower transportation costs. Similarly, Nepal can leverage the rich cultural heritage and historical ties with both India and China to attract tourists. Promoting Buddhist pilgrimage sites, trekking routes, and adventure tourism can draw significant tourist inflows. For example, India and China both share an immense interest in Buddhism and both are actively investing in the Buddhism. India has kickstarted the Buddhist Circuit Tourist train which will cover 9 places across India and Nepal (Hindustan Times, 2023).

Similarly, China has intensified its activities in Lumbini, in addition to Kathmandu. For the Chinese New Year, the Chinese Embassy in Nepal organized various programs in Lumbini (The Rising Nepal, 2024).

Hydropower and agriculture are major economic sectors of Nepal. Nepal's abundant water resources provide a substantial opportunity for hydropower development. The generated electricity can be exported to energy-hungry markets in India and China, providing a significant revenue stream. Developing robust transportation links, such as highways, railways, and air routes, can enhance

connectivity with India and China. Improved infrastructure will facilitate trade, tourism, and people-to-people contacts. Though Nepal lies between two fastest growing economies, it has failed to garner the benefits because it lacks connectivity. Participation in cross-border infrastructure projects like roads, railways, and pipelines to improve regional connectivity and integration are important for Nepal. Nepal's location can attract foreign direct investment (FDI) from both India and China, as well as other countries looking to access these large markets. Creating a favorable investment climate with incentives and streamlined regulations can further attract investors. Establishing industrial zones and manufacturing hubs can capitalize on investment inflows, creating jobs and boosting economic development. Similarly, Nepal should also bring investment in the agricultural sector. Historically, Nepal established diplomatic ties with major powers like the United Kingdom (1816) and the United States (1947) even before formalizing relations with neighboring India (1947) and China (1955), followed by France (1949), Russia (1956), and Japan (1956) (Humagain & Karki, 2022). According to Acharya (2022), Nepal's foreign policy is shaped by its history, geography, and aspirations, with sovereignty, territorial integrity, and national prosperity at its core. As one of Asia's oldest sovereign states, Nepal seeks balanced, independent, and forward-looking relations with all nations, prioritizing cooperative, multifaceted engagements over alignment with any single power (Acharya, 2022). It is in this context; the chapter highlights how Nepal can foster the opportunities and formulate effective foreign policy from its geopolitical location. However, at times, India has shared that it will not import electricity produced from the projects funded or invested by the Chinese companies (R. R. Thapa, Personal Communication, 2 April 2023). Similarly, there is covert pressure

from the USA and India on Nepal to avoid implementing projects under the BRI (Thapa, 2023).

### **6.1 Fostering the Opportunities through Effective Foreign Policy**

Nepal has immense potential to foster the opportunities that come from its geopolitical location. Nepal needs effective foreign policy to effectively foster these opportunities and formulate a robust foreign policy. Nepal can adopt several foreign policy strategies. The first would be balanced diplomacy (Tamang, 2023). Nepal should maintain a balanced approach towards both India and China, ensuring that neither feels Nepal is leaning too heavily towards the other. This can help avoid becoming a pawn in the power dynamics between the two giants. It should reaffirm Nepal's commitment to the principles of the Non-Aligned Movement, promoting neutrality and peaceful coexistence.

There is also a need to focus more on economic diplomacy. Nepal should diversify trade partnerships to reduce over-dependence on either India or China. This includes exploring markets in Europe, the Americas, and other Asian countries. Nepal should also leverage its rich cultural heritage and natural beauty to attract tourists from around the world, especially targeting high-potential markets like China, India, Europe, and North America.

Nepal with India and China i.e, both the bilateral and trilateral linkages. Both India and China are in rush to infuse their influence using soft power tools viz. financial aid, loan grant, infrastructural set up assistance, availing opportunity to take part in military training, scholarship and fellowship opportunities, educational and cultural schemes, etc (Nepal, 2021). In order to get the benefits of rising economies India and China, Nepal should also work on enhancing its infrastructure development. Nepal should develop and invest in infrastructure projects that improve connectivity

with both neighbors. This includes road, rail, and air links that can facilitate trade and tourism. Nepal should also harness its vast hydropower potential to generate revenue through energy exports to India and China.

Nepal stands to gain substantially from the robust economies of its neighbors, India and China. By deepening economic ties with these giants, Nepal can access larger markets for its exports, boosting local industries and creating jobs. The influx of Indian and Chinese investments can drive infrastructure development, particularly in sectors like transportation, energy, and tourism, which are crucial for Nepal's economic growth. Additionally, technology transfer and collaborations in education, research, and innovation can enhance Nepal's capabilities and productivity. The strategic geographic position between India and China allows Nepal to serve as a transit hub, facilitating trade and connectivity in the region. Moreover, leveraging the economic strengths of India and China can help Nepal diversify its economic partnerships, reduce dependency on any single country, and stabilize its economy.

The role of regional and international cooperation through different regional and international organizations are equally important. Nepal should play an active role in the South Asian Association for Regional Cooperation (SAARC) to promote regional stability and economic integration. Nepal has had strong attachment to SAARC since its establishment as it sees regional organisations as platforms to engage with the outside world for economic development (Bhattarai, 2021). Through SAARC, Nepal can enhance trade opportunities, improve infrastructure connectivity, and collaborate on issues such as poverty alleviation, education, and healthcare. The shared platform also enables Nepal to address common regional challenges like climate change, terrorism, and natural disasters more effectively. Furthermore, SAARC provides Nepal with a forum to amplify its voice on regional matters, thereby enhancing its

geopolitical influence and fostering stronger bilateral and multilateral relationships within South Asia.

Similarly, Nepal can also explore the opportunities through China's ambitious Belt and Road Initiative (BRI). Experts believe that Nepal can derive substantial benefits from China's Belt and Road Initiative (BRI), an ambitious global development strategy aimed at enhancing regional connectivity and economic cooperation. By participating in the BRI, Nepal stands to significantly upgrade its infrastructure, which is crucial for its economic development. Key projects, such as roadways, railways, and airports, can enhance Nepal's connectivity both within the country and with its neighboring regions, facilitating smoother trade and tourism. On 10 August, China announced that it will start a feasibility study for the ambitious Tibet-Nepal Railway project within a year. Beijing assured visiting Nepali foreign minister Narayan Khadka that China would also bear the \$118 million cost of the study (Bhusal, 2022). The development of such trans-Himalayan connectivity networks, including the proposed railway linking Kathmandu with the Tibetan city of Gyirong, can revolutionize Nepal's trade logistics. This railway, part of the BRI, promises to reduce transportation costs and time, making Nepal an attractive transit hub between China and South Asia. Enhanced connectivity can lead to increased trade volume, attracting foreign investment, and fostering industrial growth. Moreover, BRI-related projects can bring significant financial investment into Nepal. Chinese investments in hydropower, manufacturing, and agriculture can spur economic growth and create jobs, contributing to poverty alleviation and improving living standards. The modernization of Nepal's infrastructure will also likely enhance tourism, a critical sector for the country's economy, by providing better access to remote and scenic areas. Additionally, the BRI offers opportunities for Nepal to enhance its

technological and managerial capabilities. Collaborative projects can facilitate technology transfer and capacity building, helping Nepal to modernize its industries and improve productivity. Participation in the BRI also aligns Nepal more closely with China, potentially opening doors for more favorable trade agreements and economic partnerships. However, it is crucial for Nepal to approach BRI participation with strategic planning to avoid potential debt dependency and ensure that projects are sustainable and beneficial in the long term. By carefully negotiating terms and focusing on projects that align with its national development priorities, Nepal can maximize the benefits from China's Belt and Road Initiative, fostering economic growth, development, and regional integration. One of the biggest challenges for Nepal is to get access to the sea from both the sides (R. Chhetri, Personal Communication, 26 May 2023). BRI can be an opportunity for Nepal to get access to the sea through China.

There is also the need for Nepal to enhance its engagement at the global front by deepening its engagement at the United Nations and United Peace Keeping Force. Nepal benefits significantly from its association with the United Nations (UN) and participation in United Nations peacekeeping missions. As a member of the UN, Nepal gains a platform to engage in global dialogue, advocate for its national interests, and contribute to international policy-making on critical issues such as climate change, human rights, and sustainable development. This engagement enhances Nepal's diplomatic presence and fosters international cooperation (Thapa, 2023).

Nepal's active participation in UN peacekeeping missions brings several direct benefits. Financially, it provides income for the Nepali economy through the salaries and allowances paid to peacekeepers. Moreover, it offers valuable training and

experience for the Nepali military and police forces, enhancing their skills and operational capabilities. This international exposure helps improve the professionalism and effectiveness of Nepal's security forces. Additionally, Nepal's contribution to peacekeeping enhances its global image as a responsible and committed member of the international community. It fosters goodwill and strengthens bilateral relations with other countries. The participation in peacekeeping missions also offers Nepal opportunities for leadership roles within the UN framework, further solidifying its influence and reputation on the global stage. Overall, the association with the UN and its peacekeeping efforts provide Nepal with economic, diplomatic, and professional advantages. The participation of Nepal Army in the UN Peacekeeping Operations spans 64 years and covers 44 UN missions. Since 1958, a total of 149,890 Nepali peacekeepers have served in UN missions. This number includes 8,615 members of the Nepal Police and 8,785 from the Armed Police Force. Throughout the peacekeeping journey, according to the Nepal Army, 73 Nepali peacekeepers have died and 68 have been wounded (The Kathmandu Post, 8 Feb 2024).

Nepal can strategically negotiate bilateral agreements with both India and China to focus on mutual benefits in trade, investment, and security cooperation, enhancing its economic and geopolitical standing. By fostering agreements that prioritize free trade and reduced tariffs, Nepal can boost its export markets, benefiting from the vast consumer bases of its neighbors. Investment agreements can attract substantial foreign direct investment in key sectors like infrastructure, energy, and tourism, spurring economic growth and job creation. In terms of security cooperation, Nepal can collaborate with India and China on issues such as border security, counter-terrorism, and disaster management, ensuring regional stability and peace. By

balancing its relations with these two major powers, Nepal can leverage their strengths, maintain sovereignty, and promote sustainable development, while also ensuring that the agreements are equitable and aligned with its national interests. This strategic approach can position Nepal as a pivotal player in South Asia, fostering a stable and prosperous regional environment.

Actively participating in international organizations such as the United Nations (UN), the World Trade Organization (WTO), and others can significantly enhance Nepal's global standing and foster international support (Sohan, 2024). Engagement in the UN allows Nepal to contribute to global decision-making on issues like climate change, peacekeeping, and human rights, showcasing its commitment to international norms and principles. Through the WTO, Nepal can advocate for fair trade practices, gain access to global markets, and attract foreign investments, boosting its economic development. Participation in other international bodies, such as the International Monetary Fund (IMF) and the World Health Organization (WHO), enables Nepal to benefit from economic assistance, technical expertise, and health initiatives. By being an active member of these organizations, Nepal can build diplomatic relationships, garner international support for its development projects, and enhance its reputation as a proactive and responsible member of the global community. This involvement also helps Nepal stay informed about global trends and challenges, positioning it to better address domestic issues and leverage international cooperation for sustainable development.

Strengthening military cooperation with both India and China while maintaining an independent defense policy is crucial for safeguarding Nepal's sovereignty. By engaging in joint military exercises, training programs, and intelligence sharing with its neighbors, Nepal can enhance the capabilities and

readiness of its armed forces. These cooperative efforts can help address common security challenges such as border security, terrorism, and disaster response more effectively. In 2017, China offered grant assistance of USD 32.3 million to the Nepal Army for the purpose of ‘strengthening capacity to deal with natural calamities and providing equipment for United Nations peacekeeping missions in high conflict zones’ (Nayak, n.d.). Nepal hosted fourth edition of Exercise Shanti Prayas, a multinational peacekeeping exercise held rotationally by the Nepal Army and US Indo-Pacific Command, in February 2024 which has been termed as ‘flourishing military diplomacy’ of Nepal because a Chinese military delegation was set to visit in coming month (“Military Diplomacy in Focus Amid Mega Peacekeeping Exercise,” 2024). Simultaneously, it is essential for Nepal to uphold an independent defense policy, ensuring that its military decisions are guided by national interests rather than external influences. This balanced approach allows Nepal to benefit from the expertise and support of its powerful neighbors while maintaining control over its defense strategies. By fostering transparent and mutually beneficial military relationships, Nepal can strengthen its national security, promote regional stability, and safeguard its sovereignty. This strategy also reinforces Nepal's position as a neutral and non-aligned state, committed to peaceful coexistence and cooperation in South Asia.

Resolving border disputes diplomatically and ensuring effective border management are crucial for maintaining peace and stability. To address border disputes, Nepal should engage in dialogue with neighboring countries, emphasizing diplomatic negotiations and legal frameworks to reach mutually acceptable solutions. Nepal holds joint expert groups related to border issues with both its neighbors (Pandey, 2024). Involving third-party mediators or international organizations can

provide impartial perspectives and facilitate agreements. Concurrently, implementing robust border management practices is essential to prevent illegal activities such as smuggling and unauthorized crossings. The open border with India which remains lax has created a breeding ground for illegal activities, added fuel to terrorism, and various problems along with it (Shrestha, 2024). This involves deploying advanced surveillance technologies, improving border infrastructure, and enhancing coordination between border security agencies. Strengthening cross-border cooperation with neighbors through joint patrols and information sharing can further mitigate potential conflicts and enhance security. By adopting a comprehensive approach that combines diplomatic resolution with effective management, Nepal can secure its borders, foster good relations with neighboring countries, and contribute to regional stability and peace.

Promoting Nepal's cultural heritage, art, and traditions globally can significantly enhance its soft power and international influence. By actively showcasing Nepal's rich cultural tapestry through international festivals, exhibitions, and cultural exchange programs, the country can capture global attention and appreciation. Supporting Nepali artists, musicians, and performers on international stages helps highlight the unique aspects of Nepalese culture, fostering a positive image and building cultural bridges with other nations. Leveraging digital platforms and social media to share traditional crafts, culinary arts, and historical sites can further expand global awareness and interest. People-to-people diplomacy through food, art and culture have been popular recent phenomenon such as Chef Santosh Shah promoting Nepali cuisine in the international stage, and Kathmandu's architecture having a history of being studied and appreciated by people around the world (Bhandari & Bhandari, 2023). Additionally, creating partnerships with

international cultural institutions and participating in global heritage initiatives can enhance Nepal's presence and influence. By effectively promoting its cultural assets, Nepal not only enriches global cultural diversity but also strengthens its diplomatic relationships and enhances its international standing. Nepali diaspora is taking an active role in promoting Nepal (Sharma, 2021).

Offering scholarships and educational exchange programs to students from neighboring countries is a strategic way for Nepal to build long-term goodwill and strengthen people-to-people connections. By providing opportunities for students from India, China, and other neighboring nations to study in Nepal, the country can foster mutual understanding and cooperation among the younger generation. Nepal has a vibrant student exchange programs with countries such as Europe, China and Israel Erasmus, through Confucius Institute in Nepal, Israel's agricultural students exchange program etc (Suresh, 2023). These programs create a platform for cultural exchange, allowing students to experience Nepal's academic environment, culture, and traditions firsthand. In return, Nepalese institutions can benefit from diverse perspectives and enhance their global reputation. Educational exchanges also help cultivate future leaders and professionals who are familiar with Nepal's values and interests, potentially facilitating stronger diplomatic and economic ties. Moreover, such initiatives contribute to regional stability and collaboration, as students who have studied together often maintain positive relationships and foster networks that support ongoing cooperation. By investing in these educational opportunities, Nepal can build lasting relationships with its neighbors and enhance its influence through soft power.

Collaborating with neighboring countries on environmental issues, including climate change, water resource management, and disaster response, is vital for addressing shared challenges and promoting regional sustainability. By working

together on climate change initiatives, Nepal and its neighbors can coordinate efforts to reduce greenhouse gas emissions, share best practices, and support joint research on climate adaptation strategies. There are various adaptation and mitigation programs for climate change through regional organizational partnerships such as through SAARC and BIMSTEC (Gupta, 2021). In water resource management, regional cooperation can help address cross-border water issues, ensure equitable distribution of resources, and develop joint projects for sustainable water use and conservation. Collaboration on disaster response can enhance preparedness and coordination in the face of natural disasters, such as floods, earthquakes, and landslides, which often impact multiple countries simultaneously. Establishing joint early warning systems, conducting joint drills, and sharing resources and expertise can improve overall resilience and response effectiveness. By fostering such regional partnerships, Nepal can contribute to a collective effort in safeguarding the environment, mitigating the impacts of climate change, and enhancing disaster resilience, while strengthening diplomatic ties and regional solidarity.

Focusing on rural development and poverty alleviation is essential for ensuring that economic benefits are distributed evenly across Nepal and for reducing internal disparities. Investing in infrastructure such as roads, schools, and healthcare facilities in rural areas can significantly improve living standards and access to essential services. Additionally, promoting agricultural advancements and providing support for local farmers through training and technology can enhance productivity and income. Nepal-Israel have incorporated cooperation in agriculture, science and technology, trade (the total trade between Nepal and Israel surpasses \$9 million, though skewed largely in Israel's favor), tourism and foreign employment among other avenues; the two maintain a common position in major international forums,

and are committed to enhancing intercultural ties through the exchange of students, scientists and health professionals, the training and management of Nepali agriculture professionals and consultation with Israeli experts across different fields (Giri, 2024). Implementing community-based programs that empower local populations and promote small-scale entrepreneurship can stimulate economic growth at the grassroots level. Social safety nets and targeted welfare programs are also crucial for supporting the most vulnerable populations and addressing income inequality. By prioritizing rural development and poverty alleviation, Nepal can foster more inclusive growth, improve overall quality of life, and build a more equitable society. This approach not only addresses immediate needs but also creates a foundation for sustainable long-term development, helping to bridge the gap between urban and rural areas. Nepal and India signed an agreement on implementing High Impact Community Development Projects (HICDPs) with new terms and an increased amount of grants with the two countries increasing the fund size for the projects to Rs 200m (The Annapurna Express, 2024).

Engaging the Nepali diaspora worldwide offers a valuable opportunity to leverage their expertise, investment, and influence for Nepal's foreign policy and economic development. Since the 2010s, the size and expanse of Nepali diaspora has grown dramatically, the numbers perhaps reaching 800,000 in 2022 in the more developed parts of the world. In addition, at any time, there are 2- million temporary migrants from Nepal working in foreign countries outside of India (Adhikari, 2022). The diaspora, with their diverse skills and international networks, can contribute to various sectors including technology, finance, and education. By creating platforms for diaspora engagement, such as professional networks, investment forums, and advisory councils, Nepal can tap into their expertise and facilitate knowledge transfer.

Encouraging diaspora investment through incentives and clear regulatory frameworks can channel remittances into productive sectors, boosting economic growth and job creation. Additionally, the diaspora can play a crucial role in advocating for Nepal's interests on the global stage, using their influence to build international partnerships and attract support for development projects. Organizing cultural and business events, and maintaining strong communication channels with diaspora communities, can further strengthen these connections. By strategically engaging the Nepali diaspora, Nepal can harness their potential to drive innovation, enhance economic development, and bolster its global presence.

Strengthening domestic governance to ensure transparency, accountability, and rule of law is crucial for attracting foreign investment and aid. By implementing robust anti-corruption measures, streamlining regulatory processes, and establishing independent oversight institutions, Nepal can create a more predictable and trustworthy business environment. IGOs such as the UN are funding anticorruption and transparency programs for the Nepali bureaucracy; international organizations turned their focus to government and bureaucracy after realizing focusing on community development without proper governance wasn't a viable option for long term development (Sumra, n.d.). Transparency in government operations and decision-making helps build investor confidence, while clear legal frameworks and effective enforcement of property rights protect investments. Additionally, improving public sector efficiency and accountability can reduce bureaucratic red tape and enhance the overall ease of doing business. Engaging in regular audits and encouraging public participation in governance processes can further promote accountability and ensure that resources are used effectively. A strong rule of law not only fosters a stable economic climate but also demonstrates Nepal's commitment to

international standards, making it a more attractive destination for foreign investors and aid organizations. By focusing on these governance reforms, Nepal can bolster its economic prospects, enhance its global reputation, and secure sustainable development.

Implementing strong anti-corruption measures is essential for building investor confidence and improving international relations. By establishing and enforcing rigorous anti-corruption laws, Nepal can create a more transparent and trustworthy business environment, which is crucial for attracting both domestic and foreign investment. Key steps include setting up independent anti-corruption agencies, promoting transparency in government transactions, and ensuring strict enforcement of legal penalties for corrupt practices. Regular audits, open reporting mechanisms, and public access to information can further bolster efforts to combat corruption. Additionally, fostering a culture of integrity through ethical training and promoting accountability at all levels of government can help mitigate corruption risks. These measures not only enhance investor confidence by ensuring a fair and predictable business environment but also improve Nepal's standing in the international community. By demonstrating a commitment to fighting corruption, Nepal can strengthen diplomatic relations, gain greater support from international organizations, and attract development aid and investments that are critical for its economic growth and stability.

## **6.2 Immense Opportunities for Nepal through Effective Economic Diplomacy**

Nepal's strategic geographic location between two of the world's largest and fastest-growing economies—India and China—offers tremendous potential for economic transformation. Despite being a landlocked country, Nepal's unique position enables it to act as a natural bridge between South and East Asia. In recent

years, a growing emphasis on connectivity, regional cooperation, and cross-border trade has opened new avenues for Nepal to enhance its economic landscape. This chapter explores the key economic opportunities available to Nepal, with a particular focus on transit and trade potential, investment prospects, and sector-specific growth areas such as tourism, hydropower, and agriculture.

### **6.2.1 Potential as a Transit Hub Between South Asia and China**

Nepal is uniquely poised to serve as a transit hub connecting India and China, two economic giants with growing demand for energy, trade, and mobility. As China expands its economic footprint into South Asia and India seeks deeper connectivity with Central Asia, Nepal's geographic position becomes increasingly strategic. According to Paudel (2021), Nepal can facilitate the movement of goods and services between the Indian plains and the Tibetan Autonomous Region of China, thereby playing a crucial role in regional trade dynamics.

However, becoming a transit hub requires more than just geographic advantage. It necessitates robust infrastructure, streamlined customs procedures, and supportive policies. Nepal has made strides in this direction by engaging with both China and India in transit agreements, including the Protocol on Implementing Agreement on Transit Transport with China in 2019, which allows access to several Chinese sea and dry ports (Ministry of Industry, Commerce and Supplies, 2020).

### **6.2.2 Development of Infrastructure Corridors**

Infrastructure development is central to Nepal's vision of becoming a regional transit point. Major road projects like the Galchhi–Rasuwagadhi–Kyirong corridor and the Kathmandu–Terai Expressway are intended to enhance connectivity with China and India, respectively. Similarly, Nepal is expanding its dry port infrastructure

with key projects in Tatopani, Rasuwagadhi, and Birgunj. These facilities are crucial in handling cargo efficiently and facilitating trade with both neighbors (ADB, 2022).

Railway development is also gaining momentum. The proposed railway linking Kathmandu with the Chinese border via Kerung and another line connecting to Raxaul in India exemplify Nepal's ambition to become a land bridge between the two Asian powers (World Bank, 2021). Such corridors will not only facilitate goods movement but also integrate Nepal more closely with global value chains.

### **6.2.3 Regional Connectivity through SAARC, BIMSTEC, BRI and BBIN**

Nepal's active participation in regional cooperation frameworks such as the South Asian Association for Regional Cooperation (SAARC), the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), the Belt and Road Initiative (BRI), and the Bangladesh-Bhutan-India-Nepal (BBIN) Initiative further strengthens its position as a vital node in regional trade networks.

These frameworks promote economic integration and facilitate cooperation in transport, energy, and technology. For instance, the BBIN Motor Vehicles Agreement (MVA) aims to ease cross-border transport, enhancing trade flows and reducing costs. Meanwhile, Nepal's participation in China's BRI highlights its commitment to enhancing connectivity and infrastructure through foreign partnerships (Maharjan, 2020).

### **6.2.4 Multimodal Trade Routes and Their Implications**

The development of multimodal transport systems—comprising road, rail, air, and waterways—offers new trade possibilities for Nepal. These routes reduce dependency on single-country access and improve resilience in times of political or economic disruptions. For instance, Nepal's use of Chinese ports and dry ports in

addition to Indian sea ports like Kolkata and Vishakhapatnam enhances trade diversification (MoICS, 2020).

Multimodal logistics also bring down transport costs and time, making Nepal's exports more competitive in regional and international markets. Moreover, they support the movement of high-value, time-sensitive goods such as perishable agricultural products, electronics, and pharmaceuticals.

### **6.2.5 Leverage in Attracting FDI from Both India and China**

Nepal's equidistant foreign policy and location make it an attractive destination for foreign direct investment (FDI) from both India and China. India has historically been one of Nepal's largest investors, especially in sectors like banking, telecommunications, and hydropower. China, meanwhile, has increased its FDI in recent years, especially under the BRI framework, focusing on infrastructure, tourism, and manufacturing.

As of 2022, China accounts for the largest number of approved FDI projects in Nepal, while India remains a key player in terms of total investment volume (Nepal Rastra Bank, 2022). Leveraging both partners allows Nepal to avoid overdependence on a single country and create a diversified investment portfolio that can withstand external shocks.

### **6.2.6 Participation in Initiatives Like BRI and India's Act East Policy**

Nepal's participation in both the BRI and India's Act East Policy positions it uniquely to act as a conduit for connectivity between East and South Asia. Through the BRI, Nepal has received commitments for infrastructure development, including road upgrades, airport modernization, and energy projects. These initiatives are designed to reduce logistical barriers and improve trade efficiency (Maharjan, 2020).

India's Act East Policy, which aims to deepen India's integration with Southeast Asia, also presents opportunities for Nepal to benefit from regional connectivity corridors and digital infrastructure networks. With the right diplomatic engagement, Nepal can serve as a connecting point for projects linking Northeast India, Bhutan, and Bangladesh with China and Southeast Asia.

### **6.2.7 Scope for Becoming a Neutral Investment Zone or Economic Bridge**

Given its non-aligned foreign policy, Nepal is well-suited to position itself as a neutral investment zone or a regional economic bridge. A stable political environment, business-friendly policies, and infrastructure support could help Nepal establish special economic zones (SEZs), cross-border industrial zones, and investment parks that attract businesses from both India and China.

Nepal's potential to serve as a convergence point for supply chains and logistics hubs is significant. According to Sharma (2022), the establishment of bilateral and trilateral economic zones could enhance trust among neighboring countries and turn Nepal into a shared space for cooperation rather than competition.

### **6.2.8 Tourism, Hydropower, and Agriculture as Sectors Benefitting from Location**

Nepal's natural resources and cultural heritage provide unique economic opportunities in tourism, hydropower, and agriculture. Its location in the Himalayas, combined with rich biodiversity and world-renowned trekking destinations like Everest and Annapurna, make it a prime tourist attraction. Nepal can target regional tourists from India and China while expanding its reach to international visitors through improved connectivity and hospitality infrastructure (Nepal Tourism Board, 2022).

Hydropower is another high-potential sector. With an estimated 83,000 MW of hydroelectric capacity, Nepal has barely tapped into this renewable resource. Both India and China have expressed interest in energy trade and investment, presenting Nepal with opportunities to export surplus electricity (Shrestha, 2020). Regional energy cooperation through power exchange agreements can help transform Nepal into a clean energy exporter.

Agriculture, which employs over 60% of Nepal's population, also stands to benefit from improved infrastructure and investment. With better irrigation, transport logistics, and processing facilities, Nepal can increase agricultural exports to regional markets, especially India and Bangladesh. The growing demand for organic and high-altitude crops such as tea, herbs, and spices add further export value (FAO, 2021).

### **6.3 Nepal's Need to Overcome the Challenges to its National Security**

Nepal finds itself in an extremely difficult location due to its position nestled between two major regional powers, India and China, each with significant geopolitical and economic interests. Both China and India are largest economies with largest population. They have the biggest military with huge military spending. Both are also the nuclear power. In addition, they have fought war in 1962 and have several border conflicts. This strategic location presents a complex array of challenges: Nepal's borders are sensitive and contested, particularly with India over areas like Kalapani and with China regarding regional infrastructure projects. The country's landlocked status further complicates its economic dependencies and trade dynamics, as it relies heavily on its neighbors for access to global markets. Additionally, the rugged and diverse terrain of Nepal, including the Himalayas, adds logistical difficulties to border management and infrastructure development (CPPR Media & PR, 2020). This geopolitical and geographic configuration makes Nepal highly

susceptible to external pressures and influences, creating a delicate balance in its foreign policy and security strategies while striving for stability and growth amid regional rivalries. Thus, there is a need for Nepal to address these challenges stems from its strategic position in South Asia, which is fraught with complex regional dynamics and potential vulnerabilities. As a landlocked country with a diverse terrain, Nepal faces unique security challenges that require immediate and strategic action and Nepal needs to be alert all the time.

Nepal's location between India and China places it at the intersection of two major regional powers with divergent interests. India views Nepal as a crucial state and has historically played a significant role in its security and economic affairs. Conversely, China's growing influence in South Asia and its Belt and Road Initiative (BRI) highlight its strategic interest in Nepal, particularly concerning infrastructure projects and regional connectivity. This geopolitical overlap can create tensions and complicate Nepal's foreign policy. A reflection of this can be seen as India is very reluctant to buy hydropower from companies with Chinese investment. Despite request from the then PM Dahal, in his visit to India to rethink this, the response from the Indian side was not very warm (Republica, 2024).

Similarly, Nepal shares a long and sensitive border with both India and China. Historical border disputes, such as the lingering issues with India over the Kalapani, Lipulekh, and Limpiyadhura areas, have caused diplomatic strains. These disputes not only affect bilateral relations but also impact national security by creating uncertainties about territorial integrity. Similarly, Nepal's border with China, while generally more stable, is also subject to scrutiny, especially with China's increasing activities in Tibet.

The rivalry between India and China extends to their influence over Nepal, making it a strategic prize in their regional competition. India's concerns about Chinese influence through infrastructure projects and investments in Nepal can lead to heightened security measures and diplomatic pressure. Conversely, Nepal's engagement with China through the BRI and other agreements might provoke Indian apprehensions about its security interests in the region (Dowerah, 2024). This rivalry can lead to Nepal being caught in a geopolitical tug-of-war, affecting its security and diplomatic autonomy.

Nepal's economic reliance on its neighbors for trade and infrastructure development introduces vulnerabilities. Projects like the construction of roads, railways, and energy infrastructure, airports, while beneficial, also expose Nepal to geopolitical pressures. Any disruption in these projects due to regional tensions or political disagreements could impact Nepal's economic stability and security. Moreover, dependence on foreign aid and investment from both India and China could lead to situations where geopolitical considerations overshadow national interests.

Pokhara International Airport (PIA) is a classic example of how the development initiatives done with foreign investments in Nepal are sensitive to being victims of geopolitics. On December 31, 2020, on the eve of PIA inauguration by PM Pushpa Kamal Dahal, the Chinese Embassy wrote on its Twitter account that "This [Pokhara airport] is the flagship project of the China-Nepal BRI cooperation." which triggered a massive debate. Despite the statement from the Nepali side, India most likely also perceives it to be part of the BRI initiative. Nepal has been prodding India for air routes to connect these two multi-million-dollar infrastructures but to no avail.

Without the entry routes from India, neither project is financially or technically viable, insiders say (The Kathmandu Post, 2023).

The geopolitical tensions and border disputes can exacerbate internal security issues. For instance, political instability or unrest triggered by disputes with neighboring countries could lead to internal conflicts, affecting national security. Additionally, the presence of cross-border insurgent groups or unauthorized activities could destabilize border regions, impacting overall security.

#### **6.4 Actions Needed for National Security**

In order to mitigate the challenges, there is urgent need for Nepal to take actions to deal with the challenges that emerge due to geopolitical location of Nepal.

##### *a) Strengthening Diplomatic Engagement*

To navigate its complex geopolitical environment, Nepal needs to adopt a balanced and pragmatic foreign policy. Strengthening diplomatic relations with both India and China is crucial for maintaining stability and ensuring that Nepal's national interests are protected. Engaging in regular dialogue, participating in regional forums, and seeking mediation from international organizations can help address and resolve border disputes and other geopolitical issues. Nepal has adopted an equidistant policy when it comes to her neighbors, and that has worked so far, however, with changing geopolitical scenario a tightrope balancing act is a must for Nepali diplomacy in the future (Kathju & Kathju, 2024).

##### *b) Enhancing Border Management and Security*

Improving border management is essential to safeguard Nepal's territorial integrity and address security concerns. This involves deploying advanced surveillance technologies, enhancing border infrastructure, and conducting joint patrols with neighboring countries to prevent illegal activities and ensure effective

border control. Strengthening security measures along sensitive border areas can help mitigate risks and prevent conflicts. Nepal's work through joint border expert groups with India and China, if made effective, could be a stepping stone towards tackling terrorism and illegal movement such as smuggling in the region (PTI, 2023).

*c) Promoting Economic Diversification*

To reduce vulnerabilities associated with geopolitical dependencies, Nepal should focus on diversifying its economy and reducing reliance on any single country ("Diversifying Diaspora and Remittances," 2024). Investing in domestic industries, promoting entrepreneurship, and exploring new trade partnerships can help create a more resilient economy. Additionally, developing strategic economic sectors such as tourism, technology, and agriculture can enhance Nepal's economic independence and stability.

*d) Building a Robust National Security Framework*

Developing a comprehensive national security strategy that addresses both external and internal threats is essential. This includes improving intelligence capabilities, enhancing disaster preparedness and response mechanisms, and fostering a culture of security awareness among citizens. Collaborating with international partners and organizations on security initiatives can also provide valuable support and resources.

*e) Engaging in Regional Cooperation*

Participating in regional security and economic cooperation initiatives can help Nepal address common challenges and enhance regional stability. Engaging in forums like the South Asian Association for Regional Cooperation (SAARC) and other regional platforms can facilitate collaboration on issues such as climate change,

disaster management, and economic development, contributing to a more secure and stable environment.

The need for Nepal to overcome the challenges to its national security caused by its geopolitical location is clear. By addressing border disputes, managing strategic rivalries, and enhancing internal security measures, Nepal can safeguard its sovereignty and stability. A balanced approach to foreign policy, coupled with robust economic and security strategies, will enable Nepal to navigate its complex geopolitical landscape and achieve long-term peace and prosperity. Engaging in diplomatic dialogue, strengthening border management, and diversifying its economy are essential steps in building a secure and resilient nation, capable of withstanding external pressures and fostering a stable and prosperous future.

In conclusion, Nepal's geopolitical location offers an extraordinary range of opportunities that, if strategically harnessed, could redefine its economic and diplomatic trajectory. Positioned between two of the world's largest and most influential countries—India and China—Nepal holds immense potential as a bridge for regional connectivity, economic integration, and multilateral diplomacy. Far from being a constraint, its landlocked status can be transformed into an advantage through proactive policies, infrastructural development, and smart diplomacy. The country's ability to leverage this location will be instrumental in ensuring sustainable development, regional relevance, and global engagement.

One of the most promising aspects of Nepal's strategic location lies in its potential as a transit and trade hub. With India to the south and China to the north, Nepal can become a land bridge facilitating goods, energy, and people-to-people exchanges. Infrastructure development such as road corridors, rail links, and dry ports—supported by initiatives like the Belt and Road Initiative (BRI), BIMSTEC,

and BBIN—further enhances Nepal’s ability to act as a conduit between South Asia and East Asia. The development of multimodal transport systems and border logistics centers will reduce trade dependency on a single corridor and allow Nepal to integrate into broader regional and global supply chains. In this way, Nepal’s location can serve not just domestic growth, but also regional economic aspirations.

Moreover, Nepal’s geopolitical position provides a unique opportunity to attract foreign direct investment (FDI) from both India and China. With careful diplomacy and strategic economic planning, Nepal can emerge as a neutral investment zone that capitalizes on its equidistant ties. Participating in India’s Act East Policy and China’s BRI without aligning exclusively with either can help Nepal maintain a balanced approach, avoiding geopolitical entanglements while maximizing benefits. Special Economic Zones (SEZs) and industrial corridors, developed along these strategic partnerships, could become magnets for regional investment and innovation.

Additionally, Nepal’s sectoral advantages—particularly in tourism, hydropower, and agriculture—can be significantly amplified due to its geographic positioning. Its natural beauty, cultural richness, and proximity to massive outbound tourism markets in India and China make it an attractive destination. Similarly, Nepal’s abundant water resources and high-altitude terrain offer unmatched hydropower potential, positioning it as a clean energy exporter to power-hungry neighbors. In agriculture, Nepal can benefit from proximity to regional markets and rising demand for organic, high-altitude, and niche agricultural products.

At the heart of all these opportunities lies the need for robust governance, strategic vision, and regional cooperation. Nepal’s geography provides the platform, but the realization of these opportunities depends on the country’s ability to maintain internal political stability, develop high-quality infrastructure, and implement policies

that promote trade, investment, and innovation. Furthermore, by embracing multilateralism and regionalism, Nepal can ensure that its location is not a battleground for influence but a platform for shared growth and peace. Nepal's geopolitical location is not merely a geographical fact—it is a strategic asset. If approached with foresight and balance, this location can become the foundation of Nepal's rise as a resilient, prosperous, and influential nation in the 21st century.

## CHAPTER VII

### FINDINGS AND CONCLUSION

The unique positioning of Nepal between two Asian giants China and India presents a mix of strategic opportunities and significant challenges that directly impact its national security. At the time when the geopolitics of the world has shifted to South Asia, as US President Obama defined South Asia as ‘Pivot to Asia’ and remarked that those who rules Asia will rule the world, there is limited study on the geopolitics of Nepal. This chapter contains the findings of the study where the three request questions are addressed as per the objective of the research. Similarly, it concludes with the background of the study, summary of the major findings and recommendations for future research area.

#### **7.1 Findings**

The general objective of the study is to understand and examine the behavior of Nepal in international system, that is shaped based on its geopolitical location and its national capabilities. The study had three research questions and objectives.

The first objective of the research was to study the significance of Nepal’s geopolitical location, a South Asian country situated between two much larger nations, India and China. The geographical location of Nepal has historically made it a crucial point of strategic interest and a crossroads for various cultures and trade routes. Nepal stretches across the Himalayas, from the flat plains of the Terai region in the south to the high peaks in the north, including Mount Everest. The country’s position between India and China gives it a unique geographic and strategic importance.

Nepal has had complex historical relations with both India and China. Historically, it has been influenced by both countries, with trade and cultural

exchanges occurring over centuries. Nepal has maintained a delicate balance in its relations with India and China. India has historically been Nepal's largest trade partner and has significant cultural ties, while China has been increasing its influence through trade and infrastructure investments in recent years.

Nepal's location makes it a key player in the geopolitics of the region. Its proximity to Tibet (an autonomous region of China) and its position as a buffer state between India and China give it a significant role in regional security dynamics. Nepal's position has sometimes put it in the middle of broader geopolitical conflicts and influences. The country often has to navigate its foreign policy carefully to balance its relationships with both India and China. Nepal's unique position and its strategic importance continue to shape its political and economic interactions with both of its powerful neighbors.

The role of Nepal has further elevated as it plays important role in South Asia as South Asia plays a crucial role in global politics, especially with the U.S.'s Pivot to Asia strategy, which focuses on countering China's rise and strengthening alliances. Nepal's location between China and India, two rising global powers attracts US interest. As a key player in regional stability, Nepal's engagement in U.S. initiatives like the Millennium Challenge Corporation (MCC) reflects its growing geopolitical importance. The U.S. views Nepal as crucial in balancing China's expanding influence, particularly under the Belt and Road Initiative (BRI). Nepal's commitment to democracy, peacekeeping contributions, and evolving foreign policy make it a focal point for U.S. strategic interests in South Asia amid shifting global power dynamics.

The second objective of the study was to analyze why Nepal needs to overcome the challenges to its National Security caused due to geopolitical location.

Nepal's geopolitical location between India and China, two of Asia's largest economies with powerful militaries with nuclear capabilities and highest population, presents significant national security challenges. The adversarial relationship between India and China, both striving to emerge as global powers, places Nepal in a precarious position. Historically, India maintained closer ties with Russia but is now enhancing its engagement with the United States. Conversely, China, which once had strong relations with the United States, is now aligning more closely with Russia, given the U.S. perception of China as its primary global competitor.

These shifting geopolitical dynamics in South Asia heighten the complexities for Nepal's national security. The rivalry between India and China forces Nepal to carefully navigate its foreign relations to avoid alienating either neighbor while safeguarding its sovereignty. This balancing act is further complicated by the increasing involvement of external powers like the United States, which can exacerbate regional tensions. Nepal must remain vigilant and strategic in its diplomatic efforts to mitigate the risks arising from this intense geopolitical rivalry and ensure its national security.

The open border with India facilitates economic and social ties but also allows illegal activities such as smuggling, human trafficking, and unauthorized cross-border movements, posing significant security threats. Territorial disputes, like those over Kalapani and Susta, exacerbate tensions and anti-India sentiments in Nepal.

Nepal's northern border with China brings its own set of challenges, particularly concerning the presence of Tibetan refugees, second highest in the world after India. China closely monitors any activities perceived as supporting Tibetan independence, putting pressure on Nepal to align with Chinese policies and restrict activities of Tibetan exiles, which can strain Nepal's internal and external policies.

Being situated between India and China, two regional powerhouses with competing interests, Nepal often finds itself caught in their strategic rivalry. Balancing relationships with both countries while maintaining its sovereignty and national interests is a complex and delicate task.

Nepal's reliance on imports from India for essential goods, including fuel and food, makes it vulnerable to economic blockades and coercive tactics. Such dependency can be exploited during political or diplomatic disagreements, leading to economic and social instability.

The porous border with India allows insurgents and terrorists to move easily between the countries, creating security risks. Ensuring border security while allowing legitimate movement of people and goods is a persistent challenge. The broader South Asian region's instability, driven by conflicts and political tensions between neighboring countries, adds to Nepal's security challenges. This includes the implications of the India-Pakistan conflict and China's increasing regional assertiveness.

Nepal's geographical vulnerability to natural disasters, like earthquakes and floods, is compounded by regional environmental issues such as climate change. Collaborative efforts with India and China on disaster management and climate adaptation are often hindered by differing priorities and competition, leaving Nepal to address these challenges independently.

External pressures from both India and China often exacerbate Nepal's internal political divisions, leading to frequent changes in government and policy inconsistency. This political instability weakens Nepal's ability to effectively address national security concerns.

Emerging digital threats, including cyber-attacks and information warfare, pose new security challenges for Nepal. The country's growing reliance on digital infrastructure makes it susceptible to cyber intrusions from state and non-state actors, including those from neighboring countries.

There is a need for Nepal to overcome the challenges to its National Security posed by its geopolitics because Nepal is between India and China, which are the world's most populous nations and have substantial military capabilities, including nuclear arsenals. Their historical conflicts, such as the 1962 war between India and China, and ongoing border disputes, add layers of complexity to Nepal's geopolitical landscape. The sensitivity of Nepal's borders, particularly with India over areas like Kalapani and with China concerning infrastructure projects, creates ongoing diplomatic and security challenges. Nepal's landlocked status further compounds these issues, as it relies heavily on its neighbors for trade access and economic development. Additionally, the rugged terrain of the Himalayas complicates infrastructure development and border management, adding logistical challenges to an already intricate situation.

The relationship between Nepal and its neighbors is influenced by their respective strategic interests. India has historically seen Nepal as a vital partner, with extensive economic and security interactions shaping their relationship. India's concerns about Chinese influence through infrastructure projects and investments in Nepal lead to heightened vigilance and diplomatic engagement. Conversely, China's Belt and Road Initiative (BRI) represents a strategic interest in enhancing regional connectivity, including infrastructure projects in Nepal. These competing interests create a geopolitical tug-of-war, which Nepal must navigate carefully to maintain its sovereignty and stability.

The sensitive borders with both India and China are sources of diplomatic strain. With India, there are lingering disputes over territories like Kalapani, Lipulekh, and Limpiyadhura. These disputes have led to diplomatic friction and impacted national security by creating uncertainties about territorial boundaries. While Nepal's border with China is generally more stable, China's growing activities in Tibet and its increasing involvement in regional infrastructure projects warrant close attention. The rivalry between India and China amplifies these challenges, as both powers vie for influence in Nepal, affecting its security and diplomatic autonomy.

Economically, Nepal's dependence on its neighbors for trade and infrastructure development exposes it to geopolitical pressures. Infrastructure projects, while beneficial, make Nepal vulnerable to disruptions caused by regional tensions or political disagreements. Over-reliance on foreign aid and investment from both India and China may result in scenarios where geopolitical considerations overshadow national interests, impacting Nepal's economic stability and growth.

Internally, geopolitical tensions can exacerbate security issues. Political instability or unrest arising from disputes with neighboring countries may lead to internal conflicts, affecting national security. Cross-border insurgent groups or unauthorized activities could further destabilize border regions, complicating security efforts. There is urgent need for Nepal to address these challenges for its national security.

The third objective of the research was to examine how Nepal should foster the opportunities and formulate effective foreign policy from its geopolitical location. Nepal's geographical location positions it as a crucial trade and transit hub between India and China. By developing efficient transit corridors, Nepal can enhance regional trade and capitalize on both Indian and Chinese markets. Establishing Special

Economic Zones (SEZs) along border areas can attract foreign direct investment (FDI), boost exports, and generate employment.

Nepal can leverage India and China's interest in regional connectivity to attract FDI in key sectors such as infrastructure, energy, and transportation. Investments in roads, railways, and hydropower projects can modernize Nepal's transport and energy sectors. Participation in China's Belt and Road Initiative (BRI) can further drive infrastructure development.

Nepal's rich cultural heritage and natural beauty provide immense potential for tourism. Improved connectivity can boost adventure tourism (trekking, mountaineering) and religious tourism (pilgrimages to Buddhist and Hindu sites), drawing visitors from both India and China.

Nepal's geopolitical position allows it to act as a balancing power between India and China. By maintaining a neutral stance, Nepal can secure economic and security benefits while avoiding entanglement in regional rivalries. Its role as a mediator in regional issues can strengthen its diplomatic standing.

Engaging in joint security initiatives with India and China can help address shared challenges such as terrorism, human trafficking, and cross-border smuggling. Additionally, collaborative disaster management efforts can enhance Nepal's resilience to natural disasters, leveraging regional expertise.

Nepal can strengthen its role in organizations like SAARC and BIMSTEC to enhance diplomatic influence and economic integration. Participation in the Asian Infrastructure Investment Bank (AIIB) can facilitate funding for large-scale infrastructure projects, reinforcing Nepal's regional economic presence.

With abundant hydropower resources, Nepal can export electricity to energy-deficient neighbors, providing a stable revenue stream and fostering regional energy

cooperation. Modernizing agriculture with technological expertise from India and China can boost productivity and open new markets for Nepali agricultural products.

Collaborating with Indian and Chinese educational institutions can improve Nepal's education sector through exchange programs, joint research, and skill development. Access to technological advancements in IT, manufacturing, and healthcare can drive Nepal's economic transformation.

Given Nepal's vulnerability to climate change and its position between two of the world's largest polluters, cooperation with India and China on environmental initiatives is crucial. Joint efforts in pollution control, biodiversity conservation, and renewable energy development can promote sustainable growth. Effective water resource management can prevent conflicts and ensure equitable distribution of shared river systems.

The study suggests that in order to fully harness these opportunities, Nepal must develop an effective foreign policy that leverages its strategic position while navigating the complexities of regional dynamics. This involves adopting several key strategies, including balanced diplomacy, economic diplomacy, infrastructure development, and active participation in regional and international organizations.

One of the foremost strategies for Nepal is to maintain balanced diplomacy. Given its position between India and China, Nepal must ensure that it does not become overly reliant on or aligned with either of these major powers. Instead, Nepal should adopt a neutral stance, reaffirming its commitment to the principles of the Non-Aligned Movement, which advocates for neutrality and peaceful coexistence. By balancing its relationships with both India and China, Nepal can avoid being perceived as a pawn in their geopolitical rivalry. This balanced approach not only

helps in maintaining stable relations with its neighbors but also ensures that Nepal can independently pursue its national interests without undue external pressure.

Another crucial aspect is focusing on economic diplomacy. Nepal's economic strategies should include diversifying its trade partnerships beyond India and China. By exploring markets in Europe, the Americas, and other Asian countries, Nepal can reduce its economic dependency on its immediate neighbors. Additionally, Nepal should capitalize on its rich cultural heritage and natural beauty to attract tourists from around the world, targeting high-potential markets like China, India, Europe, and North America. This approach will help Nepal tap into new economic opportunities and enhance its revenue streams from tourism.

Infrastructure development is vital for Nepal to benefit from the rising economies of India and China. The country should invest in and develop infrastructure projects that improve connectivity with its neighbors. This includes enhancing road, rail, and air links to facilitate trade and tourism. Additionally, Nepal's vast hydropower potential should be harnessed to generate revenue through energy exports to India and China. Improved infrastructure not only supports economic growth but also enhances Nepal's strategic position as a transit hub between these two major economies.

Nepal stands to gain significantly from deepening economic ties with India and China. By accessing larger markets for its exports, Nepal can boost local industries and create jobs. Indian and Chinese investments can drive development in infrastructure sectors such as transportation, energy, and tourism, which are crucial for Nepal's growth. Moreover, technology transfer and collaborations in education, research, and innovation can enhance Nepal's capabilities and productivity. Nepal's strategic location between India and China also allows it to serve as a transit hub,

facilitating trade and regional connectivity. Leveraging these economic strengths can help Nepal diversify its economic partnerships, reduce dependency on any single country, and stabilize its economy.

Active participation in regional and international organizations is essential for Nepal to enhance its global standing and foster international support. Engaging with the South Asian Association for Regional Cooperation (SAARC) can help Nepal promote regional stability and economic integration. Through SAARC, Nepal can enhance trade opportunities, improve infrastructure connectivity, and collaborate on issues such as poverty alleviation and climate change. This platform also allows Nepal to address common regional challenges more effectively and amplify its voice on regional matters.

Similarly, Nepal can explore opportunities through China's Belt and Road Initiative (BRI). Participation in the BRI can lead to significant infrastructure upgrades, including roadways, railways, and airports, which are crucial for economic development. Projects like the proposed railway linking Kathmandu with the Tibetan city of Gyirong could revolutionize Nepal's trade logistics, reducing transportation costs and time. Enhanced connectivity can increase trade volume, attract foreign investment, and foster industrial growth. Additionally, BRI-related projects can bring financial investment into sectors like hydropower, manufacturing, and agriculture, contributing to poverty alleviation and improved living standards. However, careful negotiation and strategic planning are essential to avoid potential debt dependency and ensure that projects align with Nepal's national development priorities.

Enhancing engagement at the global level, particularly through the United Nations (UN) and its peacekeeping missions, provides Nepal with significant benefits. As a member of the UN, Nepal can participate in global dialogue, advocate for its

interests, and contribute to policy-making on issues like climate change and human rights. Active participation in UN peacekeeping missions offers direct economic benefits, such as salaries and allowances for Nepali peacekeepers, while also providing valuable training and experience for the military and police forces. This involvement enhances Nepal's global image, fosters goodwill, and strengthens international relationships.

Strategically negotiating bilateral agreements with both India and China is crucial for Nepal to enhance its economic and geopolitical standing. Agreements focusing on trade, investment, and security cooperation can boost Nepal's export markets, attract foreign direct investment, and foster regional stability. By balancing relations with these major powers, Nepal can leverage their strengths, maintain sovereignty, and promote sustainable development. This approach positions Nepal as a pivotal player in South Asia, contributing to regional stability and prosperity.

Engaging actively in international organizations such as the UN, the World Trade Organization (WTO), and others can significantly enhance Nepal's global standing. Through the UN, Nepal can advocate for international norms and contribute to global decision-making. Participation in the WTO allows Nepal to access global markets, attract foreign investment, and promote fair trade practices. Involvement in other international bodies provides economic assistance, technical expertise, and support for health initiatives. By being an active member of these organizations, Nepal can build diplomatic relationships, garner international support, and stay informed about global trends, positioning itself for sustainable development.

Strengthening military cooperation with India and China while maintaining an independent defense policy is essential for Nepal's security. Engaging in joint military exercises and training programs can enhance the capabilities of Nepal's armed forces

and address common security challenges. Simultaneously, maintaining an independent defense policy ensures that Nepal's military decisions are guided by national interests. This balanced approach allows Nepal to benefit from support and expertise while preserving its sovereignty and neutrality.

Diplomatically resolving border disputes and ensuring effective border management are critical for Nepal's stability. Engaging in dialogue with neighboring countries to address border issues, involving third-party mediators if necessary, and implementing robust border management practices are essential steps. These measures include deploying advanced surveillance technologies, improving border infrastructure, and enhancing coordination between security agencies. Strengthening cross-border cooperation through joint patrols and information sharing can further mitigate conflicts and enhance security.

Promoting Nepal's cultural heritage, art, and traditions globally enhances its soft power and international influence. Showcasing Nepal's cultural assets through international festivals and cultural exchange programs can build global awareness and appreciation. Supporting Nepali artists and leveraging digital platforms to share traditional crafts and historical sites can further expand global interest. Additionally, offering scholarships and educational exchange programs to students from neighboring countries fosters mutual understanding and strengthens people-to-people connections, contributing to long-term goodwill and collaboration.

Collaborating on environmental issues such as climate change, water resource management, and disaster response is vital for regional sustainability. By working with neighboring countries on climate initiatives, Nepal can coordinate efforts to address shared environmental challenges and develop joint projects. Regional cooperation on water resource management and disaster response enhances

preparedness and resilience, benefiting all involved countries. These partnerships not only address environmental concerns but also strengthen diplomatic ties and regional solidarity.

Focusing on rural development and poverty alleviation is crucial for equitable economic growth in Nepal. Investing in infrastructure, agricultural advancements, and community-based programs can improve living standards and reduce income inequality.

## **7.2 Conclusion**

Nepal, a landlocked nation situated between the rising powers of China and India, navigates a complex security environment influenced by its geographical positioning and historical context. Its strategic location has historically led it to balance relations between these two major neighbors while also addressing a range of internal and external security threats. This chapter summarizes and concludes the findings of the study which includes the significance of Nepal's geopolitical location, reasons behind Nepal's need to overcome the challenges to its national security caused due to geopolitical location and suggest how Nepal should foster the opportunities and formulate effective foreign policy from its geopolitical location.

Nepal's foreign policy aims to balance relations with both India and China, leveraging its strategic location to benefit from economic aid and investments. The 1950 Treaty of Peace and Friendship with India and similar agreements with China reflect Nepal's historical approach to maintaining a neutral yet engaged stance. Nepal uses its relationship with China as leverage to balance Indian dominance while recognizing India's crucial role in its development.

Nepal actively participates in regional and international organizations to enhance its diplomatic influence. Membership in SAARC, BIMSTEC, and the United

Nations supports its commitment to regional stability and global peace. Nepal's engagement in environmental diplomacy and international peacekeeping reflects its broader foreign policy objectives.

Economic development is a core objective of Nepal's foreign policy. The country seeks to attract foreign investment, promote trade, and develop infrastructure. Participation in China's BRI and strategic partnerships with countries like the U.S. and Japan support Nepal's economic growth and resilience.

Nepal leverages its cultural heritage and diaspora to enhance its global profile. Cultural diplomacy helps promote Nepal's identity and foster goodwill internationally. Engagement with the Nepali diaspora is crucial for development and cultural promotion. Effective border management is essential for preserving Nepal's sovereignty. Resolving border disputes through diplomacy and legal frameworks ensures national security and stability. Balancing relations with both India and China while managing border issues is a key aspect of Nepal's foreign policy.

The Constitution of Nepal outlines the country's foreign policy principles, emphasizing the preservation of sovereignty, non-alignment, peace, economic diplomacy, and the protection of its nationals abroad. This framework is crucial given Nepal's strategic position between India and China, two major regional powers. Article 5 of the Constitution underscores the importance of maintaining Nepal's independence, territorial integrity, and national sovereignty. It mandates that Nepal manage its foreign relations to prevent undue external influence on its domestic and international affairs. Article 51 reflects Nepal's commitment to a non-aligned foreign policy, maintaining balanced relations with global powers and avoiding involvement in international conflicts that do not directly affect its national interests. The Constitution prioritizes promoting global peace and fostering friendly relations with

all nations based on mutual respect and adherence to international law. This approach involves active participation in international organizations to uphold global standards. Article 51(d) emphasizes international cooperation to enhance economic development, attract foreign investment, and leverage global partnerships for technological and infrastructural advancements. The goal is to improve living standards and achieve sustainable development for Nepal. The Constitution mandates the protection and promotion of the rights and welfare of Nepali nationals abroad, including safeguarding migrant workers and fostering connections with the diaspora to support national development.

Nepal's foreign policy has been influenced by its historical ties with India and China. The 1950 Indo-Nepal Treaty of Peace and Friendship established close relations with India, providing economic and security support but also leading to perceptions of excessive Indian influence. In response to China's rise, Nepal has sought to balance its foreign policy by strengthening ties with Beijing, aiming to leverage its position between these two global giants.

National security in Nepal is a comprehensive issue involving sovereignty, social stability, and humanitarian concerns. According to Article 51 of the Constitution of Nepal, the focus is on preserving national integrity and sovereignty while fostering unity among its diverse population. The Nepal Army, Nepal Police, and Armed Police Force are central to this effort. Nonetheless, external interference and past secessionist movements, such as the Free Madhesh Movement led by C.K. Raut, have highlighted vulnerabilities. The National Security Council needs to address these challenges to strengthen national security policy and implementation.

Nepal's rich ethnic and religious diversity brings both vibrancy and challenges. With over a hundred ethnic groups and multiple religions, the country

faces internal conflicts such as Hindu-Muslim tensions, inter-ethnic disputes, and regional rivalries (e.g., Pahades vs. Madhesis). These socio-cultural tensions can destabilize the nation and invite external interference, potentially undermining national unity.

Nepal's humanitarian stance has led to hosting refugees from Tibet, Bhutan, and Rohingyas (L. Thapa, Personal Communication, 5 Jan 2023). The presence of these groups poses integration challenges and diplomatic issues, particularly with China, which views Tibetan activism critically. Balancing humanitarian commitments with geopolitical pressures remains a complex issue for Nepal. Economic disparity and gender-based inequality are significant internal threats. High unemployment and economic disparity drive many youths abroad, often leading to illegal activities. Gender-based violence and economic inequality further exacerbate societal instability. Addressing these issues is crucial for maintaining internal stability and reducing vulnerabilities.

Food insecurity is a persistent problem, with agriculture supporting a large portion of the population but suffering from outdated methods and limited technology. Nepal's natural resources are over-exploited, and the country is highly vulnerable to natural disasters such as earthquakes and floods. The 2015 earthquake underscored Nepal's dependence on international aid and its susceptibility to climate-induced challenges. Managing natural resources and disaster preparedness are critical for safeguarding national security. Corruption undermines governance and exacerbates economic disparity. It fuels internal conflicts and weakens the state's capacity to address security challenges. Combating corruption through increased transparency and ethical standards is necessary for effective governance. Climate change poses severe risks, including impacts on agriculture and exacerbation of food insecurity.

The National Adaptation Programme of Action (NAPA) aims to address these issues, but implementation delays hinder progress.

Nepal's strategic position between India and China subjects it to geopolitical tensions. Both countries are major regional powers with competing interests. Nepal must navigate its foreign policy carefully to avoid being drawn into their rivalries. The rise of China and its Belt and Road Initiative (BRI) contrasts with India's historical influence, complicating Nepal's diplomatic balancing act.

The open border between India and Nepal, while fostering close ties, also leads to security challenges such as smuggling, terrorism, and human trafficking. Disputes over territories like Kalapani and Susta strain relations and highlight the need for diplomatic resolution to maintain border security and cooperation. China's increasing involvement in Nepal, particularly through the BRI, presents strategic challenges for India. Nepal's engagement with China brings economic benefits but also requires careful management to avoid straining relations with India. The Tibetan refugee issue remains a sensitive point in Nepal-China relations, complicating diplomatic efforts.

New threats such as cybercrime and epidemics like COVID-19 have disrupted Nepal's stability. The pandemic has led to economic and political challenges, including increased violence and political demonstrations. Cybersecurity and public health preparedness are emerging areas of concern.

Geopolitical competition between major powers affects Nepal's security. The rivalry between India and China, along with the involvement of global powers like the United States, complicates Nepal's position. The U.S. seeks to counterbalance China's influence through alliances with India, adding another layer to Nepal's strategic challenges.

The research studies the significance of Nepal's geopolitical location. The study also analyze why Nepal needs to overcome the challenges to its National Security based due to geopolitical location. Similarly, the study examine how Nepal should foster the opportunities and formulate effective foreign policy from its geopolitical location.

This study employs an inductive research approach, relying on analytical and descriptive methodologies to interpret Nepal's geopolitics, along with its opportunities and challenges. The research integrates both qualitative and quantitative methods, ensuring a comprehensive analysis. A pragmatic research philosophy is adopted, combining positivist and interpretivist approaches. The positivist approach involves empirical data analysis on Nepal's geopolitical position, economic dependencies, and security vulnerabilities. Meanwhile, the interpretivist perspective explores subjective elements like historical influences and political narratives through interviews and discourse analysis. Additionally, critical geopolitics is used to analyze how national security threats are framed in strategic discourse. The study follows a mixed-methods approach - Qualitative methods and Quantitative methods. Inductive reasoning is applied to derive theoretical insights from observed geopolitical patterns. The research primarily relies on secondary qualitative data from sources like government reports, academic articles, and policy documents. Primary data is gathered through semi-structured interviews with security experts, policymakers, and diplomats, using purposive sampling to select nine key respondents. The study uses content analysis to interpret Nepal's geopolitical position. Theoretical frameworks include Mackinder's Heartland Theory, Spykman's Rimland Theory, and security studies to analyze Nepal's strategic positioning between India and China.

The first research objective was to examine Nepal's geopolitical importance as a South Asian nation located between two major powers, India and China. Nepal's strategic position has historically made it a crucial point of interest, acting as a bridge for trade and cultural exchanges. Geographically, it spans from the lowland Terai region to the high Himalayan peaks, including Mount Everest. Nepal has long navigated a complex relationship with its neighbors. India remains its largest trade partner with strong cultural ties, while China has expanded its influence through trade and infrastructure investments. Nepal's location near Tibet and its role as a buffer state place it at the center of regional security concerns. Consequently, Nepal must carefully manage its foreign policy to maintain a strategic balance between India and China, shaping its political and economic engagements in the region.

The study's second objective was to analyze why Nepal must address the national security challenges arising from its strategic location between India and China, two major regional powers with military and nuclear capabilities. The adversarial relationship between these neighbors' places Nepal in a precarious position, requiring careful diplomatic maneuvering to maintain its sovereignty while avoiding entanglement in regional rivalries. Nepal's open border with India facilitates economic and social ties but also enables smuggling, human trafficking, and unauthorized movements, posing security risks. Disputes over territories like Kalapani and Susta fuel tensions and anti-India sentiments. Meanwhile, Nepal's northern border with China presents challenges related to Tibetan refugees, as China pressures Nepal to align with its policies on Tibet.

Economic dependence on India for essential goods makes Nepal vulnerable to blockades and coercion during political disagreements, affecting stability. Additionally, cross-border security risks, including insurgencies and terrorism, are

heightened by Nepal's porous borders. Broader South Asian tensions, such as the India-Pakistan conflict and China's regional assertiveness, further complicate Nepal's security landscape. Natural disasters, exacerbated by climate change, add another layer of vulnerability, with cooperation from India and China often hindered by competing interests. Political instability within Nepal, influenced by external pressures, weakens its ability to implement consistent security policies. Additionally, emerging cyber threats pose new challenges, as Nepal's increasing reliance on digital infrastructure makes it susceptible to cyber intrusions. The geopolitical rivalry between India and China manifests in infrastructure projects and strategic influence, requiring Nepal to balance its relationships carefully. Territorial disputes and Nepal's landlocked status further limit its strategic options. The country's economic dependence on its neighbors makes it susceptible to geopolitical pressures, while internal political instability and cross-border security threats add to its challenges. Addressing these national security concerns is crucial for Nepal's stability, requiring diplomatic agility, economic resilience, and strategic security measures to navigate its complex geopolitical reality.

The third objective of the research explores how Nepal can leverage its geopolitical location to enhance foreign policy and foster opportunities for growth. Positioned between India and China, Nepal can act as a vital trade and transit hub. Developing transit corridors, Special Economic Zones (SEZs), and attracting Foreign Direct Investment (FDI) in key sectors like infrastructure, energy, and transportation can boost trade, modernize infrastructure, and generate employment. Nepal's cultural heritage and natural beauty offer significant potential for tourism, which can be promoted through improved connectivity, targeting adventure and religious tourism from India and China. Nepal can further capitalize on its position by acting as a

neutral mediator between India and China, balancing relationships with both countries, avoiding geopolitical tensions, and securing economic and security benefits. By engaging in joint security initiatives, participating in regional organizations like SAARC and BIMSTEC, and joining the Asian Infrastructure Investment Bank (AIIB), Nepal can strengthen diplomatic ties and economic integration. Additionally, Nepal's hydropower resources can be harnessed for energy exports, contributing to regional energy cooperation. Collaborating with India and China in agriculture, education, and technological advancements can enhance productivity and open new markets. Nepal's climate vulnerability calls for cooperation with neighboring countries on environmental issues like pollution control and renewable energy development. Furthermore, balancing diplomacy, economic diplomacy, and infrastructure development are critical strategies for Nepal to reduce dependence on India and China while exploring new trade partnerships globally. Active participation in international organizations such as the UN and the WTO allows Nepal to enhance its global standing. Strategic bilateral agreements with India and China can boost trade, investment, and regional stability. By strengthening its military cooperation, resolving border disputes diplomatically, and promoting its cultural heritage, Nepal can build international goodwill, stability, and sustainable development.

### **7.3 Policy Implications**

The study suggests some of the policy that Nepal need to adhere to formulate effective foreign policy are:

#### *a. Strengthening Diplomatic Engagement*

To manage its complex geopolitical environment, Nepal must adopt a balanced foreign policy. Strengthening diplomatic relations with both India and China

is crucial for stability. Regular dialogue, active participation in regional forums, and seeking mediation from international organizations can help resolve border disputes and address geopolitical issues. Engaging in diplomatic efforts will be essential to protecting Nepal's national interests and maintaining stability amidst regional rivalries.

*b. Enhancing Border Management and Security*

Effective border management is vital for safeguarding Nepal's territorial integrity and addressing security concerns. This includes deploying advanced surveillance technologies, enhancing border infrastructure, and conducting joint patrols with neighboring countries to prevent illegal activities and ensure effective control. Strengthening security measures along sensitive borders can help mitigate risks and prevent conflicts.

*c. Promoting Economic Diversification*

To reduce vulnerabilities related to geopolitical dependencies, Nepal should focus on economic diversification. This involves investing in domestic industries, promoting entrepreneurship, and exploring new trade partnerships. Developing strategic economic sectors such as tourism, technology, and agriculture can enhance economic independence and stability, reducing over-reliance on any single country.

*d. Building a Robust National Security Framework*

A comprehensive national security strategy is essential for addressing both external and internal threats. This strategy should include improving intelligence capabilities, enhancing disaster preparedness and response mechanisms, and fostering a culture of security awareness among citizens. Collaboration with international partners on security initiatives can provide additional support and resources.

#### *e. Engaging in Regional Cooperation*

Active participation in regional security and economic cooperation initiatives can help Nepal address common challenges and enhance regional stability. Engaging in forums like the South Asian Association for Regional Cooperation (SAARC) and other regional platforms can facilitate collaboration on issues such as climate change, disaster management, and economic development, contributing to a more secure and stable environment.

#### **7.4 Recommendations for Future Research Area**

Future research should explore how Nepal can navigate its strategic position between India and China to enhance its foreign policy and economic diplomacy. The research may investigate the impact of shifting global alliances on Nepal's national security and strategies for managing border security and internal stability and examine the role of international organizations in regional security and the effects of climate change on national security. Additionally, the research may assess the potential of cybersecurity threats and the role of the Nepali diaspora and cultural diplomacy in leveraging Nepal's geopolitical advantages.

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**APPENDIX - I****List of Experts for Interview**

<b>Name</b>	<b>Position/ Introduction</b>	<b>Place of Interview</b>	<b>Date of Interview</b>
R.R Thapa	Former AIG of Armed Police Force, Nepal	New Baneshwor, Kathmandu	2 April 2023
B. D. Pradhan	Former Defence Minister of Nepal	Chhetriapati, Kathmandu	2 February 2023
R. Chhetri	Former Chief of Army Staff of Nepal Army	Samakhusi, Kathmandu	26 May 2023
L. Thapa	Commissioner, National Human Rights Commission, Nepal	Pulchowk, Kathmandu	5 January 2023
A. J. Thapa	Major General of Nepal Army	Maharajgunj, Kathmandu	12 March 2023
A. B. Tamang	Former Major General at Nepal Army	Baluwatar, Kathmandu	20 June 2023
H. L. Joshi	Security and Defence Expert	Tangal, Kathmandu	12 December 2022

P. R. Pradhan	Editor in Chief, The People's Review	Dillibazar, Kathmandu	20 January 2023
S. P. Bom Malla	Associate Editor, The Rising Nepal	Gyaneshwor, Kathmandu	19 August 2023