

## How Coalitional Politics Undermines Federalism in Nepal

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The 2015 Constitution of Nepal envisages a federal Nepal. The transition from being a unitary system of government to a federal system commenced symbolically with the promulgation of the Constitution and materially with local, provincial, and federal elections in 2017. While Nepal has had both local and national-level elections before 2017, the 2017 provincial elections were novel and represented, more than anything else, the arrival of federalism in Nepal. In this sense, a successful transition to federalism in Nepal arguably hinged more than anything else on the successful establishment and effective functioning of provincial parliaments and governments. By definition, federalism, in contrast to a unitary system where power is ultimately concentrated in the hands of a national-level government, involves a division of power between federal, provincial (state), and local governments. Division of power implies a certain degree of independence. From a historical perspective, successful federalisation in Nepal can thus essentially be defined as granting a certain degree of independence and discretion (along with commensurate resources and capabilities) to provincial and local government. In other words, successful federalisation in Nepal would have to involve the national-level government giving up some of its power and structurally allowing provincial and local governments a level of autonomy in accordance with the provisions of the 2015 constitution. Given that Nepal is a multi-party democracy, this transfer of power from the national level to the provincial level and the local level needs to happen not only between governments but also within political parties.

A federal system of government is necessarily given effect through institutions of various kinds. The party system is one such institution that has influenced and continues to influence the development of the federal system in Nepal. The parties are organised and led on a national/federal level, such that the provincial parties act as branch offices of a national party. Candidates for provincial and local elections for at least the three major parties – Nepali Congress, CPN-UML, and CPN-Maoist Centre – and often minor parties as well tend to be hand-picked by the party leadership at the national-level. Most party organizations in Nepal are national with only a few minor regional parties having province-level or local-level party

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organizations. Even if not hand-picked, province-level and local-level political candidates are usually wary of defying party leadership for fear of losing their ticket in future elections. Although there have been recent instances of province-level and local-level elected officials defying the party leadership (for example, in the recent provincial general assembly, the party president of the CPN-UML gave stern warnings to aspiring provincial leaders to select provincial leadership via consensus and not via election, however, elections were held in all seven provinces and provincial leadership thus elected), such defiance is still the exception rather than the rule.

In this paper I argue that by and large, elected officials at the provincial and local levels are subservient to the party leadership at the national level, losing their autonomy and independence in the process. I maintain that this is because of the long-standing norm of multi-party coalition-building in Nepal where the ruling coalition tends to include a large enough proportion of votes and seats, both federally and provincially, that the ruling parties at the national level are able to dictate, or at least strongly influence, the formation of provincial governments (for example, upon the resignation of prime minister KP Sharma Oli from the federal PM in 2021, all the provinces except the Madhesh province saw changes in their leaderships – with the chief ministers and ministers in the provincial government reappointed based on the directions of the top leadership of the three main political parties). In the following sections, I will briefly summarise the patterns of coalition-building in Nepal from 1994 to 2022. Then, I will discuss some of its explanatory variables (for e.g., main incentives and interests that lead parties to build coalitions).

### **Patterns of Coalition-building in Modern Political History of Nepal – interests and incentives**

A political party is a group of people bound together by a common mission to pursue and promote its own ideological goal (Ostrogorski, 1964). The process of coalition-building in Nepal is distinct from Western democracies, where ideology and historical relationships between parties often play at least some role in negotiations to form coalitions. In Nepal, it is not unusual for coalitions to form between parties from the opposite sides of the political spectrum (as per their *prima facie* political leanings and manifestoes) as political expediency almost invariably tends to take precedence over ideological and historical compatibility.

In the words of Krishna Hacchethu<sup>1</sup>, “the political parties are organizations committed to a ‘particular mission or ideology’ at time of their inception but later, when they enter competitive politics, turn largely into ‘power houses’ that mainly serve a narrow circle of political elites and vested interest groups. The ‘power houses’ political parties have a common trajectory, transforming from ‘change agents’ at time of their inception and when they struggled for survival to organizations concentrating in power politics. The only difference between them concerns the timeframe of their conversion from ‘movement’ to ‘power seeking organization’. The NC had long sustained its image as change agent since its founding with the mission of ending the century-long Rana oligarchy (1946- 1951) and this image evolved with the struggles against the three-decade-long partyless Panchayat system (1960-1990). With the reinstatement of multiparty democracy through the 1990 *Jana Andolan* (mass movement), followed by the promulgation of the 1990 constitution, the NC lost its zeal to transform Nepalese politics and society in conformation to substantial democracy, and acted as if its final destination was parliamentary system and constitutional monarchy. The former UML—notwithstanding its past record of being a radical force that 1) confirmed to the Communist Party of Nepal’s (the parent organization of all communist parties in Nepal) non-conformist position vis-à-vis ‘bourgeois democracy’ of the 1950s; 2) originated as the Jhapali group or Nepalese Naxalites in the early 1970s; 3) pursued an ideology of Marxism-Leninism-Maoism till 1980s under its former name, Marxist-Leninist or ML; and 4) pushed to broaden the goal of the 1990 mass movement from ‘lifting the ban on political parties’ to confining the king as constitutional monarch—also followed in the NC’s footsteps, particularly since the formation of its own minority government in mid-1990s and subsequently as a partner of a number of coalition governments. Its progressive image was considerably eroded when it became a junior partner of a coalition government headed by Lokendra Bahadur Chand (a pillar of erstwhile partyless Panchayat system) in mid-1990s and again in the Deuba-led government formed in 2005 by former King Gyanendra who had assumed all executive powers in October 2002. The deviation of the UML from communist orthodoxy and the replacement of its original strategic goal of ‘new democracy’ (a prototype of Chinese communism) by a new programme of ‘bahudaliya janbad’ (multiparty people’s democracy) created a vacuum in Nepal’s radical political space. This space was later filled up by the then CPN (Maoist) that undertook a decade-long armed insurgency (1996-2006). No

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<sup>1</sup> Hachhethu, K. Role of Political Parties in the Democratization Process of Nepal. Rooting Nepal's Democratic Spirit, 57-78

doubt, the UCPN (Maoist)—renamed the 'Maoist Center' by the dominant Maoist faction under Prachanda—was a protagonist for Nepal's transformation from monarchy to republic, from Hindu to secular, and from unitary to federal state. But, as a result of its relegation from the position of the largest party in Constituent Assembly-I (2008-2012) into a distant third party in CA-II (2013-2015), the UCPN (Maoist) compromised on its high-sounding radical agendas, including recognition of ethnic identity as the core of inclusion and federalism. It pursued pragmatic politics to get an opportunity to be a shareholder of state power, as was evident by its involvement in governments formed after the promulgation of the constitution in September 2015, in an alliance with the UML in the beginning and later in coalition with the NC. The Maoist Center (MC) eventually merged with the UML in May 2018—even though the two were wide apart on a number of agendas of state restructuring” (Hacchethu, 2000: 59-60).

Although the coalition-building in politics took roots in early 1990s, results of the CA-II marked the beginning of a new era of negotiations and coalition-building between the three major political parties. Following the CA-II elections, MC's seats became decisive as the other two parties were unable to gather majority seats in the parliament. The federal structure thus far is a result of negotiation processes of the CA-II. At the core of the negotiation processes and coalition-building is the issue of *bhagbanda*: the trend of spoil sharing. The idea of *bhagbanda* is similar to the idea of 'cartel party' system. But Nepali political parties – unlike the political parties in Europe or US who function like cartels but on clear grounds of ideology or policy area – use *bhagbanda* to gain access to state resources regardless of their assumed ideology or even in the absence of it. Nepali political parties have for long enough displayed opportunistic behaviour in profiting much from dividing up the state coffers, nominations and positions among themselves on *bhagbanda* basis. *Bhagbanda* culture is evident in the appointments to various state institutions, ranging from judiciary to ministries, and from constitutional bodies to the President's Office<sup>2</sup>. The country's democratic fabric is constrained by such practices so much so that (earlier this year) Prime Minister Dahal had to assure top bureaucrats that the goings-on in the coalition would not hamper their work<sup>3</sup>. The culture of *bhagbanda* is also evident in the relationship between the leaders of the national-level party organisations and province-level and local-level politicians. One could

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<sup>2</sup> Divide to Rule: the 'bhagbanda' politics is undemocratic to the core and an impediment to the country's growth. <https://kathmandupost.com/editorial/2023/03/15/dividetorule>

<sup>3</sup> *ibid*

say that the bagbanda culture has its roots in the age-old patronage system. The long-established practice of patronage that was evident during the period of monarchy (where the monarch provided support/security to their subjects in an act of benevolence) continued in the form of patron-client relationship between the party leaders and the cadres during the early years of democracy.<sup>4</sup> This practice is still evident in the present-day party leaders-cadres relationship. The constitutionally-mandated level of independence of provincial and local governments from the federal government or the provisions stated in the Political Party Act (e.g., the need to federalise the political parties) is hard to achieve without the independence of province-level and local-level politicians from national-level party organizations.

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<sup>4</sup> During the struggle period to end the Rana oligarchy, Subarna Shamsher Rana provided huge sums of money to NC party cadres to continue their efforts. Likewise, Ganesh Man Singh, the commander of the Jana Andolan, mentions in his book about supporting the cadres by giving them money