



Reflections
on
Nepal's Foreign Policy - 2077

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After the Ministry of Foreign Affairs published Nepal's Foreign Policy-2077 on December 6, 2020; the Institute of Foreign Affairs took the initiative to reflect on the issues highlighted by the policy. This publication, today, is an outcome of the need and realization to evaluate the extents and scopes of Foreign Policy-2077 for an effective foreign policy exercise.

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Foreword

After the Ministry of Foreign Affairs published Nepal's Foreign Policy-2077 on 6 December, 2020, the Institute of Foreign Affairs took the initiative to reflect on the issues highlighted by the policy. This publication, today, is an outcome of the need and realization to evaluate the extents and scopes of Foreign Policy -2077 for an effective foreign policy exercise.

Nepal's foreign policy is characterized by continuity and change. Therefore, this study aims to identify the major attributes of the recently formulated Foreign Policy of Nepal and highlight the significant changes compared to previous years. Before the introduction of this policy, the absence of an integrated foreign policy to drive Nepal's balanced foreign relations was largely felt like the issues and matters relating to Nepal's foreign policy were scattered in different national documents and task forces' reports.

Foreign policymaking is influenced by various factors. Several internal and external factors including national capabilities, location, population, economic development, military capabilities, globalization, changing geopolitics, among others determine the foreign policy behavior of a country. With the help of foreign policy, countries adjust their behavior to the international environment. The present study reviews the bases of Nepal's Foreign Policy- 2077 as directed by the constitutional provisions on Nepal's foreign relations. For the effective implementation of the foreign policy objectives, Nepal's foreign policy has emphasized the importance of Nepal's Constitution, existing law of the country, national security policy, and other policies, plans, and annual programs directly influencing Nepal's foreign policy, Vienna convention, international law, bilateral and multilateral commitments.

The major objective of a country's foreign policy is to pursue its national interest. Nepal aims to promote its national interest by enhancing Nepal's national identity and representation in international and regional forums and by strengthening and harmonizing the relations with all the neighboring countries, regional powers, and great powers. Owing to the

same, to what extent Nepal's Foreign Policy- 2077 has endeavored to meet Nepal's national interest in the changed geopolitical, regional and global context? This study intends to offer an answer to this question by analyzing how far Nepal has been diplomatically successful in addressing the changes and confusions triggered by the geopolitical complexities at the bilateral, regional and multilateral fronts. Equally, this study sheds light on how has Foreign Policy- 2077 has dealt with Nepal's engagement with its neighbors, regional powers and great powers. The new policy has demanded the promotion of the overall national interest by managing, strengthening and harmonizing its relations with great powers, regional powers and neighboring countries based on the UN charter, non-alignment, principles of *Panchasheel* (the five principles of peaceful co-existence), International Law and the norms of world peace.

The Institute of Foreign Affairs has also perceived the Foreign Policy -2077 as a roadmap for the future course of action. Emphasis on soft power, multidimensional connectivity with the neighboring countries, Nepali diaspora, views on revision of bilateral treaties, resolving border disputes, track two diplomacy, public diplomacy, labour diplomacy, and climate change make the Foreign Policy -2077 different from the previous years of foreign policy objectives. Thus, this study underlines how the policy has addressed the issues concerning Nepal's national interest priorities and commitment towards multilateral organizations including the UN, and regional organizations including SAARC and others. IFA has come up with this report, which concurrently fulfills a realization that policy reviews play an important role in confirming the relevance, legitimacy, and applicability of the policies. Thus, this review is anticipated to initiate a debate among the foreign policy experts, diplomats, academicians, and scholars on the sustainability and applicability of this policy in the upcoming days, which, in turn, helps in appraising the effectiveness of Nepal's foreign policy.

The Institute of Foreign Affairs is indebted to the experts and practitioners in the fields of diplomacy, academia, and security sectors, including Mr Gyan Chandra Acharya, Prof Dr Meena Vaidya Malla, Mr Arjun Bahadur Thapa, Dr Min Bahadur Shrestha, Dr Suresh Chalise, Dr

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Background

Foreign policy has permanent and changeable features. National interests are permanent, but foreign policy could be different based on the domestic and external environment. This study aims to critically appraise the components of Nepal's Foreign Policy-2077 and analyze it to see if it presents an integrated, independent, and balanced foreign policy with its national capability.

Foreign policy is a set of goals, policies, and strategies aimed at promoting one's national interest through the effective conduct of external relations. Frederick H. Hartmann defines it as a "systematic statement of deliberately selected national policies"¹. George Modelski, describes it as "the system of activities evolved by communities for changing the behavior of other states and for adjusting their own activities to the international environment"².

Nepal's Foreign Policy-2077 comes at a time of the strategic milieu of competing major powers in the region, and even more closer at our doorway. Hence, the Foreign Policy-2077 aims to define its politico-diplomatic and economic posture in the changed geopolitical, regional, and global context, affirming the existential primacy of the non-alignment policy. Most importantly, through the Foreign Policy-2077, Nepal has attempted to efficiently address its approach to international affairs, safeguarding its own national interests while addressing the mutual interest of the major powers.

Making attempts in changing the behavior of other states in the existing international system, Modelski believes, is the primary objective of foreign policy³. By and large, foreign policy and its principles are determined by a wide range of factors, including geopolitics, the national interest, the state and status of the country and its government, and internal and external factors. Nepal's foreign policy has evolved through the ages. The new policy

1 Frederick H. Hartmann, *The Relations of Nations*. 3rd ed. (New York: Macmillan Publishing Co. Inc., 1967), 6.

2 George Modelski, *A Misery of Foreign Policy*. (London: Pall Mall Press Ltd., 1962), 3.

dynamics are also predominantly dictated by its core national values and requirements so that vital interest is preserved and promoted. By unveiling the Foreign Policy-2077, Nepal aims to address its core national interests with a significant purpose, and secure these interests effectively, keeping in view the rapidly changing external environment, upon a mandate provided by the Constitution of Nepal. Foreign Policy-2077 is an attempt at clarifying Nepal's policy to the internal and external audience.

Article 5.1 of the Constitution of Nepal directs Nepal's foreign policy to safeguard the freedom, sovereignty, territorial integrity, nationality, independence, and dignity of Nepal. The rights of the Nepali people, border security, economic well-being, and prosperity are the basic elements of our national interest. Article 50.4 of the constitution directs Nepal's foreign affairs towards enhancing the dignity of the nation in the world community by maintaining international relations on the basis of sovereign equality. Similarly, Article 51 directs that foreign policy be independent based on the Charter of the United Nations, non-alignment, the principles of Panchasheel, international law, and the norms of world peace. The same Article calls for taking into consideration the overall interest of the nation, while remaining active in safeguarding the sovereignty, territorial integrity, independence, and national interest of Nepal, and reviewing treaties concluded in the past, and making treaties and agreements based on equality and mutual interest.

The Ministry of Foreign Affairs has unveiled Nepal's Foreign Policy-2077. On December 6, 2020, Minister for Foreign Affairs Pradeep Kumar Gyawali made the new and integrated policy public, encompassing the wider perspectives of Nepal's internal and external affairs, in light of new changes taking place at the regional and global levels. This policy was approved by the Cabinet meeting held on October 20, 2020, with the objective of promoting overall national interests with clear-cut guidelines to pursue the foreign policy objectives on diverse issues. The policy highlights Nepal's constitutional provisions and directive principles and tries to address the fundamental objectives. As per the policy, a monitoring and evaluation committee under the leadership of the Foreign Minister and a coordination committee under the Foreign Secretary will be formed. It should also be acknowledged that the Ministry of Foreign Affairs (MoFA) has been publishing an annual report on Nepal's foreign

affairs for the past five years, which provides us an opportunity to examine our foreign affairs responses.

This policy is important not only for Nepal, but also for Nepal's development partners, neighboring countries, foreign policy experts, academicians, and researchers to get a clear picture of the objectives and goals of Nepal's foreign policy. With the help of this policy, everyone should have a better understanding about the broad parameters of our foreign policy, as defined by the Constitution of Nepal, to give a clear meaning that Nepal's external relations are directed toward elevating Nepal's stature in the world. This policy will also help evaluate the effectiveness of Nepal's foreign policy in the future.

PART | 1

**1. Reflections on Nepal's
Foreign Policy-2077**

1.1. Major Attributes and Significant Departures

Prior to unveiling the Foreign Policy-2077, matters related to Nepal's foreign policy were expressed in the country's different documents, including the constitution, annual budget, national security policy, speeches of the prime ministers, and other policy documents⁴. But, there was a lack of an integrated foreign policy document.

In 1996, the erstwhile government had constituted a high-level task force to make the role and responsibilities of the MoFA more active and effective in the changed context, and recommended ways to make Nepal's economic diplomacy vigorous. Later in 2006, another high-

Prior to unveiling the Foreign Policy-2077, matters related to Nepal's foreign policy were expressed in the country's different documents, including the constitution, annual budget, national security policy, speeches of the prime ministers, and other policy documents. But, there was a lack of an integrated foreign policy document.

level task force was formed to review Nepal's foreign policy in the changed context. Besides the panel reports available on Nepal's foreign relations, the International Relations and Human Rights Committee (IRHRC) of the Legislature Parliament of Nepal also produced a report on Nepal's foreign relations in the changed context, in 2011. In 2017, a high-level task force broadly outlined the existing and emerging

challenges, opportunities, and developments in Nepal's foreign policy and identified broader policy outlines required to meet them in the changed context⁵. However, an integrated, comprehensive, and written foreign

4 Gopal Khanal, "Nepal's Integrated Foreign Policy". The Rising Nepal, December 10, 2020. <https://risingnepaldaily.com/opinion/nepals-integrated-foreign-policy#:~:text=The%20policy%20states%20that%20Nepal's,and%20facts%2C%20it%20reads.>

5 The Government of Nepal, Ministry of Foreign Affairs, High-Level Task Force, "Reorienting Nepal's Foreign Policy in a Rapidly Changing World", 2017, Kathmandu: The Government of Nepal.

policy was missing, until the incumbent government unveiled the Foreign Policy-2077 at the end of 2020. While unveiling the policy, Foreign Minister Pradeep Gyawali said: “*Matters relating to foreign policy conduct were scattered in our national documents. But there was not an integrated one like what we have brought now*”⁶. The new integrated policy will further contribute in the protection and promotion of Nepal’s national interest, and Nepal’s international engagements will be more effective.

Nepal’s foreign policy is characterized by continuity and change. Because, besides being guided by the constitutional provisions, the age-old principle of peaceful co-existence (*Panchasheel*), non-alignment, the value of world peace, and international law – which are the fundamental bases of Nepal’s foreign policy⁷– in the pursuit of national interests, foreign policies have to adjust to the changing political or economic contexts, as well as the unexpected exigencies relating to public health, ecology, or technology⁸. The Foreign Policy-2077 unveiled by the Nepal government is the upshot of such an adjustment. Because, the theatrical developments, at the internal and external levels, have demanded reorienting Nepal’s foreign policy based on our national priorities and interests in dealing with the changing realities⁹.

The Foreign Policy-2077 not only outlines Nepal’s position on bilateral and multilateral issues, but also reiterates the foundational bases of Nepali foreign policy and offers a roadmap for the future course of action. What makes the Foreign Policy–2077 different from the previous years of foreign policy objectives and maneuverings is its emphasis on soft power, multidimensional connectivity with the neighboring countries, Nepali diaspora, views on revision of bilateral treaties, resolving border disputes, track II diplomacy, public diplomacy, labor diplomacy, and climate change.

6 My Republica. “Government unveils new integrated foreign policy document; stresses mutual cooperation based on Panchasheel”, December 7, 2020.<https://myrepublica.nagari-network.com>.

7 The Government of Nepal, Ministry of Foreign Affairs, Report on Nepal’s Foreign Affairs (2019-2020), 2020, Kathmandu: The Government of Nepal, 3-5.

8 Ministry of Foreign Affairs, Report on Nepal’s Foreign Affairs (2019-2020), 3-5.

9 High-Level Task Force, Reorienting Nepal’s Foreign Policy in a Rapidly Changing World.

The COVID-19 global pandemic has revealed the fragility of the existing world by aggravating polarization, endangering the multilateral institutions that have always been the bedrock of global peace and shared prosperity¹⁰. Nepal always lays emphasis on collective efforts and strategies to reduce the negative impacts of such a menace. As an ever-independent and older country of the South Asian region, Nepal has a long history of conducting foreign policy, which is characterized by cooperation and conflict. The rise of China has somehow forced the United States and its allies to come together through a security dialogue such as the QUAD in the Asia Pacific region (now rechristened as Indo-Pacific). We see impulsive

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rhetoric on both sides, but they have not lost sight of potential cooperation. In this milieu, Nepal, which shares a long border with China and India, needs to meticulously avoid any alliances through a candid non-aligned policy, which the Foreign Policy-2077 specifies. For instance, although Nepal never made any commitment to the US-Indo Pacific Strategy, the issue and debate over the ratification of the Millennium Challenge Corporation (MCC) compact between

Nepal and the United States were brought to the fore. Hence, in order to carefully escape big power rivalries, Nepal needs to maintain a well-crafted strategy in dealing with the immediate neighborhood, extended neighborhood, big powers and major partner countries, labor destination countries, and international and regional organizations. This spirit is carried by the Foreign Policy-2077.

10 Ministry of Foreign Affairs, Report on Nepal's Foreign Affairs (2019-2020), 3-5.

Having identified our national priority as economic development, Nepal concentrates on relevant cooperation opportunities within the bilateral and multilateral partnership, as necessitated by our national objectives of foreign policy. Nepal's geostrategic situation demands wide-spread and multi-dimensional cooperation involving Government-to-Government, People-to-People, and Business-to-Business-level engagement with neighboring countries. Precisely, Nepal needs the economic support of India, the connectivity infrastructure offered by the China-led Belt and Road Initiative (BRI), and also a good part of the Millennium Challenge Corporation (MCC), the United States Agency for International Development (USAID), Department for International Development (DFID), International Finance Corporation (IFC), and the Multilateral Investment Guarantee Agency (MIGA), among others, without falling into any country-specific vested interest. As directed by the Foreign Policy-2077, Nepal needs to expand the opportunities of multidimensional connectivity network, including roadways, railways, waterways, airways, optical fibers, petroleum and gas pipelines, and electricity transmission lines with the neighboring countries, which could also be of help to graduate from the current status of a Least Developed Country (LDC). Even after LDC graduation in 2026 A.D, Nepal needs to identify new areas of collaboration, driven by shared interest to benefit from technology transfer, and further strengthen our relations with the regional and major powers through the exchange of high-level visits, expanding the people-to-people relations, and enhancing mutual trust and confidence. Hence, Nepal needs to exercise its foreign policy by adhering to the following objectives¹¹:

- a. To expand and strengthen bilateral relations with all countries, including neighboring countries, on the basis of sovereign equality, mutual benefit, and respect;
- b. To promote national interest by enhancing Nepal's national identity and representation in international and regional forums;
- c. To play an effective role in multilateral forums for world peace; disarmament; promotion and protection of human rights; sustainable development goals; mitigation of climate change

11 .Ibid, 3-5.

- impacts; controlling pandemics, terrorism and cybercrime; safer migration; and the rights of landlocked countries;
- d. To collaborate for creating a just, inclusive, and fair rules-based world order and promote regional cooperation, peace, and collaborations;
 - e. To contribute to socio-economic transformation of the country through the conduct of economic diplomacy in such sectors as mobilization of development cooperation, and promotion of investment, export and tourism;
 - f. To contribute to the realization of the national aspiration of 'Prosperous Nepal, Happy Nepali';
 - g. To protect the interests of Nepali nationals as well as those legally engaged in occupations, businesses, and employment abroad;
 - h. To promote soft power by utilizing the country's unique natural beauty, indigenous and rich civilization, culture, lifestyle, diversity, arts, languages, literature, and sports.

To achieve the aforementioned objectives, the Foreign Policy-2077 provisions a mechanism consisting of a monitoring and evaluation committee under the Foreign Minister and a coordination committee under the Foreign Secretary. Already, the Ministry of Foreign Affairs has been constantly reviewing Nepal's foreign relations with different countries of the world and different regional and multilateral bodies by publishing the annual report, which gives us constructive feedback for the future. At the same time, building up the institutional capacity of the state institutions, particularly the foreign policy establishment, and investing on a knowledge-based foreign policy are of paramount importance.

1.2. Bases of Foreign Policy-2077 and Constitutional Provision on Nepal's Foreign Relations

The bases for executing our foreign policy listed under Nepal's Foreign Policy, Article 4.2 is:

- The Constitution of Nepal;

- Prevailing laws of Nepal;
- National security policy and other policies directly related to foreign policy;
- Sectoral policies, periodic plans, and programs of the Government;
- The Charter of the United Nations;
- Treaties, agreements, and bilateral, regional, and multilateral commitments/ declarations to which Nepal is a party;
- Charters/statutes of regional and sub-regional organizations of which Nepal is a member;
- International law, including the Vienna Conventions on diplomatic and consular relations, customs, practices, and the established norms and values¹²;

Nepal's constitution states that safeguarding of the freedom, sovereignty, territorial integrity, nationality, independence, and dignity of Nepal, the rights of the Nepali people, border security, economic well-being, and prosperity shall be the basic elements of the national interest of Nepal¹³. The state shall direct its international relations toward enhancing the dignity of the nation in the world community by maintaining international relations on the basis of sovereign equality, while safeguarding the freedom, sovereignty, territorial integrity, independence, and national interest of Nepal¹⁴. Also, the constitution allows the Nepali state to review treaties concluded in the past, and make treaties and agreements based on equality and mutual interest¹⁵. For the effective execution of the foreign policy objectives, the Foreign Policy-2077 has emphasized the importance of Nepal's constitution, existing laws of the country, national security policy, and other policies, plans, and annual programs directly influencing Nepal's foreign policy, Vienna Convention, international law, bilateral and

12 The Government of Nepal, Ministry of Foreign Affairs, Foreign Policy-2077, art. 4.2., 2020, Kathmandu: Government of Nepal.

13 The Government of Nepal, Ministry of Law, Justice and Parliamentary Affairs, The Constitution of Nepal, 2016, Kathmandu: Law Books Management Board.

14 The Constitution of Nepal, art. 50.4.

15 The Constitution of Nepal, art. 51.

multilateral commitments¹⁶.

The Foreign Policy-2077 demands that Nepal's border be kept secure by protecting international border points. It states boundary issues will be resolved via means of peaceful diplomatic negotiations and dialogue, based on historic documents, treaties, agreements, facts, and evidence. The policy also bars Nepali soil from being used against neighboring or other countries, while anticipating a similar level of commitment from them. The Constitution of Nepal, 2015, Article 51 demands reviewing treaties concluded in the past, and making treaties, agreements based on equality and mutual interest. Unlike the previous statutes, the new constitution has envisioned reviewing past bilateral treaties and agreements. Based on this, the Foreign Policy-2077 calls for reviewing and amending the bilateral treaties and agreements with the neighbors and other friendly countries, while allowing new treaties to be signed in favor of national interest. In this regard, Nepal has already expressed its interest with India to revisit the

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1950 Indo-Nepal Treaty of Peace and Friendship and reflect on the new realities of the bilateral ties. During his recent trip to India, Foreign Minister Pradeep Kumar Gyawali stated:

“To mirror the changed context of the 21st century, to mirror the aspirations of the people, we have to address a few outstanding issues as well. Nepal has put on the table the

revision of the 1950 Friendship Treaty, and during the years, many changes have taken place in both countries. So to reflect these changes, we want to review it and revise it and to develop new documents, so that it can reflect the realities.”

16 Ministry of Foreign Affairs, Foreign Policy -2077.

In 2016, the Eminent Persons' Group (EPG) on Nepal-India relations was constituted under a joint mandate by both the prime ministers of India and Nepal to review the aforementioned Peace and Friendship Treaty of 1950. In order to guide Nepal's diplomatic engagements through the conduct of a principled, independent, and consistent foreign policy, the foundational bases of its foreign policy have been strengthened by the guiding principles.¹⁷ Along with these guiding principles, Nepal's time-tested practice of conducting its external relations has empowered its diplomatic maneuverings to take an independent stance on international issues, and express its views on merit, contribute to world peace, and encourage friendship with all countries of the world¹⁸. In doing so, sovereign equality and *Panchasheel* are two central elements, for which Nepal's foreign policy has high regards.

Sovereign Equality: The Constitution of Nepal-2015 directs its foreign policy and diplomacy to be executed and implemented on the basis of sovereign equality, which believes all sovereign states are formally equal and need to be treated as such. Owing to its geopolitical location, the doctrine of sovereign equality is significant for Nepal, because irrespective of size, influence, and power, all nations are equal in their sovereignty. Implementing the doctrine of sovereign equality through the foreign policy objectives and diplomatic maneuverings not only boosts the self-confidence of Nepal and the Nepali people¹⁹, but also relieves it from its small state syndrome. In an interview to India's Zee News on January 11, 2020, Prime Minister K.P. Sharma Oli remarked, "*All countries are equal in terms of sovereignty, regardless of their geographical size*". In the context of Nepal-India relations, he said, "*the relationship between India and Nepal is not that of a bigger and smaller nation*".

Panchasheel: Nepal's Foreign Policy-2077 is based on the principle

17 Ministry of Foreign Affairs, Report on Foreign Affairs (2019-2020), 10.

18 Hon. Mr. Pradeep Kumar Gyawali, "Remarks by Honorable Mr. Pradeep Kumar Gyawali, Minister for Foreign Affairs, at the 72nd Anniversary Program of Nepal Council of World Affairs," (speech, Kathmandu, February 16, 2020), <https://mofa.gov.np/remarks-by-honorable-mr-pradeep-kumar-gyawali-minister-for-foreign-affairs-at-the-72nd-anniversary-program-of-nepal-council-of-world-affairs/>.

19 Hon. Mr. Gyawali, Remarks by Honorable Mr. Pradeep Kumar Gyawali, Minister for Foreign Affairs, at the 72nd Anniversary Program of Nepal Council of World Affairs.

of ‘amity with all, enmity with none’²⁰. The new foreign policy directs the country to conduct independent and balanced relations with the neighboring countries based on the principles of *Panchasheel*, the UN Charter, and the spirit of friendly neighborliness. Adhering to the five principles of peaceful co-existence, Nepal’s foreign policy is guided by the following basic principles:

Mutual respect for each other’s territorial integrity and sovereignty;

Non-interference in each other’s internal affairs;

Respect for mutual equality;

Non-aggression and the peaceful settlement of disputes;

Cooperation for mutual benefit;

Abiding faith in the Charter of the United Nations;

*Value of world peace*²¹

1.3. Nepal’s role in the Changed Geopolitical, Regional, and Global Context

Nepal’s Foreign Policy-2077 has incorporated the changed geopolitical, regional, and global context, which is reflected in the background of the policy, while elucidating the current situation and highlighting the challenges and opportunities faced by Nepal’s foreign policy. The transformations in the international, regional, and geopolitical contexts that trigger a new balance of power have been considered in framing the country’s new foreign policy²².

The world order is going through a paradigm shift. Due to globalization, the relevance of interdependency and reciprocity between the countries cannot be sidelined, albeit protectionist and populist approaches are visible worldwide. Nepal is committed to strengthening friendly relations with many countries of the world on the basis of sovereign equality, mutual respect, and mutual benefit. Nepal maintains

20 Khanal, “Nepal’s Integrated Foreign Policy”.

21 Ministry of Foreign Affairs, Foreign Policy -2077.

22 Ibid.

friendly and harmonious relations with the neighboring countries, South Asian countries, major powers, and development partners. Efforts have been made to promote our shared values and to institutionalize mutual assistance and collaboration through the exchange of high-level visits, bilateral joint commissions, regional mechanisms, and inter-governmental and consulting mechanisms. In the Foreign Policy-2077, the following policies have been recommended as a response to the changed context:

- a. To raise voice for fulfilling the international responsibilities by all the countries on the basis of the principle of sovereign equality;
- b. To advocate such a world order, where the rights, understandings, opinions of all the states are reflected in the process of international policy formation;
- c. To develop collaboration in reinforcing the relevancy and importance of the non-aligned movement in the changed international context;
- d. To stress on unity and cooperation between the member states of the non-aligned movement in dealing with contemporary political and economic issues;
- e. To emphasize making the political, economic, and financial aspects of international relations more representative, accountable, and inclusive for ascertaining the autonomy of all the countries in the international system;
- f. To further enhance Nepal's participation and representation in the economic and financial institutions at the regional and international levels;
- g. To make initiatives for ascertaining the conditions whereby the fruits of globalization are equally distributed to all the countries;
- h. To make attempts in making the World Trade Organization more effective so that all countries could proportionally benefit from the multilateral trade regime. Entering into collaboration with countries having similar concerns and understandings to

receive maximum benefits from rules-based global trade;

- i. To stress on driving global trade further by accommodating the overall interests of the landlocked and least developed countries;
- j. To raise voice in favor of not letting the rights of landlocked countries to get violated;
- k. To develop cooperation between countries having similar concerns over the full-fledged implementation of subsidies

The Foreign Policy–2077 has demanded that the MoFA and the respective bodies and units exercising Nepal's foreign policy be more professional, competitive, and capable enough to adapt to the 21st century world order driven by multi-polarity

available to the least developed countries under the special and differential treatment (S&D) provisions;

- l. To play an important role in creating a favorable environment for business, investment, and technology transfer for the economic development of developing countries;

The Foreign Policy–2077 has demanded that the MoFA and the respective bodies and units exercising Nepal's foreign policy be more professional, competitive, and capable enough to adapt to the 21st century world order driven by multi-polarity²³. To fulfill these objectives, the following policies have been outlined²⁴:

1. Provide continuity to the process of policy formation by minutely analyzing the external environment on a regular basis;
2. Analyze the overall aspects of the relations with the neighboring countries and craft country-wise strategies on the basis of priorities for the effective implementation of the foreign policy;

23 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.20.

24 Ibid.

3. Expedite the obligatory implementation of the diplomatic code of conduct for persons holding public offices and those holding important responsibilities;
4. Effectively organize professional human resources executing responsibilities for the promotion of national interest in the changed context;
5. Boost the overall capability of the diplomatic apparatus and respective stakeholders for the effective implementation of the policy;
6. Expand and develop the physical and technical infrastructure on information technology. A secure and dedicated communication line needs to be developed between the ministry and the respective units and bodies, and other government institutions;
7. To develop the Institute of Foreign Affairs (IFA) as an effective institution for studying, investigating, publishing, and archiving diplomatic activities, and imparting training on international relations and diplomacy, negotiation, and agreements; and also to motivate IFA in expanding its relations, as required, with institutions of a similar nature from other countries;
8. To utilize inputs from think tanks, former diplomats, and experts on international relations and diplomacy, as required.

Having professional and competent human resources in exercising Nepal's foreign relations, while developing the physical and technical infrastructure on information technology and utilizing inputs from the experts and epistemic communities, definitely helps in getting rid of all kinds of the violation of established diplomatic norms and practices in international relations and diplomacy.

1.4. Nepal's Engagement with its Neighbors, Regional Powers, and Great Powers

Nepal has always maintained friendly and harmonious relations with all our neighbors. Beyond the neighborhood, Nepal has friendly relations with the great powers, including the United States, Britain, Russia, and

the EU, among others. The Foreign Policy-2077 seeks to maintain our relations with the neighbors, regional powers, and great powers on the basis of sovereign equality, mutual respect, and mutual benefits²⁵. To meet these objectives, the following policies have been outlined²⁶:

1. To manage relations with the neighboring countries, regional powers, and great powers in an independent and balanced way on the basis of the UN Charter, Panchasheel (the five principles of peaceful co-existence), and the principle of good neighborliness and ethos of amity;
2. Promoting the overall national interest of Nepal through assistance and cooperation by strengthening and harmonizing the relations with all the neighboring countries, regional powers, and great powers;
3. Securing Nepal's international borders and keeping them intact;
4. Resolving the border problems with the neighbors through diplomatic and peaceful means with the help of historical agreements, treaties, facts, and evidences;
5. Realizing the security sensitivity of the neighboring countries, regional powers, and major powers, the policy and practices of not allowing Nepali soil to be used against neighboring countries will be continued; a similar level of dedication is also expected from the neighboring countries;
6. Expanding the multidimensional connectivity network, including roadways, railways, waterways, airways, optical fiber, petroleum and gas pipeline, and electricity transmission lines, with the neighboring countries to increase regional engagement and financial relations;
7. To promote bilateral, trilateral (Nepal-India-China), and multi-dimensional partnerships, and identify new areas of collaboration driven by shared interest to benefit from the

25 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.1.

26 Ibid.

economic development of the neighboring countries;

8. To strengthen relations with the neighboring countries, regional powers, and major powers through the exchange of high-level visits, and to expand people-to-people relations.

The Foreign Policy-2077 demands that Nepal express solidarity and cooperate with the international community, enabling national endeavors against all kinds of terrorism and extremism²⁷. To fulfill these objectives, the following policies have been recommended²⁸:

- a. Play an active role in international forums and mechanisms, condemning and countering different acts of terrorism;
- b. Empower national capabilities through collaboration with neighboring countries, regional powers, and great powers for counter-terrorism;
- c. Play an active role in the international mechanisms to curb financial investments in terrorism, organized crime, corruption, tax evasion, and circulation of illegal currency;
- d. Manage the extradition treaty and mutual legal assistance treaty with the neighboring countries as per the national requirement and national interest;
- e. Promote cooperation at the international, regional, and bilateral levels against cross-border crimes, cybercrimes, transportation of illegal drugs, and human trafficking;

With nuclear power states in its neighborhood, Nepal cannot remain unaffected by its potential spillover. With this realization, the Foreign Policy-2077 directs Nepal to cooperate with the international community to put an end to the arms race, and the complete disarmament of nuclear, biological, and other kinds of weapons of mass destruction²⁹. According to the policy, Nepal needs to implement the following:

27 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.5.

28 Ibid.

29 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.4.

- a. Advocate continuously for the establishment of a 'zone of peace' and condemn all kinds of arms race;
- b. Make attempts in establishing the belief that the economic benefits of disarmament should be used for socio-economic development;
- c. Express solidarity with all efforts encouraging gradual and complete disarmament of chemical, biological, radioactive, and nuclear weapons;
- d. Emphasize the peaceful use of nuclear energy and non-proliferation of nuclear weapons;

The Foreign Policy-2077 directs Nepal to cooperate with the international community to put an end to the arms race, and the complete disarmament of nuclear, biological, and other kinds of weapons of mass destruction

e. Play a creative role in international attempts for the regulation and monitoring of the trade and transportation of arms, elimination of conventional weapons, and illegal production and storage of small arms;

f. Reinforce the international attempt at disarmament through

a regional endeavor, particularly by strengthening the 'Kathmandu Process' under the United Nations Regional Center for Peace and Disarmament in Asia and the Pacific, which is located in Kathmandu;

- g. Empower the national bodies related to disarmament.

It is essential for Nepal to develop collaboration with the neighboring countries as well as regional and great powers in several other areas, including climate change. Nepal should initiate policies in receiving the required financial and technical assistance for mitigating the impacts of climate change, and promote cooperation for achieving the sustainable development goals. Through partnership with the neighboring countries,

regional and great powers, Nepal needs to constantly advocate a rule-based international world order, and derive their support and assistance in Nepal's developmental activities, including Foreign Direct Investment (FDI), with the goal of graduating from a least developed country to a developing one by 2026 A.D.

1.5. Nepal's National Interests and Commitment toward Multilateral and Regional Organizations

A multilateral system aims to reduce the imposition of a strong state's will on the weak, and concurrently allows small states to participate as equal partners in global affairs³⁰. The UN multilateral system is considered as a great equalizer, particularly by the small-state diplomats³¹. The principle of "sovereign equality" or "one country, one vote" in the UN General Assembly is often cherished by representatives from the small states in the United Nations. This principle of formal equality between large and small states is an operational means of leveling the playing field and is fiercely defended by small states³².

Adherence to the UN Charter is a guiding principle of Nepal's foreign policy. Nepal served twice in the UN Security Council as an elected non-permanent member, in 1969-70 and in 1988-1989. Nepal served as a member of the UN Human Rights Council (HRC) for the term 2018-2020, and has been re-elected with 150 votes and will serve a consecutive three-year term of 2021-2023³³. Nepal's involvement in multilateral

30 Jim McLay, "Making a Difference: The Role of a Small State at the United Nations" (speech, Pennsylvania, April 27, 2011), www.juniata.edu/services/jcpress/voices/pdf/2011/jv_2011_121-134.pdf.

31 Rt. Hon. Mr. B.P. Koirala, Prime Minister of Kingdom of Nepal, "Statement at the 15th Session of the United Nations General Assembly" (speech, Washington, D.C., September 29, 1960), <http://undocs.org/en/A/PV.878>.

32 D. Panke, "Small States in Multilateral Negotiations: What have we learned?" *Cambridge Review of International Affairs* 25 (2012): 387-98.

33 The Permanent Mission of Nepal to the United States, "Nepal Re-elected to UN Human Rights Council", October 13, 2020, <https://www.un.int/nepal/news/nepal-re-elected-un-human-rights-council#:~:text=Nepal%20has%20been%20re%20elected,Headquarters%20in%20New%20York%20today.&text=It%20is%20also%20a%20recognition,through%20our%20peacekeepers%20he%20stated>.

forums through participation in international and regional organizations has been increasing³⁴. When it comes to multilateral diplomacy, the new foreign policy emphasizes the central role of the UN and contributes toward world peace, promotion and protection of human rights and sustainable development³⁵. In order to strengthen the fundamental role of the UN and for the establishment of a world order as envisioned by the UN Charter, the Foreign Policy-2077 demands the promotion of multilateralism and timely reform of the multilateral bodies³⁶.

The Foreign Policy-2077 reiterates effectively advocating the rights of small, vulnerable, least developed, and landlocked and mountainous countries at different multilateral forums, including the UN.

The Foreign Policy-2077 reiterates effectively advocating the rights of small, vulnerable, least developed, and landlocked and mountainous countries at different multilateral forums, including the UN. It calls for further strengthening Nepal's contribution and role in world peace and global

security, and consistently pushing for Nepal's candidacy, representation, and leadership in policy-making bodies of the UN and other international organizations. The new policy believes that Nepal should use multilateral forums also to share Nepal's distinct experience in the peace process and constitution-drafting process with other countries. Similarly, Nepal needs to be a party to those multilateral agreements favoring Nepal's national interest, and be a member of new regional and international organizations. Nepal should use multilateral bodies for the development of international law, and promote the spirit of collaboration between countries as mandated by the Non-aligned Movement, North-South, and

34 The Permanent Mission of Nepal to the United Nations, "Nepal Re-elected to UN Human Rights Council".

35 Ministry of Foreign Affairs, Foreign Policy-2077, art. 8.3.

36 Ibid.

South-South cooperation³⁷. The Foreign Policy-2077 calls for increasing coordination, strengthening trainings, providing the required resources, and enhancing the capabilities to promote global peace and security through the United Nations³⁸. It also calls for strengthening Nepal's role in the United Nations Human Rights Council for the promotion and protection of human rights³⁹. To fulfill these objectives, the following policies have been identified:

- a. Emphasizing the impartial, free, neutral, and objective role, as a member state of the United Nations Human Rights Council, for the promotion and protection of human rights;
- b. Expressing steadfastness to the universal belief in human rights, periodic reviews of all human rights records, to which Nepal is a state party, should be routinely submitted;
- c. Implementing the recommendations forwarded by the treaty bodies, universal periodic reviews, and special rapporteurs;
- d. Disseminating Nepal's achievements in the human rights sector to the international community;
- e. Making an attempt to play a leading role in the United Nations human rights bodies.

Nepal has always reiterated its belief in constructive multilateralism to serve collective interests⁴⁰. For Nepal, regionalism is a vehicle for trade and economic growth and has successfully hosted the fourth BIMSTEC Summit, and as the Chair of SAARC, it has been consistently striving to revive the stalled SAARC process⁴¹. Nepal is

37 Ibid.

38 Ibid.

39 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.6.

40 Hon. Mr. Pradeep Kumar Gyawali, "Remarks by the Hon'ble Minister for Foreign Affairs Mr. Pradeep Kumar Gyawali at the 71st Anniversary Programme of Nepal Council of World Affairs", (speech, Kathmandu, February 18, 2019), <https://mofa.gov.np/remarks-by-the-minister-for-foreign-affairs-hon-mr-pradeep-kumar-gyawali-at-the-71st-anniversary-programme-of-nepal-council-of-world-affairs/>.

41 Hon. Mr. Gyawali, "Remarks by the Hon'ble Minister for Foreign Affairs Mr. Pradeep Kumar Gyawali at the 71st Anniversary Programme of Nepal Council of World Affairs".

a member of the Asian Cooperation Dialogue and a dialogue partner of the Shanghai Cooperation Organization (SCO). When it comes to Nepal's role in regional organizations, the Foreign Policy-2077 has directed the state to play an active role in the regional bodies for achieving development and prosperity⁴². To fulfill these objectives, the following policies have been identified⁴³:

- a. Stress on developing regional assistance as an effective medium in realizing the issues of common concerns for economic development and prosperity through the instrument of regional interdependence and interconnectedness;
- b. Play an active and creative role by emphasizing mutual harmony for the achievement of the objectives of those regional and sub-regional organizations of which Nepal is a party, including the South Asian Association for Regional Cooperation (SAARC), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Asia Cooperation Dialogue (ACD), Shanghai Cooperation Organization (SCO), and Bangladesh, Bhutan, India, Nepal (BBIN) agreement;
- c. Propel regional assistance by identifying the priority areas for the collective benefits of the member states;
- d. Orient regional assistance toward realizing the objectives of the South Asian Economic Union by successfully implementing the South Asian Free Trade Area (SAFTA);
- e. Stress on maximum utilization of available opportunities triggered by socio-cultural proximity, demographic factors, and availability of national resources in the countries belonging to regional and sub-regional organizations, of which Nepal is also a member state;
- f. Take initiatives in developing a common voice by promoting a regional identity at international forums, and building a collective perspective on the issues of shared concerns;

42 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.11.

43 Ibid.

- g. Take initiatives in making the South Asian region geographically interconnected and economically interdependent and prosperous by developing cooperation and collaboration;
- h. Emphasize the effective implementation of the agreements under the purview of regional and sub-regional assistance. Emphasize result-oriented regional assistance by activating the established mechanism;
- i. Stress on the use of opportunities for economic development available at the regional and sub-regional levels through the regional communication mechanism;
- j. Emphasize collaboration between SAARC and BIMSTEC to draw benefits from the possibilities and capabilities offered by both the regions through association at the economic and social levels.

1.6. Nepal's Economic Diplomacy

Economic diplomacy employs economic resources in pursuit of a particular foreign policy objective, particularly advocating the business interests of the sending state⁴⁴. Economic diplomacy facilitates negotiation on trade-related agreements and treaties; identifies and coordinates financial assistance; engages the development partners; coordinates trade policy; and promotes open markets⁴⁵. While Nepal, at present, strives to achieve economic development and prosperity through the overarching objective of “Prosperous Nepal, Happy Nepali”⁴⁶, Nepal aims to promote economic diplomacy at the bilateral, multilateral, and regional fronts. As economic diplomacy entails trade, labor, and aid, the activities relating to these have been a challenge in the wake of the COVID-19 global pandemic. Thus, the new foreign policy has directed Nepal toward steering effective economic diplomacy in the areas of foreign assistance and foreign investment, while promoting exports and tourism for the

44 Madan Kumar Dahal et al., *A Generic Guideline for Development through Economic Diplomacy* (Kathmandu, Institute of Foreign Affairs, 2008).

45 Dahal et al., *A Generic Guideline for Development through Economic Diplomacy*.

46 Hon. Mr. Gyawali, “Remarks by the Hon’ble Minister for Foreign Affairs Mr. Pradeep Kumar Gyawali at the 71st Anniversary Programme of Nepal Council of World Affairs”.

country's economic development and prosperity⁴⁷. In order to fulfill these objectives, the following policies have been outlined⁴⁸:

- f. Exercising economic diplomacy as a significant aspect of the country's entire diplomacy, it shall be used to achieve the national strategic aspiration of "Prosperous Nepal, Happy Nepali";

Nepal aims to promote economic diplomacy at the bilateral, multilateral, and regional fronts. As economic diplomacy entails trade, labor, and aid, the activities relating to these have been a challenge in the wake of the COVID-19 global pandemic. Thus, the new foreign policy has directed Nepal toward steering effective economic diplomacy in the areas of foreign assistance and foreign investment, while promoting exports and tourism for the country's economic development and prosperity

- g. Execute economic diplomacy for Nepal's development, promote trade and investment, and develop tourism, and deploy Nepali missions and consulate offices abroad to fulfill these objectives;

- h. Bring into implementation national and regional strategies on economic diplomacy;

- i. Expand economic relations and collaborations at the bilateral and multilateral fronts, favorable to our national interest;

- j. Enhance trade agreements along with economic and financial relations that strengthen the national economy, and establish cross-border special economic zones with the neighboring countries, as required;

- k. Stress on development assistance in the priority areas, as required, by maintaining national autonomy and leadership;

47 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.12.

48 Ibid.

- l. Take initiatives to obtain subsidized loans and grants from different international funds;
- m. Offer international aid at the time of crisis and offer assistance in the field of its expertise;

The foreign policy has directed the state to promote investment and tourism, increase exports, and manage imports to contribute to the national economy⁴⁹. To fulfill these objectives, the following policies have been outlined⁵⁰:

- a. Execute economic diplomacy for the promotion of foreign trade and investment, management of imports, and technology transfer;
- b. Driven by the economic interest of the country, initiatives be made to reach agreements with different countries on trade, investment, and technology transfer;
- c. Facilitate the effective participation of the private sector in B2B (Business to Business) forums and different trade fairs abroad, and encourage exchanges of visits of business representatives;
- d. Take initiatives for duty-free and quota-free market service to draw maximum benefits;
- e. Make attempts to utilize the benefits of the General System of Preference (GSP) and Duty-Free Quota-Free (DFQF) market access to the maximum as a least developed country;
- f. Facilitate to resolve transit-related problems and tariff and non-tariff barriers for the promotion of exports of Nepali goods and services;
- g. Coordinate with international financial institutions for the promotion of 'Aid for Trade'.
- h. Encourage non-resident Nepalis to promote Nepali products;
- i. Encourage diplomatic coordination and cooperation for

49 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.13.

50 Ibid.

ascertaining unobstructed/free import and export of goods and services;

- j. Communicate and coordinate with potential investors for establishing Nepal as a lucrative investment destiny;
- k. Stress on launching reliable and appropriate technology for intensifying economic growth;
- l. Make attempts at establishing Nepal as a primary tourist destination through publicity and promotion;
- m. Take diplomatic initiations for ascertaining air traffic rights, and getting trip access to maximum destinations by promoting and expanding airways through bilateral agreements;
- n. Make the high-level economic diplomacy monitoring committee more active and effective;

Nepal's economic diplomacy helps Nepal to capitalize on transit diplomacy with its immediate neighbors. China has been among the world's fastest-growing economies, and India follows the race. Being geographically connected with both the neighbors, a robust partnership with them through economic diplomacy definitely enables Nepal to grow and unleash its potential.

Foreign Minister Pradeep Gyawali has said: *“Such a partnership helps to overcome Nepal’s structural bottlenecks as a landlocked and least developed country; a partnership that fosters mutually rewarding and beneficial trade relationship; a partnership that propels the process of industrialization, flow of investment, transfer of technology, and connects our economies in a value chain; a partnership that leads to better utilization of our natural resources for sustained economic growth and development; and a partnership that makes our relations impactful to the lives of our peoples”*⁵¹.

Hence, Nepal's economic diplomacy should primarily aim at resolving its trade deficit and attract more aid and assistance to support

51 Hon. Mr. Pradeep Kumar Gyawali, “Talks Given by Hon. Minister for Foreign Affairs, Mr. Pradeep Kumar Gyawali, at the Indian Council of World Affairs (Sapru House)”, (speech, New Delhi, January 15, 2021), <https://mofa.gov.np/talks-given-by-minister-for-foreign-affairs-of-nepal-hon-mr-pradeep-kumar-gyawali-at-the-indian-council-of-world-affairs-sapru-house/>.

Nepal's attempt to graduate from a least developed country to a developing country. Similarly, Nepal's economic diplomacy should concentrate on encouraging non-resident Nepalis through the Brain Gain Center (BGC) so that the country can benefit from the economic skills of non-resident Nepali entrepreneurs, whose effective mobilization would also be helpful in marketing Nepali goods and services. In addition, as remittances are a major contributing factor in Nepal's economy, labor diplomacy can be a tool in advancing the country's economic interest and attracting FDI. Equally, non-resident Nepalis should be encouraged to get involved as a linkage or chain between FDI and Nepali investors.

Nepal's economic diplomacy should also concentrate on the strategic diversification of trade (e.g.: direct import of petroleum products and liquefied natural gas from source countries and exporting competitive advantage products to them). It is equally important to devise strategies for ensuring transit rights, establish multidimensional connectivity with the neighboring countries, and harmonize the export strategy with sustainable production strategy. Development Cooperation Policy 2019 could also be analyzed to maximize the gains by exercising economic diplomacy.

1.7. Nepal's Labor Diplomacy

As of now, Saudi Arabia, Malaysia, Qatar, UAE, and Kuwait are the five major destinations for overseas employment for Nepalis. According to the Department of Foreign Employment, in 2019-2020, labor permits and renewals were issued to 368,433 persons⁵². At present, Nepal has bilateral agreements with nine labor destination countries, which need to be increased to protect the labor rights, human rights, and safety of the laborers in the receiving states. Nepal's foreign policy should be descriptive in protecting the legitimate interest and rights of Nepali citizens abroad, incorporating migrant labor issues as an important aspect. Therefore, Foreign Policy-2077 has strongly directed the state to cooperate with the governments in the labor destination countries and stakeholders in making international migration safer, more reliable, well-managed, and

52 The Government of Nepal, Ministry of Labor, Employment, and Social Security, Nepal Labour Migration Report 2020, 2020, Kathmandu: The Government of Nepal.

disciplined⁵³. To fulfill these objectives, the following policies have been recommended⁵⁴:

- a. Exercise an active role in making international migration safer, more reliable, well-managed, and disciplined ;
- b. Enhance cooperation with the destination countries and stakeholders for ascertaining the rights and security of migrant workers, and making foreign employment transparent, disciplined, and secure;
- c. Play an active and creative role in framing global policy on migration and asylum seekers;
- d. Enhance cooperation with international organizations, including the International Labor Organization (ILO) and International Organization for Migration (IOM), to regulate international migration;
- e. Take initiatives for ascertaining refugee repatriation or the rights of the refugees to return home, and seeing that those willing to return are safely sent back in a dignified manner;

The policy has directed Nepal to make foreign employment well-managed and disciplined⁵⁵. The following policies have been realized to fulfill these objectives⁵⁶:

- a. Reach bilateral labor agreements in making foreign employment more safe, disciplined, reliable, and qualitative, and review the

53 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.9.

54 Ibid.

55 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.14.

56 Ibid.

Foreign Policy-2077 has strongly directed the state to cooperate with the governments in the labor destination countries and stakeholders in making international migration safer, more reliable, well-managed, and disciplined

- existing agreements as required;
- b. Create a favorable environment to utilize the remittances from foreign employment in national development, and encourage the returnees to take up self-employment;
 - c. Play an active role in the regional consultation mechanism, increase assistance and collaboration between the sending and receiving countries over issues of disciplined employment, social security, and professional rights of Nepali migrant workers;
 - d. Draw assistance from the foreign employment destination countries for capacity building of the migrant workers through appropriate trainings and skill development;
 - e. Constantly mull over the impacts on the labor markets through serious study and analysis of international labor markets;
 - f. Collaborate with the labor-sending countries for foreign employment;

Nepal continues to place top priority to labor diplomacy as COVID-19 has impacted the work and livelihoods of the Nepali migrant workers in the destination countries. In the context of the COVID-19 global pandemic, discussions were held with the labor destination countries at the levels of the President, Prime Minister, and Foreign Minister regarding the condition of the migrant Nepalis and appropriate measures to be taken for safeguarding their well-being. While the Gulf region alone hosts more than one million Nepali migrant workers, expanding bilateral relations with them is a high priority of Nepal with the objective of ensuring their security, safety, and welfare⁵⁷. Also, Nepal has engaged itself constructively with the International Labor Organization through effective participation in the meetings of the Governing Body and International Labor Conference. As a Deputy Member of the ILO Governing Body, Nepal needs to efficiently defend the security of Nepali migrant workers. While delivering a statement on Global Leaders' Day of the ILO World of Work Summit held on July 8, 2020, Prime Minister KP Sharma Oli called for the protection of the migrant workers and

57 Ministry of Foreign Affairs, Report on Nepal's Foreign Affairs (2019-2020).

demanded adequate social security to minimize the impact of COVID-19⁵⁸.

For Nepali migrant workers, the Gulf region continues to remain the largest destination. Exchange of visits at various levels and meetings of bilateral consultation mechanisms have contributed to strengthening both relations and cooperation, including in the protection of the interests of migrant workers⁵⁹. Learning lessons from these experiences, and upholding the aim of protecting the migrant workers in all unfavorable circumstances, existing labor agreements and MOUs between Nepal and the destination countries must be reviewed and revised, if required, to ensure the security of the migrant workers, because Nepal's foreign policy believes in 'safeguarding the rights of the Nepali people' both inside and outside the country. By making an objective review of the treatment of Nepali migrant workers in the destination countries during the time of the pandemic, the Government of Nepal can also reconsider sending Nepalis to those countries where the state apparatus is not serious about addressing the problems and challenges faced by the migrant laborers, and where they are subjected to exploitation and violation of human rights and labor agreements⁶⁰. A proactive diplomacy with the governments of the destination countries is crucial for the safe repatriation of the migrants and safeguarding the rights of the migrants in the days ahead. Labor diplomacy should focus on providing adequate safety measures to those who are and will continue in their employment in the destination countries. The role of diplomatic missions will be important to communicate with the employers, liaise between the migrants and client organizations, ensure compliance with ILO's guidelines, avoid labor-related risks, and intervene whenever necessary. Nepal's labor diplomacy should focus on holding regular bilateral consultations on labor issues and advocating agendas that include 24-hour life insurance for migrant workers, workers' pension fund, and fair recruitment practices in the destination countries. Aligning foreign employment with the domestic human resource development

58 Ibid.

59 Ibid.

60 Gaurav Bhattarai and Jeevan Baniya, "Nepali Migrant Workers amid COVID-19 in Major Destination Countries: A Human Security Approach". *University Journal COVID-19 Special Issue* 34 (2020): 123-46.

policy is equally important, along with ways to provide incentives to convert remittances into investment.

1.8. Nepal's Public Diplomacy and Soft Power Promotion

The use and promotion of soft power in foreign policy are a relatively recent development. Nepal's role in the United Nations Peacekeeping Operations (UNPKOs) has earned the country a soft power image globally. The 'Zone of Peace' proposal, envisioned by Late King Birendra as an earnest desire to institutionalize peace in the region, reflects Nepal's unflinching stance on non-proliferation and a nuclear-free South Asian region. When India tested its 1st nuclear bomb, widely known as the "Smiling Buddha" in 1974, a year before King Birendra's coronation in 1975, the King had chosen the coronation occasion to launch his strategic Zone of Peace Proposal. The same proposal is relevant today to boost Nepal's soft power diplomatic effort. The Foreign Policy-2077 has been able to illuminate similar ideas in terms of policy. However, its implementation is a daunting task. Similarly, it has called for exercising public diplomacy for promoting the country's image and specific identity as a soft power for drawing the support, assistance, and solidarity of the international community⁶¹. To fulfill these objectives, the following policies have been identified⁶²:

- a. Promotion of Nepal's image abroad by establishing the features of the Nepali state, including Nepal's independent existence, its natural and cultural diversity, Nepal's peace process, and ethos of 'amity with all and enmity with none', in the outside world as its soft power;
- b. Strengthening Nepal's image as a country with an inclusive democratic system and the rule of law, and one committed to the protection and promotion of human rights;
- c. To publicize Nepali civilization, culture, art, literature, language, lifestyle, festivals, carnivals, cultural heritage, traditions, and attires;

61 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.17.

62 Ibid.

- d. Promotion of the characteristics of Nepali society, including the spirit of religious tolerance, friendliness, and hospitality;
- e. Dissemination of accurate information about the Nepali state, government, and the Nepali people so that the outside world perceives the country in a more positive light;
- f. To make attempts at developing Lord Buddha's birthplace, Lumbini, as the origin of Buddhism and as a world peace city, and promote the Pashupati Area as the core center of Hindu philosophy and civilization;
- g. To familiarize Nepal's image as a peace-loving country by continuing Nepal's contribution and commitment to world peace;
- h. To intensify efforts at informing the world about how the Nepali Himalayan range, including Mount Everest, as a sustainable water reservoir of this region, has been able to maintain environmental balance by reducing the impact of climate change, and in the protection of human civilization;
- i. To increase publicity in the international community about how Nepal's biodiversity, herbal medicine, wildlife, and natural habitat have aided in the protection of global biodiversity;
- j. To promote Nepal's Himalayan and high-hill region as a source of biodiversity, organic farming, and herbal medicines;
- k. To make attempts to introduce Nepal as a carbon-neutral-oriented country at the international level by promoting renewable energy and reducing environmental degradation;
- l. To collaborate with international development agencies, including UNESCO, for the promotion and protection of world cultural heritage sites in Nepal that are of cultural and archaeological importance;
- m. To make known to the international community about Nepal's prehistoric civilization and production of ancient knowledge, eastern philosophy, and spiritualism, and its role in the development of human civilization;

- n. To organize 'Sagarmatha Dialogue' regularly as a stable forum internationally to develop a common understanding through interaction and dialogue on contemporary issues of regional and international importance;
- o. Provide motivation in the establishment of solidarity groups, including parliamentary friendship groups and bilateral commercial mechanisms driven by the private sector, for the expansion of people-to-people relations between Nepal and other countries;
- p. To embolden the idea of establishing Nepal Study Centers in foreign universities, study centers, and councils;
- q. To remain in constant communication and cooperate with those personalities who have contributed in Nepal's development, built solidarity with Nepal, and have played a role in enhancing Nepal's image abroad;
- r. To recommend names of foreign citizens who have made specific contribution to Nepal's interest for award and honor by the Nepal government;
- s. To strengthen and expand relations at the educational, scientific, cultural, and people-to-people levels;
- t. To promote Nepali culture, tradition, art, language, literature, and sports through cultural exchanges, and maximum utilization of the organizations working in the respective areas;
- u. To facilitate in establishing sister-city relations between Nepali cities and those of friendly foreign countries;

The Foreign Policy-2077 has also emphasized using the *wledge, skills, capital, technology, networks and accesses*⁶³ of the *ali diaspora*, which is a source of Nepal's soft power. To fulfill these *ctives*, the following policies have been identified⁶⁴:

- a. To utilize the knowledge, skills, capital, technology, networks and

Ministry of Foreign Affairs, Foreign Poicy-2077, art. 8.15.

Ibid.

accesses of non-resident Nepalis (NRNs) for the development of the nation;

- b. To encourage non-resident Nepalis to be associated with the Brain Gain Center (BGC) so that the country can benefit from the knowledge and skills of the NRNs;

**This policy is important
The Foreign Policy-2077 has
also emphasized using the
knowledge, skills, capital,
technology, networks and
accesses of the Nepali
diaspora, which is a source of
Nepal's soft power.**

- c. To employ NRNs in activities involving the promotion and publicity of Nepali art, culture, language, and historical and natural heritage;

- d. To engage the Nepali diaspora in activities of economic diplomacy, as required;

- e. To involve the Nepali diaspora in enhancing Nepal's image and prestige abroad, and also for drawing assistance in Nepal's development;

- f. Encouraging access of Nepali diaspora groups to the economic and political spectrums of the receiving countries by stressing on unity and cooperation between them;
- g. To provide legal remedies and arrange relief and rescue to those who are stranded abroad or facing problems, and receive support from the NRNs, as required;
- h. Easy access to passport and consular services for Nepalis residing in foreign lands with the help of information technology;
- i. To facilitate in the establishment and management of Nepali language teaching centers and Nepali language schools for the promotion of the Nepali language, culture, and attire in those countries with a large Nepali population;

As the Constitution of Nepal recognizes the need “*to utilize knowledge, skill, technology, and capital of the non-resident Nepalis in national development*”, it is important to attract experts from the Nepali diaspora

who can contribute in different professions, academic field, industry, and research to meet the national aspiration for good governance, sustainable peace, development, and prosperity back home. To meet this requirement, the MoFA has launched a project called 'Brain Gain Center', with cooperation from the communities of diaspora experts, for gathering information about the number, expertise, current engagement, and interest among them⁶⁵. Such an Information Gathering Initiative (IGI) is of a noble kind in establishing a systematic network for increasing collaboration among local and diaspora experts. The engagement and contribution of the diaspora experts are expected to augment the social impacts of the Nepali society, and provide them new opportunities and connections⁶⁶. Setting up an External Publicity Division within the Ministry of Foreign Affairs is equally important, which will help to ensure coordination, coherence, and consistency, ultimately enhancing credibility.

1.9. Climate Change Impacts, Sustainable Development Goals, and Forums for Landlocked Nations

Although Nepal emits negligible amounts of greenhouse gases (GHGs), it is one of those countries most vulnerable to climate change⁶⁷. Since both its immediate neighbors are major carbon emitters, Nepal's geographical location with its Himalayas face a critical situation. India is the third highest emitter of carbon and has increased its emissions by 6.3 percent since 2017. China is the largest emitter, whose emissions accounted for 27 percent of the global total in 2018, and is now reaching a new all-time high⁶⁸. Giving high importance to climate change, mitigation of its

65 "More About Brain Gain Center", Ministry of Foreign Affairs, accessed May 15, 2021, <https://mofa.gov.np/bgc/about>.

66 "Welcome to the Brain Gain Center", Ministry of Foreign Affairs, accessed May 15, 2021, <https://mofa.gov.np/bgc/>.

67 Pashupati Nepal, "Mainstreaming climate change adaptation into sectoral policies in Nepal: A review." *The Geographical Journal of Nepal*, 12 (2019): 1-24.

68 The Hindu, "India third largest contributor to carbon emission", December 6, 2018. <https://www.thehindu.com/news/national/co2-levels-poised-for-record-high/article25674341.ecc#:~:text=Reuters-,India%2C%20the%20third%2Dhighest%20contributor%2C%20is%20projected%20to%20sec, and%20the%20Global%20Carbon%20Project>.

impacts, and minimization of greenhouse gases⁶⁹, the Foreign Policy-2077 has directed Nepal to play an effective role in combating the challenges brought about by climate change and its negative impacts⁷⁰. To meet these objectives, the following policies have been identified⁷¹:

- a. To play an active role at the policy-making level of the United Nations and also in the other international organizations dealing with the issue of climate change;
- b. To receive the required financial and technical assistance for mitigating the impacts of climate change;
- c. To play a leading role on the issue of climate change by uniting the mountainous and other countries facing an extreme environmental crisis;

Giving high importance to climate change, mitigation of its impacts, and minimization of greenhouse gases, the Foreign Policy-2077 has directed Nepal to play an effective role in combating the challenges brought about by climate change and its negative impacts

carbon trading’;

- d. To promote cooperation for achieving the sustainable development goals, and for protecting, promoting, and using the natural resources, and minimize the impact of environmental destruction and climate change;
- e. To stress on implementing the provision of ‘polluters pay principle’, ‘common but differentiated responsibilities’, and ‘
- f. To draw the attention of the international community to the impact of environmental degradation by being associated

69 Modnath Dhakal, “Foreign Policy Underscores Environmental Diplomacy”, *The Rising Nepal*, December 23, 2020. <https://risingnepaldaily.com/main-news/foreign-policy-underscores-environmental-diplomacy>.

70 Ministry of Foreign Affairs, *Foreign Affairs-2077*, art. 8.7.

71 *Ibid.*

with the network of mountainous countries, and also drawing assistance for developing a sustainable mountainous economy;

As an attempt to envision and accelerate toward a zero-carbon economy, the United Kingdom is set to host the 26th UN Climate Change conference of the Parties (COP26) in Glasgow, Scotland from November 1-12, 2021 by bringing together governments, experts, campaigners, and others. So, Nepal needs to effectively utilize these forums to implement the aforementioned policies to strengthen the capacities and augment the voices of the affected countries, respond more creatively to the climate change challenges, and persuade the international community for counter measures. Reducing vulnerability to climate change was the main objective of EU-Nepal development cooperation 2014-2020. Apart from development cooperation, the European Investment Bank (EIB) has expressed its commitment to increase its support also in the fields of climate change and infrastructure development⁷².

The new foreign policy directs Nepal to play an effective role in promoting the rights of the landlocked states and least developed countries at different multilateral forums and international organizations⁷³. To fulfill these objectives, the following strategies have been underlined⁷⁴:

- a. Stress on the promotion, institutionalization, and implementation of the provision on transit rights and right to international trade of the landlocked countries, as mentioned in the international law, and advocated through different policies;
- b. Strive for international assistance in resolving the shared problems of the least developed countries;
- c. Play an active role in the Group of 77 for addressing the common problems of the least developed countries;
- d. Utilize South-South Cooperation as an effective forum through the promotion of trade, investment, tourism, and technology transfer among the member countries for the fulfillment of the

72 Ministry of Foreign Affairs, Report on Nepal's Foreign Affairs (2019-2020).

73 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.8.

74 Ibid.

common aspirations for development.

1.10. Relevance of ‘Track II Diplomacy’ for Nepal

Informal diplomacy is also a key component of diplomacy. Track II diplomacy conducted by the think tanks, universities, intellectuals, private business houses, NGOs, civil society, diaspora, among others, act as an instrumental tool for an effective informal diplomatic approach, but by no means, can track II diplomacy substitute the role of track I. However, they complement each other, resulting in an understanding that actors outside the official government bodies can also advance strategic national interest by maintaining and strengthening the lanes of communication on issues that are vital to the bilateral relationship and international community⁷⁵. The Foreign Policy-2077 has realized the importance of track II diplomacy. In order to create a favorable environment for regular diplomatic maneuverings, and also to generate debate, dialogue, and suggestions on the issue of intricate diplomatic and national interest, as required, track II diplomacy shall be initiated⁷⁶. To fulfill these objectives, the following policies have been outlined⁷⁷:

- a. Exercise track-II diplomacy with the objective of creating a favorable environment for formal diplomacy;
- b. Employ the participation and contribution of former diplomats, renowned academicians, retired high-ranking military officers, eminent personalities, scientists, think tanks, artists, litterateurs, industrialists, established journalists, and other dignitaries for the execution of track II diplomacy;
- c. Realizing the severity of the issues in bilateral relations, eminent persons’ groups shall be constituted, as required;
- d. Utilize the knowledge, perspective, capacity, and networking of

75 Calli Obern. “Why ‘Track II Diplomacy’ Is So Important”, World Affairs, Aspen Institute, accessed May 15, 2021, <https://www.aspeninstitute.org/blog-posts/why-track-ii-diplomacy-is-so-important/>.

76 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.8.

77 Ibid.

renowned experts/academicians on foreign policy, international relations, and diplomacy, as required;

- e. Promote Nepal's interest by utilizing the networking, access, and communication of the Nepali diaspora successful in the professional, academic, and commercial fields.

By integrating the role of the media, religion, activism, research, training, professionals, business, and private citizens, Nepal can exercise multi-track diplomacy. Equally, it is important to strengthen the role of the government think tanks like the Institute of Foreign Affairs and expand the research activities on Nepal's foreign relations and diplomatic maneuverings. A national dialogue on contemporary issues of Nepal's foreign policy and diplomacy may further enrich track II diplomacy.



PART | 2

2. Deliberations on Nepal's Foreign Policy-2077

2.1. Nepal's Strategic Position in the Context of Shifting Global Order

For centuries, Nepal skillfully managed its diplomatic posture between the ruling dynasties in China and those in India⁷⁸. King Prithvi Narayan Shah's *Dibya Upadesh* was a benchmark in our foreign policy, and some challenges of the nation's geopolitical setting are still prevalent. King Prithvi Narayan Shah identified Nepal as a yam between two boulders, and stressed upon a strategy to maintain harmonious relations with the two Asian giants. India and China are important neighbors of Nepal, which contribute to

By integrating the role of the media, religion, activism, research, training, professionals, business, and private citizens, Nepal can exercise multi-track diplomacy. Equally, it is important to strengthen the role of the government think tanks like the Institute of Foreign Affairs and expand the research activities on Nepal's foreign relations and diplomatic maneuverings.

enhancing our economic performance. To pursue its economic ambitions, beyond the immediate neighborhood, Nepal maintains harmonious relations with other major powers and development partners, including the United States, Britain, Japan, and the EU, among others. With the same understanding, the Foreign Policy-2077 advocates such a world order, where the rights, understandings, and opinions of all the states are reflected in the process of

international policy formation⁷⁹, and strengthening the bilateral relations on the basis of sovereign equality, mutual respect, and mutual benefits⁸⁰. Article 8.1 of the new foreign policy gives directions to:

78 Henry Kissinger, *World Order*, (New York: Penguin, 2014), 179.

79 Ministry of Foreign Affairs, *Foreign Policy -2077*, art. 8.10.

30 Ibid.

- Manage relations with the neighboring countries, regional powers, and great powers in a dependent and balanced way on the basis of the UN charter, Panchasheel, and principle of good neighborliness and ethos of amity;
- Promote the overall national interest of Nepal through assistance and cooperation by strengthening and harmonizing the relations with all the neighboring countries, regional powers, and great powers;
- Realizing the security sensitivity of the neighboring countries, regional powers, and major powers, the policy and practices of not allowing Nepali soil to be used against the neighboring countries be continued; a similar level of dedication is also expected from the neighboring countries;
- Expand the multidimensional connectivity network, including roadways, railways, waterways, airways, optical fiber, petroleum and gas pipeline, and electricity transmission lines with the neighboring countries to increase regional engagement and financial relations;
- Promote bilateral, trilateral, and multi-dimensional partnership, and identify new areas of collaboration driven by shared interest in order to benefit from the economic development of neighboring countries;
- Strengthen relations with the neighboring countries, regional powers, and major powers through the exchange of high-level visits and expand the people-to-people relations;

In the future, the strategic importance of Nepal will only increase further, essentially being located between the fastest growing regions of the world characterized by competition. Thus, Nepal needs to meticulously assess the strategic environment and adjust its policies accordingly⁸¹. Nepal should continuously assess the geo-political ambition of the major powers and neighbors and mull over ways to strategically outwit their vested interests. Thus, as recommended by the new foreign

81 Ibid.

policy, Nepal's strategic position, in the context of shifting global order in recent years, is⁸²:

- Amidst the changing dynamics of global and regional affairs, Nepal's foreign policy, being characterized by continuity and change, should leave no stone unturned to promote and protect its national interest;
- Defending Nepal's international boundaries so that no detrimental activities against Nepal and its neighbors are carried out;
- Building an integrated national perspective on effective coordination, cooperation and collaboration with all the stakeholders for the exercise of foreign relations;
- Not to allow Nepal's sovereignty and national interest to be negatively impacted by the competition between the major powers;
- Empowering multilateralism for the protection of national interest of small and developing countries;
- Draw international support and assistance on the issue of shared concern and mutual interest of countries having a special situation like that of Nepal;

Although Article 8.10.2 of the new foreign policy advocates such a world order, where the rights, understandings, and opinions of all the states are reflected in the process of international policy formation,⁸³ several unexpected situations may arise, and Nepal may face a dilemma. Currently, with global discussion on reforms in the United Nations Security Council (UNSC) underway, Japan, India, South Africa, and Germany are aspiring to become permanent members of the reformed UNSC. In the Asian context, as Japan and India aspire for the UNSC permanent seat, Nepal needs clarity on their claims.

Nepal's neutrality and non-alignment policy should be the key

82 Ministry of Foreign Affairs, Foreign Policy -2077, art. 10.2.

83 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.10.2.

in viewing the major powers' strategic competition. In such a situation, the new foreign policy has provided us clarity of our position – the basis of *Panchasheel*, with the five principles of peaceful co-existence, including mutual respect for each other's territorial integrity and sovereignty; non-interference in each other's internal affairs; respect for mutual equality; non-aggression and peaceful settlement of disputes; cooperation for mutual benefit; abiding faith in the Charter of the United Nations; and value of world peace and our position of not allowing Nepali soil to be used against neighboring or other countries, while anticipating similar commitment from them.

2.2. Nepal's Foreign Policy toward Major Powers

Having understood the changes taking place in the global and regional order, Nepal's foreign policy, principally driven by the policy of non-alignment, could also face a geopolitical challenge in addressing the interest of the major powers, vis-à-vis development cooperation, which may at times show unease. Nepal has been successful in addressing its geopolitical challenges with greater tact and diplomacy by implementing the foreign policy of equidistance and has concomitantly assured both the neighbors that their interests will not be affected from Nepali land. To evade the undesirable consequences prompted by the strategic rivalry between some countries of the region, active neutrality is the best option for Nepal.

Nepal is strategically important for both the immediate neighbors. The geography of Nepal gives tremendous opportunities for both the neighbors to engage themselves in their economic advancement. Both the countries have strategic and economic interests. China's strategic interest is largely related to security and peace in Tibet, while the economic interest of China is to expand its trade and business in South Asia using Nepal as a gateway through BRI projects. India is also committed to enhanced connectivity. Strengthening India-China economic relationship can confer significant gains on both the nations. For instance, China accounted for about 12% of India's imports in 2019 when total two-way trade was \$92.68 billion, \$56.77 billion in China's favor. China was India's

largest trading partner until overtaken by the United States in 2019⁸⁴. India has strategic, economic, and security interests. Thus, it becomes quite clear that Nepal's neighborhood foreign policy won't be free from impediments in the days to come, as disputes between China and India may lead several South Asian countries to take a side.⁸⁵ The recurrent instances of standoffs, brawls, and skirmishes along the Himalayan borders between India and China⁸⁶ have already increased security threats for Nepal. Following the death of 20 Indian soldiers in the recent skirmish with China in the Galwan Valley, security threats for Nepal have multiplied, which was clearly visible in the press statement issued by Nepal on June 20, 2020, which mentioned that the two neighboring countries need to resolve their dispute in the Galwan Valley area through "*peaceful means in favor of bilateral, regional, and world peace and stability*"⁸⁷. In such a context, active neutrality is the best option for Nepal.

Nepal's neutrality and non-alignment policy should be the key in viewing the major powers' strategic competition.

Neutrality is not just about abstaining from getting dragged into any dispute or war. Nepal exercised neutrality in the war between India and China in 1962 and Doklam in 2017. The 1962 neutrality was the byproduct of the Non-Alignment Movement (NAM), whereas the 2017 neutrality can be interpreted from the twofold perspectives of 'hiding' and 'binding'. Hiding embraces the tactic of concealment, where a third-party state purposefully opts not to indulge in the conflict between two arch

84 Shiv Shankar Menon, "India-China Ties: The Future Holds 'Antagonistic Cooperation', Not War", *The Wire*, December 7, 2020. <https://thewire.in/external-affairs/india-china-ties-expect-antagonistic-cooperation-future-not-war>.

85 Sarah Zheng, "China-India border dispute may force South Asian neighbours to pick a side", *South China Morning Post*, July 9, 2020. <https://www.scmp.com/news/china/diplomacy/article/3092510/china-india-border-dispute-may-force-south-asian-neighbours>.

86 Jeffery Gentleman, Hari Kumar and Sameer Yasir, "Worst Clash in Decades on Disputed India-China Border Kills 20 Indian Troops," *The New York Times*, June 16, 2020. <https://www.nytimes.com/2020/06/16/world/asia/indian-china-border-clash.html>.

87 The Government of Nepal, Ministry of Foreign Affairs, "Press Statement on recent development in Galwan Valley area between India and China", June 20, 2020, <https://mofa.gov.np/press-statement-on-recent-development-in-galwan-valley-area-between-india-and-china/>.

rivals. Instead, the third-party prefers to hide or disguise itself, believing that indulging in the conflict might not be beneficial. Binding is a tactic of revealing a state's belief and conviction, where a third-party state resolutely opts to abide by international law, world peace, and the United Nations Charter. Interpreting the Doklam standoff from the principle of binding, we can say that adherence to the UN Charter, world peace, and global security barred Nepal from getting hauled into the standoff. It is always best for Nepal to inform the international community that Nepal's neutrality adheres to a peaceful world order.

Beyond the neighborhood, however, Nepal's relations with the major powers, including the United States, Britain, the EU, and Japan, have remained friendly and deserve special mention because each country has some interests. The United States and EU advocate democracy and human rights, and support developmental activities, while countries like Japan and the United Kingdom support Nepal's development activities. But, having signed the China-led Belt and Road Initiative (BRI), Nepal has to tactically deal with the geopolitical difficulty of balancing its BRI commitments with those of the Millennium Challenge Corporation (MCC) funded by the United States⁸⁸. The US\$ 500-million investment plan for roads and electricity transmission lines was signed in 2017 with the US⁸⁹, though it has been widely debated in Nepal, and the parliament has not ratified it. Also, as India is still reluctant to sign the BRI projects, New Delhi's suspicion over Kathmandu's engagement with Beijing has become more pronounced, thus aggravating the same geopolitical difficulty. Apprehending the security sensitivity of the major powers, Nepal should concentrate its policy and practices on not allowing Nepali soil to be used against any country, and concurrently strengthen relations with the major powers through the exchange of high-level visits. Notwithstanding the geopolitical quagmire, Nepal shouldn't perceive the China-led Belt and Road Initiative and US-sponsored Millennium Challenge Corporation (MCC) as competing, rather complementary, which goes well with Nepal's independent, balanced, and non-aligned policy prescribed by the Foreign

88 Hari Bansh Jha, "Rivalry between US and China in Nepal delays MCC", Observer Research Foundation, accessed May 15, 2021, <https://www.orfonline.org/expert-speak/rivalry-between-us-and-china-in-nepal-delays-mcc-60298/>.

89 Jha, "Rivalry between US and China in Nepal delays MCC".

Policy-2077, as Nepal perceives both the projects as a means to strengthen Nepal's development activities and realize its economic aspirations.

2.3. Approaching the Global Community during the Time of Pandemic, Populism, and Protectionism

Due to COVID-19 fears, countries adopted protectionist and populist trends and were obliged to shut down their national borders and

Apprehending the security sensitivity of the major powers, Nepal should concentrate its policy and practices on not allowing Nepali soil to be used against any country, and concurrently strengthen relations with the major powers through the exchange of high-level visits.

impose travel restrictions to contain the spread of the virus, which impacted economies, affecting the industrialization process, manufacture of goods, and trade. In our case too, the travel ban and uncertainty of the resumption of international flights impacted foreign employment. In remittance-driven economies like

ours, repatriation of migrant workers further aggravated the problem. Loss of jobs became rampant. With the unprecedented impact on globalization, the COVID-19 pandemic negatively impacted the inflow of FDI in developing and underdeveloped countries. Nepal's Sustainable Development Goals (SDG) by 2030 was also hard hit. By learning lessons from the pandemic, the Foreign Policy-2077 has now prescribed an approach for the future.

COVID-19 has shown that the world needs multilateralism more than before. Upon the same realization, Article 3.1 of Nepal's New Foreign Policy-2077 has called for strengthening multilateralism with effective partnership between small and developing countries. Our call for a robust global response through the effective presence of multilateralism and intergovernmental organizations, including the United Nations and its specialized agencies like the World Health Organization, and

collaboration and cooperation between such institutions to fight against the pandemic will prove significant⁹⁰. Multilateral platforms, embracing 'sovereign equality' have always been the best place for small powers like Nepal to raise their concerns, ranging from geopolitical threats to economic aspirations. Thus, Nepal needs to pursue effective multilateral diplomacy in the post-COVID days so that the activities being carried out in various sectors, including transportation, urban infrastructure, agriculture, irrigation, energy security, and education,⁹¹ among others, with the help of multilateral bodies won't be halted in the wake of financing deficiency, amidst the global economic crisis triggered by the pandemic. Nepal's successful multilateral diplomacy would become vital for receiving aid and assistance from the multilateral institutions during such pandemic crises. The Asian Development Bank, International Monetary Fund, and the World Bank have granted significant support to Nepal in the control, management, and mitigation of COVID-19.

Also, the Nepali diaspora has played a great role during the global pandemic, not only in sharing information about the number of Nepalis succumbing to the virus or being infected by it in different parts of the world, but also in providing support and relief materials to Nepali nationals in different parts of the world⁹².

Nepal's foreign policy calls to attention the use of skills, capital, knowledge, technology, networks, and accesses⁹³ of NRNs for the development of the nation. They can be integrated with the Brain Gain Center (BGC). NRNs can also be employed in activities involving promotion and publicity of Nepali art, culture, language, and historical and natural heritage. Also, the Nepali diaspora could play a role in bringing assistance for Nepal's developmental activities. They may also be

90 Ministry of Foreign Affairs, Foreign Policy -2077, art. 3.1.

91 Asian Development Bank and South Asia Sub-Regional Economic Cooperation, "Potential Exports and Nontariff Barriers to Trade: Nepal National Study", May, 2019, <https://www.adb.org/sites/default/files/publication/507016/nepal-exports-nontariff-barriers-trade-study.pdf>.

92 International Labour Organization, "Impact of COVID-19 on Nepali Migrant Workers: Protecting Nepali Migrant Workers during the Health and Economic Crisis" June 10, 2020, https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-kathmandu/documents/briefingnote/wcms_748917.pdf.

93 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.15.

encouraged to participate in the economic and political spectrum of the receiving countries.

The MoFA has been extending various support to the NRN communities to enhance their role in Nepal's development efforts. In the post-COVID-19 period, NRN communities are looking for opportunities to invest in a number of projects and supporting the government's initiatives. For that, the government should draft a strategy encouraging the NRN's role in Nepal's development efforts, either through investments or technology transfer. The concept of the Brain Gain Centre has become

Nepal's New Foreign Policy-2077 has called for strengthening multilateralism with effective partnership between small and developing countries.

a key focal area in this regard. A BGC unit was established in the MoFA in 2018 with the objective of identifying, recognizing, and encouraging Nepali diaspora scholars, experts, and professionals to contribute to Nepal's socio-

economic development⁹⁴. Thus, the BGC could be effectively utilized in various sectors wherever possible.

During the time of the pandemic, economic diplomacy is an apt instrument to approach the global community to build partnerships with friendly countries focused on trade, investment, tourism, technology transfer, and dignified jobs for migrant workers⁹⁵. Exercising economic diplomacy through its embassies, Nepal can enhance its economic interests abroad with the help of various promotional activities. An important objective of Nepal's foreign policy is to contribute to the socio-economic transformation of the country through the conduct of economic diplomacy in such sectors as mobilization of development cooperation

94 Ministry of Foreign Affairs, Report on Nepal's Foreign Affairs (2019-2020).

95 Hon. Mr. Pradeep Kumar Gyawali, "Remarks by Foreign Minister Pradeep Kumar Gyawali at a reception held at the Moscow State Institute of International Relations" (speech, Moscow, November 26, 2019), <https://mofa.gov.np/remarks-by-hon-pradeep-kumar-gyawali-minister-for-foreign-affairs-at-a-reception-held-at-the-moscow-state-institute-of-international-relations-moscow/>.

and promotion of investment, export, and tourism⁹⁶. The “Multilateral Economic Affairs Division” under MoFA can be a central focal point. Nepal’s economic diplomacy engagements can be expanded to global trade regimes, including the WTO and regional and sub-regional forums like the SAARC, BIMSTEC, and BBIN, among others. Currently, the central unit for exercising economic diplomacy is the “Policy Planning, Development Diplomacy, and Overseas Nepalese Affairs Division” at the MoFA, which is mandated to promote and boost foreign trade, investment, technology transfer, tourism, development cooperation, foreign employment, and mitigate the impact of climate change⁹⁷ to lessen the impact of COVID-19 on the Nepali economy. Hence, Nepal needs to exercise a broader concept of “Development Diplomacy” with all nations, wherever possible. Nepal’s experiences with the Millennium Development Goals (MDGs), planning and implementation of the Sustainable Development Goals (SDGs), along with Nepal’s aim to graduate from LDC status into a developing country after 2026 A.D, achieve the SDGs, and become a middle-income country by 2030 are undeniably archetypal of Nepal’s international development efforts⁹⁸, which call for strengthening Nepal’s economic diplomacy at the bilateral, regional, and multilateral fronts. Hence, Nepal needs to direct its diplomatic efforts, set up the targets to increase the level of engagement at different levels, and review the periodic plans, the SDG agenda, and LDC advancement strategy respectively. The United Nations Committee for Development Policy (UNCDP) recently recommended Nepal’s graduation from the LDC class with a preparatory period of five years, i.e., in 2026 A.D.

The safety and security of the migrant workers have remained a top priority of Nepal’s labor diplomacy during COVID-19. The President, the Prime Minister, and the Foreign Minister held telephonic conversations with their counterparts and actively coordinated the works related to the evacuation of Nepali nationals stranded abroad and facilitated the repatriation of foreign nationals who were stranded in Nepal during the

96 Hon. Mr. Gyawali, “Remarks by Foreign Minister Pradeep Kumar Gyawali at a reception held at the Moscow State Institute of International Relations”.

97 Ministry of Foreign Affairs, Report on Nepal’s Foreign Affairs (2019-2020).

98 The Government of Nepal, National Planning Commission, “Nepal’s Sustainable Development Goals”, 2017, Kathmandu: The Government of Nepal.

early days of COVID-19. During the time of the pandemic, it was urgent to provide effective consular services for the safety, security, and welfare of migrant workers. Thus, labor diplomacy demanded high priority in those days. It has taught us a lesson of the importance of Nepal's labor diplomacy.

2.4. Relevancy of Non-Alignment Policy for Nepal amidst Changing Global Power Relations

The idea and importance of 'balancing' is realized in the Foreign Policy-2077. Undeniably, the strategic arena is full of competition and

Nepal's foreign policy calls to attention the use of skills, capital, knowledge, technology, networks, and accesses of NRNs for the development of the nation. They can be integrated with the Brain Gain Center (BGC). NRNs can also be employed in activities involving promotion and publicity of Nepali art, culture, language, and historical and natural heritage.

great power rivalry. Upon the same realization, Nepal has attempted to manage the interest of the major powers and their diplomatic overtures⁹⁹. As the geographical variable remains constant, landlocked Nepal finds non-alignment as the best policy to deal with the changing dynamics in the regional and international arrangements for the management of strategic competition among the major powers.

While Beijing and Washington perceive each other as a threat, Nepal, located next to China, may find it difficult to escape from the impacts of such great power rivalry. As China perceives the United States as a menace to global strategic

99 Madhu Raman Acharya, *Nepal's National Interests, Foreign Policy and Strategic Affairs* (Kathmandu: Policy Research Institute, 2020).

security and stability¹⁰⁰, the United States has also listed China as a threat in its National Security Strategy Report for challenging American power and influence¹⁰¹. The 2018 National Defense Strategy of the US summarized China and Russia as “revisionist powers” and a threat to the interest of the United States, as they aim to influence world politics with their authoritarian models¹⁰².

Although the strategic competition between the United States and China is more confined to Southeast Asia, the signing of the Communications, Compatibility, and Security Agreement (COMCASA) and Basic Exchange and Cooperation Agreement (BECA) during the 2+2 meeting between the United States and India's high-level Foreign and Defense officials in 2018 and 2020 in New Delhi, is already perceived as a military alliance between the two countries with the objective of containing China in a new Cold War situation. The US is investing more funds and efforts in this region to deter China's political and economic footprints. The U.S. wants India as a real ally, and not another helpless dependent¹⁰³. In any political, strategic, military, and even economic overtures between major powers, for Nepal, the ideal would be to remain cocooned in the policy of non-alignment that has defended Nepal's political independence, territorial integrity, and sovereignty at all the critical junctures of history.

Historically, Nepal has been balancing relations with both our neighbors, primarily to maximize our economic cooperation and aspire for constructive collaboration and engagement. But while minimizing the geo-strategic implications of the strategic posture, we need to remain careful not to be dragged into the big power conflict. Thus, non-alignment provides us enough space and opportunities in the management of the big

100 The Global Times, “Ambassador Geng Shuang: Ten Facts about US Wrongdoings in Disarmament and International Security”, October 10, 2020, <https://www.globaltimes.cn/content/1203022.shtml>.

101 The Office of the President of United States of America, “National Security Strategy of United States of America”, December, 2017, <https://trumpwhitehouse.archives.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>.

102 US Department of Defense, “National Defense Strategy”, 2018, <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>.

103 Doug Bandow, “The U.S. Wants India as a Real Ally, Not Another Helpless Dependent”, CATO Institute, July 26, 2020, <https://www.cato.org/commentary/us-wants-india-real-ally-not-another-helpless-dependent>.

power rivalry, and is apt and relevant for Nepal, chiefly because of the following reasons:

- Reinforces Nepal's survival strategy which it has been pursuing since the formation of modern Nepal;
- To sustain balanced relations with the neighboring countries, regional and major powers;

In any political, strategic, military, and even economic overtures between major powers, for Nepal, the ideal would be to remain cocooned in the policy of non-alignment that has defended Nepal's political independence, territorial integrity, and sovereignty at all the critical junctures of history.

- To have amity with all and enmity with none;
- Not allowing Nepali soil to be used against the neighboring countries, and anticipating a similar level of commitment from the neighboring countries;
- To promote Nepal's proposal of trilateralism (Nepal-India-China) and draw economic benefits from the economic development in the neighborhood;
- To expand and strengthen bilateral relations with all countries, including neighboring countries, on the basis of sovereign equality, mutual benefit, and respect;
- To collaborate for creating a just, inclusive, and fair rules-based world order and promote regional cooperation, peace, and collaborations;
- To advocate such a world order where the rights, understandings, opinions of all the states are reflected in the process of international policy formation

Among the different factors that shape the foreign policy of a country, geopolitical realities occupy a prominent position in molding a nation's attitude towards other states. As Nepal is geopolitically fated to

confront big power rivalry, Nepal needs to be clearer and louder in both advocacy and practice of non-alignment. Resisting geopolitical realities may trigger a situation of unnecessary confusions, misperceptions, and discomfort. Therefore, Nepal's non-alignment needs to go beyond short-term necessities and follow a pragmatic foreign policy entrenched in ground realities.

The increasing number of participating countries has proved the relevance of NAM, especially in today's world. When NAM was created during the Cold War period in Belgrade in 1961, the number of participating countries stood only at 25. By 2019, when the 18th Summit at Baku, Azerbaijan was being convened, the membership reached 120. Its relevance has surged in the context of regional conflicts, super power ambitions, and competition among other powers. For Nepal, geography is both a challenge and an opportunity, but on both aspects, the cutting edge is the principle of *Panchasheel*.

2.5. Nepal's Soft Power Capabilities to Increase International Clout

The most influential definition of soft power is proposed by Harvard University International Relations theorist Joseph S Nye. For Nye, soft power is “*the ability to get what you want through attraction rather than coercion or payments*”¹⁰⁴. Nepal's unique characteristics, coupled by its glorious past as an independent and older state than many nations of the world, can be promoted as its soft power capabilities to enhance Nepal's national image abroad. The establishment of the “National Register of Historic Places/Landmarks” to upkeep public and private efforts in order to identify, evaluate, and protect Nepal's historic and archaeological resources will project our rich cultural heritage of human civilization. Such programs should be focused on promoting the national history with the help of government and non-government agencies. Nepal's prehistoric civilization records, knowledge production, philosophy, spirituality, religious wealth, ancient artifacts, and the “History of Bravery” are unavoidable dimensions of our soft power. The Government of Nepal can forward the *Archaeological*

104 Joseph S. Nye. *Soft power: The means to success in world politics* (New York, NY: Public Affairs, 2004).

Expedition and Process of History Tracing with stakeholders' support to unfold these truths. In addition to the main tourists, religious tourists can be significant elements for unleashing our soft power. Promotion of religious monuments, texts, places, and others could help Nepal to unleash more.

With its multicultural, multiethnic, and multilingual profile added to the nation's natural beauty and attraction, Nepal's "cultural diplomacy" can also play an important role in soft power diplomacy. Not only the Government of Nepal but institutions like the Nepal Academy, Nepal Art Council, Nepal Academy of Fine Arts (NAFA), and other institutions, including universities, should play a vital role in promoting Nepali arts, literature, culture, and music through various means. To enhance our cultural heritage, "national funds and cultural banks" could be established.

To unleash its soft power, "heritage tourism" can be strengthened by using the expertise of researchers, scholars, and experts, where promoting heritage sites as tourist destinations are a major component in projecting Nepal's soft power. Equally, the Nepali diaspora can play a crucial role through various activities, which the government must encourage and show them the way and provide the necessary support. The concept of "Diaspora Philanthropy" through cultural centers established in different cities of the world helps promote Nepal's soft power diplomacy through culture and tourism¹⁰⁵. Diaspora is, therefore, a segment of soft power to promote a country's national interest, which aims to develop loyalty and expand attachment to the home country. As a key to cultural and public diplomacy, with the help of which cross-community relations are fostered, the diaspora helps in developing an understanding that goes beyond the formal initiatives of the state¹⁰⁶.

For Nepal, public diplomacy plays an important role in keeping

105 M. Boyle, and R. Kitchin, "Diaspora for Development: In Search for a New Generation Diaspora Strategies", in *How Can Talent Abroad Induce Development at Home?*, edited by Y. Kuznetsov. Migration Policy Institute, 2013.

106 E. L. E. Ho and F. McConnell, "Conceptualizing 'diaspora diplomacy': Territory and populations betwixt the domestic and foreign", *Progress in Human Geography* 43, No. 2 (2019): 235-55, <https://doi.org/10.1177/0309132517740217>.

public perception and attitude well-disposed abroad¹⁰⁷. In today's time, people-induced activities have proved to be more effective. Upon the same realization, diplomatic activities also need to be directed toward the public, reaching out to the public and people-centered organizations, and “win favorable opinion of the citizens of the country where diplomats reside¹⁰⁸”. Diplomats are required to promote the image of their homeland in the territory they are accredited to, and the activities of the diaspora can be integrated with the events of the embassies.

Nepal's commitment to international law, human rights, and democracy is a positive vibe of our soft power. To further develop our ‘soft power’, the ideals of democracy, pluralism, welfare state, human rights, and multiculturalism are being undeniably fostered. “Environmental foreign policy” is another aspect of our soft power, putting the agenda of climate

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change and protection of biodiversity at the center of our national policy. In this regard, compliance with international environmental norms has increased the soft power potential of countries, among which Nepal is one of them. With the help of “environment diplomacy”, Nepal can utilize international negotiations and multilateral forums aimed at addressing the problems of environmental degradation

and pollution on a global basis. Unforgettably, social media can be used as a soft power tool as information sharing through the social media can raise Nepal's image globally. Equally the impact of the social media on the

107 Madhav Shrestha, “Public diplomacy A neglected arm of Nepal's Foreign Policy”, The Himalayan Times, July 31, 2005. <https://thehimalayantimes.com/opinion/public-diplomacy-a-neglected-arm-of-nepal-foreign-policy>.

108 Ibid.

belief system, knowledge production, and framing perceptions cannot be dismissed in the age of digitalization and its importance in foreign policy implementation. As citizens, business practitioners, and politicians have the ability to engage and influence one another through various social media and online platforms,¹⁰⁹ Nepal should also make effective use of social media and multimedia to enhance its soft power.¹¹⁰ Additionally, public personalities and intellectuals who are popular in various sectors globally have acted as individual agents to strengthen the state's stature on foreign soil. Their contributions, too, reinforce Nepal's soft power capabilities.

Environmental foreign policy is another aspect of our soft power, putting the agenda of climate change and protection of biodiversity at the center of our national policy. In this regard, compliance with international environmental norms has increased the soft power potential of countries, among which Nepal is one of them.

Placing “public diplomacy” in the field of statecraft is necessary.¹¹¹ A strategy of robust public diplomacy not only attracts tourists and enhances the national image, but also contributes to the promotion of trade, economic, creative and cultural, sporting, science and technology, and education sectors, and further underlines Nepal's credentials as a destination

for business, investment, tourism and study, and emphasizes Nepal's engagement with different parts of the world.¹¹²

109 Clifton Martin and Laura Jagla, “Integrating Diplomacy and Social Media: A Report of the First Annual Aspen Institute Dialogue on Diplomacy and Technology”, 2013, ASPEN Institute.

110 Aleksandrina V. Mavrodieva et al., “Role of Social Media as a Soft Power Tool in Raising Public Awareness and Engagement in Addressing Climate Change”, 2019, Climate.

111 Shrestha, “Public diplomacy: A neglected arm of Nepal's foreign policy”.

112 Rajendra Shrestha, “Economic Development for Development Partnership”, Journal of Foreign Affairs 1, No. 1 (January, 2021).

Nepal has maintained a positive image, employing a grand legacy of its participation in the UN Peacekeeping Operations worldwide. Therefore, through diplomatic channels in the UN, Nepal can increase the number of missions in different parts of the world, adhering to world peace and the UN Charter. Nepal can conduct various UN peacekeeping training programs and also offer its Peacekeeping Training Centre for knowledge-sharing activities with the multinational troops. Additionally, bureaucratic agents also play a role in advancing the country's interests by attracting foreign cooperation in various sectors as is observed in the international event organized by the Nepal Investment Board in March 2019, which had promoted key investment areas by inviting state and non-state actors alike to enhance the nation's economic engagements. Thus, in unleashing Nepal's soft power, the formal channels are the diplomatic channels, embassies, and consulates along with bureaucratic institutions, whereas the informal channels of soft power for Nepal could be the private sector, corporations, medium and small-sized businesses, and people-to-people engagement through the diaspora, students, and public figures.

Hence, public diplomacy as driven by people-centric conduct – an important diplomatic activity and of larger importance – is concisely discussed in the new foreign policy. Hence, a pressing need is felt to conduct public diplomacy with the cooperation of network activities abroad to build up the real dignified image and identity of Nepal. Nepali language schools can be opened in countries where the Nepali diaspora feels the need. Cultural diplomacy definitely has many economic, political, and social benefits; but it also aids in the defense and security of a nation. Nepal's ancient cultural diversity and peace can be a model for creating harmony between competing neighboring nations. The Buddha is worshipped in both China and India, and is a national religion in Sri Lanka. There are many Buddhist artifacts in Pakistan. So, we must adopt a strategy to promote our soft power diplomacy by maximizing all opportunities.

2.6. Critical Issues Overlooked in Foreign Policy-2077

Nepal remained deprived of a written, integrated, and comprehensive foreign policy for a long time, but now the gap has been fulfilled. It is also a

historical achievement as the 31-page document has presented ideological and foundational guidelines on Nepal's foreign policy. The conventional defensive posture embraced by Nepali foreign policy since the formation of modern Nepal continues, along with what was introduced, as a change, for the first time in the 2015 constitution of Nepal, i.e., the principle of sovereign equality. Independence, sovereignty, integrity, autonomy, national interest, *Panchasheel*, UN Charter, and Non-aligned Movement have been chronicled and reiterated as the guiding principles of Nepal's foreign policy. Similarly, Nepal's constitution, existing laws, national

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security policy, UN Charter, treaties where Nepal is a state party, agreements and conventions are considered as the bases for the execution of Nepal's foreign policy. With this, now, there is no probability of policy deviation in foreign policy behavior and diplomatic maneuverings.

Foreign Policy-2077 has encompassed the provisions to resolve Nepal's border disputes with the help of effective diplomacy that relies on historical agreements, treaties, facts, and evidence. The policy has diplomatically addressed the Indian psyche on such issues. Taking into consideration Nepal's ongoing border issues with India and the likely ramifications in the near future, such policy directives are profoundly indispensable for the desired result.

The new integrated policy has also given continuity to the conventional and established strategies. Although the guiding principles of the foreign policy remain constant, the changing dynamics of national, regional, and international affairs in the 21st century call for adjustment or review in the dynamism of our foreign policy, which the new policy needs to accomplish. And there is always scope for improvement by critically highlighting new priorities evolving from uncertain situations in

the future. Article 8.10 of the new foreign policy has called for enhancing Nepal's participation and representation in the economic and financial institutions at the regional and international levels, and changing the regional and international dynamics triggered by the resurgence of geopolitics manifested by international actors.

Furthermore, for the first time, track II diplomacy has been mentioned in the policy. Track II can be expanded to multi-track diplomacy, which embraces conflict resolution professionals, businesses, private citizens, media, religion, activism, research, training, education, and philanthropy¹¹³. However, there should be a control mechanism for this approach.

Giving priority to the new facets of international relations through economic diplomacy, public diplomacy, labor diplomacy, climate change, soft power, track II diplomacy, and science diplomacy is obviously a good sign as Nepal looks forward to graduating from a least developed country to a developing country by 2026 A.D.

In the policy, public diplomacy has been described as an important organ of the foreign policy. Because of the COVID-19 global pandemic, the entire world entered the process of digitalization and virtualization in an unprecedented manner. Digital diplomacy has also been given iconic status in international relations. Since scientific and technological activities have become an integral part of the diplomatic business across the world, Nepal needs to activate this branch of 21st century diplomacy more specifically to receive regional and international cooperation for its own socio-economic advance.

Article 8.18 mentions using modern-day information and media technology in foreign policy implementation for the overall promotion and protection of Nepal's national interest. The new foreign policy mentions holding consultations and collaboration at the bilateral, regional, and international levels for data security and cyber security¹¹⁴.

The climate change policy and commitment programs need to

113 Ibid

114 Ministry of Foreign Affairs, Foreign Policy -2077, art. 8.18.

be put in place through the foreign policy to safeguard Nepal's interest for the protection of its ecosystem. We must not forget that Nepal is located between two big industrial nations. With this, Nepal could be an emission-locked country, making its ecosystem vulnerable. There under no circumstances should health diplomacy be marginalized, a lesson that has been taught by COVID-19, which has ravaged public health and national economies across the world.

The completed work is still not free from criticisms. The policy was initially criticized for not holding sufficient consultations at the requisite levels in the process of framing a national-consensus document. In the policy, the vision, goals, objectives, and directive principles are specified, which appropriately trickle down to strategy and execution. Although the challenges are spelt out well, some objectives could be vague during the phase of policy implementation. Thus, we must realize the importance of 'pragmatism' in Nepal's foreign policy while placing our stances: be it at the UN or other multilateral forums. For instance, when Nepal voted against the move of the US to declare Jerusalem as the capital of Israel at the United Nations, apparently, Nepal did justice to the Palestinian cause, upsetting the US and Israel. Nepal's position was adventurous. However, instead of going against the US and Israel, Nepal should have opted for the policy of 'abstaining' as countries like Australia did. Therefore, we need to be mindful that 'only' principle-based stances could sometimes be detrimental to the country's national interest.

Conclusion

In conclusion, shortcomings and deficiencies apart, the first official enunciation of Nepal's foreign policy systematically in the form of a consolidated foreign policy is a much-awaited step taken by the MoFA in the right direction. The absence of a comprehensive foreign policy of this nature was strongly felt by all the relevant stakeholders for long. Now, it has come out with clear goals and objectives, guiding principles and values, and the fundamental terms and bases of foreign policy. Its position of pre-eminence as the main policy directive for conducting Nepal's external relations has been fully reaffirmed. The new policy also enumerates the challenges and opportunities inherent in the dynamism of international politics and its multiple ramifications, which need to be handled with great

care and consideration.

A total of 20 policy heads have been enumerated with about 12 dozen different strategies and action policies to execute and realize them. In this sense, it is certainly a comprehensive foreign policy, but it will have to be constantly updated to remain in step with the changing needs and dictates of international relations and global politics. For all these, building the institutional capacity of state institutions, including the foreign policy establishment and making appropriate investment in the knowledge-manufacturing industry, would be of utmost importance.

Indeed, improvements and refinements are always an inherent part of a dynamic exercise like this, which requires dealing with 'the others' on the basis of 'sovereign equality' and with larger issues of global ramifications for humankind. The new policy is not perfect and definitely not without its flaws, but its orientation is clearly toward that destination.

