Kalapani-Lipulekh Row: Rift between India and China Serves Nepal

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Abstract

Recently Nepal is in uproar against India and anti-India sentiments are rising. This will eventually have lasting effect on bilateral relations. The main causes of this are both, internal political turmoil and the external factors. However, the crucial aspect also lies in Nepal using the 'China card' all along in its diplomacy that is now being threatened due to cooperation between India and China. As the closeness between India and China will rise, the insecurity of Nepalese leaders and the related evoking of nationalist sentiments will become a major obstacle for India to deal in its relations with Nepal. The historical issue of Kalapani-Lipulekh, border dispute, will be a major factor used by Nepalese politicians as a tool to create India-China rift due to the fact that Nepal knows the vulnerabilities of India, and the border tensions with China. Unless, the Indian government settles these critical issues with Nepal, the irritants will become a major factor used by Nepal to impact India's role in the region as well as dent its international image. Nepal will surely use hard bargaining to gain benefits from both neighbours.

Introduction

Since the news of Indian Defense Minister, Rajnath Singh,

inaugurating a road link from Dharchula to Lipulekh, also

known as Kailash Mansarovar Yatra Route, was made public, Nepal has been up in arms. There have been massive protests and uproar in Nepal, to the extent that Nepal had established a 25 member armed police border force near Kalapani at Chhangru, for which promptly spending NPR 11 crore was committed. This post is 18 km from the Lipulekh Pass.¹ The issue is a sequence of protests, in November 2019, whereby Nepal objected on the Kalapani land dispute after the Indian government published a new map following Ladakh being made an independent Union Territory. The issue of Kalapani has been raised as India's encroachment of Nepal's territory and infringement upon its sovereignty.

Although India clearly stated that the road has been in construction for years and the land area is a part of Indian territory, Nepal pressed to immediately hold foreign secretary level talks. There is already a Nepal-India Joint Technical Committee, formed in 1981, to resolve all issues relating to border points; 76 out of the 78 border points have already been resolved.² Yet, Nepal is vigorously pushing for an immediate solution, demanding that India recognise Kalapani and Lipulekh as Nepal's territory, though there is an intense internal debate for decades over lacking any concrete political map of Nepal showing Kalapani, Lipulekh and Limpiyadhura as Nepali territory.

Power Plays and Geopolitical Gambits

The critical issues that need to be looked are: Why Nepal is protesting over this barren land which was controlled and managed by India for decades? When India has already agreed to hold talks, and there is a mechanism in place to deal with border issues, why does Nepal have an urgency to hold foreign secretary level talks? Why is it that the foreign secretary of Nepal is meeting with the Chinese Ambassador to apprise her of the Kalapani and Lipulekh area as a contentious issue, when the armies of both countries and bureaucracies enjoy exceptional relationship? Is it just the nationalist sentiments of the Nepalese that are on a high or there are more political motives behind? What are the reasons for heightened anti-India

narrative propagated in Nepal? The issue of anti-India statements and invoking nationalist sentiments on border demarcation between India and Nepal does not seem to stem from the mere unhappiness over 35 km of land. In fact, there are greater domestic political power plays and geopolitical changes that evolve the complexity in bilateral relations. It is imperative to understand the internal political tussle between the ruling Nepal Communist Party and the main opposition, Nepali Congress Party, along with other parties, while figuring out the regional as well as global dynamics of geo-economics that plays a role in the development of Nepal. It is essential to point out here that Nepal was pursuing an equidistance policy before Prime Minister Oli came to power, after which he advocated 'equi-proximity' in foreign policy to engage with both northern and southern neighbours to seek overall development of Nepal.

Understanding the Lipulekh and Kalapani Issue

After the announcement of road construction at Lipulekh, there were strong reactions on social media pointing to the Nepal government's failure to resolve the border issue with India. On 09 May, 2020, Nepal's Ministry of Foreign Affairs issued a press release that, "The government of Nepal has learnt with regret about the 'inauguration' yesterday by India of 'Link Road' connecting to Lipulekh (Nepal), which passes through Nepali territory. The government of Nepal has consistently maintained that as per the Sugauli Treaty (signed between the British Raj and the then ruler King of Nepal in 1816), all the territories east of Kali (or Mahakali) River, including Limpiyadhura, Kalapani and Lipulekh, belong to Nepal".³

Lipulekh is a strip of land on the northwestern edge of Nepal between India, Nepal and China (Tibet region). While some call it a tri-junction between these three countries, Nepal has been claiming the southern part of the pass and has refused to recognise it as a tri-junction. Most of the Nepalese claim that the tri-junction is Limpiyadhura and not Lipulekh. The pass is a far western point near Kalapani. Both India and Nepal claim the stretch of 35 sq km of land area of Kalapani as a part

of their territory. India claims Kalapani as a part of Uttarakhand's Pithoragarh district while Nepal claims it as a district of Dharchula. Nepal also claims that the entire area from Lipu Gad, the tributary of Kali River, up to the source of Kali River in the east of Lipulekh pass is Nepal's territory, though there have been various conflicting versions of Nepal over the source and tributary of Kali River. Nepal adds that during the 1962 India-China conflict, Nepal allowed Indian troops to occupy certain posts for defence purposes, from where the troops moved out later except from the Kalapani area. In Nepal, the blame of this action is placed on late Nepalese King Mahendra who had handed the territory to India in 1962.

The Indian side, however, claims that the administrative and revenue records of British Raj of 1830s available with the Uttar Pradesh (UP) state government reveal that the area was governed by the Pithoragarh district and the map of 1879 shows Kalapani as part of British-Indian territory. The UP state police was in place since 1956 and after 1979 Indo-Tibetan Border Police (ITBP) is in control of the surveillance operations. Further, as per the Article 5 of the Sugauli Treaty, Nepal has renounced all claims to the areas west of Kali River. However, the area has been in controversy only after 1996, when the Treaty of Mahakali was ratified by Nepal.

Mahakali Agreement and the Dispute

In January 1996, Pranab Mukherjee, the then Indian External Affairs Minister, and Prakash Chandra Lohani, then Minister of Foreign Affairs of Nepal, had signed an agreement for integrated development of the Mahakali River, including Sarada barrage, Tanakpur barrage, and Pancheshwar project, which is commonly called as the Mahakali Treaty. The Treaty was further ratified by the then Nepalese Prime Minister Sher Bahadur Deuba, National Congress leader, during his visit to India in February although it had become a political subject within Nepal, especially because the Communist Party of Nepal (United Marxist Leninist) (CPN (UML)) had begun the draft negotiations while being in minority ruling position and the Maoist faction had opposed with armed struggle. The bone of

contention for the Mahakali River was that it was ratified without resolving the issue on the origin of Kali River for which there were multiple understanding of the tributaries: one, the stream coming from Limpiyadhura; two, the stream from Lipulekh; and three, the stream from Kalapani Lake. India claims that the river begins in Kalapani, while Nepal claims that it begins from Lipulekh pass and, therefore, claims all areas east of the Lipu Gad.

The other, greater, internal political dynamics is the opposition of Communist Party of Nepal (UML) blaming the Nepali Congress for enforcing an unequal treaty, while the Maoist faction used it as a political tool to criticise the successive governments. Now that Khadga Prasad Oli from the former CPN (UML), who was also the coordinator to the Mahakali Treaty, is the Prime Minister with a majority and head of the Nepal Communist Party (a unified party of former UML and Maoists), the opposition parties are raising the issues to resolve the Kali River dispute. Interestingly, among the former UML members as well, there were some against the draft proposal like Bambdev Gautam (who is promoted by PM Oli as future PM), C P Mainali, R. K Mainali, Sahana Pradhan, Amrit Vohara, Tulsilal Amatya, Trilochan Dhakal, Yuvraj Gyanwali, Siddhilal Singh, Vinshnu Poudel, Premsingh Dhabi, Keshavlal Shresth, Vachaspati Devkota, Kamal Chilagai, Ashok Rai, Kiran Gurung and Gopal Shakya. Hence, now when the inner-Party rift within Nepal Communist Party (NCP) is high, the issue of Kali River has gained greater significance.

The India-China Trade Route Factor

The year 2015 marked a year of heightened turmoil and rise of anti-India sentiments in Nepal. On an oft reported parameter, it is the 2015 blockade after the massive earthquake in Nepal that restricted the movement of essential goods to Nepal and created greater sufferings for the Nepalese. The suffering of the ordinary people of Nepal, a humanitarian crisis, is now a common narrative of anti-India sentiments. However, it is worth noting that soon after the massive earthquake in Nepal on 25 April 2015, India was the first country to respond with Operation

'Maitri' and was the largest donor with USD one billion aid in cash apart from other non-monetary reliefs.⁴ Yet, by September 2015, India was blamed for a blockade in which India denied official complicity.⁵ Consequently, anti-India slogans reigned high in Nepal. There is internal and external context to the scenarios evolving in 2015 that needs to be understood.

First, and foremost, is the internal context that the stoppage of transportation of goods was a result of the internal chaos that followed the promulgation of the new constitution on September 20, 2015. Soon after the new constitution was passed, many *Madhesi*⁶ parties carried out huge protests with clashes resulting in the deaths of many. This was the constant internal turmoil where Madhesh based parties have been protesting for equal rights and citizenship to be incorporated in the constitution. This was the third wave of such protests by Madhesh-based parties as many leaders felt betrayed by the promises made in the draft resolutions.

The second important external context is rooted in May 2015, when China had proposed constructing an economic corridor to India through Nepal to link the three countries with road and rail connectivity. The press release of Nepal's Ministry of Foreign Affairs issued on 09 May, 2020 states that, "It may be recalled that the government of Nepal had expressed its disagreement in 2015 through separate diplomatic notes addressed to the governments of both India and China when the two sides agreed to include Lipulekh Pass as a bilateral trade route without Nepal's consent". This makes it clear that the root of the discontent lies in the India-China agreement of opening a trade route.

The initiative of opening a trade route was first proposed by the Chinese President Xi Jinping when he met with Indian Prime Minister Narendra Modi in Xi'an on 14 May 2015. Later, the proposal was again discussed with the then Indian External Affairs Minister Sushma Swaraj in June end during a meeting with Chinese Foreign Minister Wang Yi in Kathmandu on the sidelines of a meeting on Nepal's reconstruction following the earthquake.⁷ The proposal was under the grand vision of Belt and Road Initiative (BRI) of China. Earlier, India was hesitant in building connectivity with China though Nepal, however, Prime Minister Modi had shown positive attitude towards all kinds of linkages that help the countries and improve the living standards of the people.

Road Connectivity

India inaugurated 80 km link road from Dharchula to Lipulekh (China border) to shorten the duration of the journey for the pilgrims going to Kailash Mansarovar from three weeks to one week. The road originates at Ghatiabagarh and ends at Lipulekh pass, which is the entry point to Kailash Mansarovar that is 90 km away from that point. According to the Indian Ministry of Defence, China is building extensive infrastructure in its territory to connect Lipulekh to the western Tibet and has constructed a four-lane road from Taklakot to Lipulekh. The Indian Border Roads Organisation (BRO) is constructing the Tawaghat-Ghatiabagrah-Lipulekh road. The construction of the road began in 2008 and was scheduled to be completed in 2013, but got delayed due to tough terrain in the portion between Nazang to Bundi village.8 Although the decision was made in May 2015 between India and China to open an international trade route through Lipulekh Bhanjyang in Dharchula district, Nepal was not a party to the decision.9 This is the first point of contention of the Nepalese. However, the Indian Army had built a bridge over the Lipulekh River, 12 km from the Nepal-China-Tibet trilateral point, three years ago but there was no noise in Nepal. The Nepalese say that such an issue was raised with India with no outcome.

India-China Cooperation Evokes a Small State's Insecurity

Although Nepal is a sovereign state but it is a small power between the two giants. For decades, it has worked to make space for itself with lot of insecurities over its existence and sustenance. A threat to its existence looms large in all discourses for the role big powers can play in its politics, economy, culture as well as on its social setup. With this skepticism, Nepal has always worked to create space away from other powers while reaping benefits, though it has

remained as a hot cake for many powers, including western powers, due to its strategic location. Nepal never wants India and China to be close enough as that threatens its own existence. Nepal has always used 'China card' against India to reap benefits from both the big powers. The tricky balance maintained was more to reap double benefits, which was shaped in its 'equidistance' foreign policy objectives.

The Indian Army Chief, General MM Naravane, while answering questions during a webinar organised by Manohar Parrikar Institute of Defense Studies and Analysis on 15 May 2020 stated, "The area east of Kali River belongs to them (Nepal). The road that we built is on the west of the river. There was no dispute. I don't know what they are agitating about. There has never been any problem in the past. There is reason to believe that they might have raised the issues at the behest of someone else and that is very much a possibility". ¹⁰ The media was suddenly flooded with interpretation of 'China hand' as the point of inference for 'behest of someone else', considering that the Chinese Ambassador recently had a series of meetings with the Nepalese President and the NCP leaders at the height of inner-party (NCP) crisis.

One would argue that if the Army Chief did not name any country, why did no one think of US, considering US-China trade war is intense and Nepal is potential state for proxy war, whereby, US wants to protect human rights of Tibetans in Nepal. On the other hand, China wants to curb all kinds of separatist activities, especially of the Dalai Lama supporters. Nepal is also having intense debate of ratifying the US Millennium Challenge Corporation (MCC — an independent bilateral foreign aid agency) compact, which will provide US\$ 500 million in grants, while Nepal would put in \$130 million for the project focusing on energy and roadways. The compact is largely seen as a part of the Indo-Pacific strategy led by US and a counter to China's BRI projects in South Asia. Largely, the Nepali Congress has been supporting the compact, while some of NCP leaders have been opposing.

The statement could have been linked to even Pakistan that is rapidly spreading its wings in Nepal; especially the terrorist groups like the Indian Mujahideen of Pakistan are expanding the areas of operation in Nepal.¹¹ However, the fact that the Nepalese media immediately spread the narrative of India against China and India looking at China as a threat implies that Nepal is more worried about closer India-China ties.

Most Nepali politicians understand that people in Nepal are not very pro-India even though the cultural and historical ties are deep rooted. There are layers of dissatisfaction that look at Indians from the perspective of superiors, exploiters and rulers or even a hegemonic power. These sentiments have been encashed by the Nepali politicians over the years to create friction among its own populace. Hence, there are pro-India and anti-India segments being created among the masses which help Nepali politicians to play the game of nationalist sentiments and evoke support for successive elections.

Conclusion

In conclusion, the historical bilateral issues of Kalapani-Lipulekh have been used by Nepali politicians as a major tool to create rift between India-China due to the fact that Nepal knows the vulnerabilities of India and the border tensions with China. Nepal is also well aware of the strategic significance of the land area for India. Unless the Indian government settles these critical issues with Nepal, the irritants will become a major factor used by Nepal to impact India's role in the region as well as dent its international image. Nepal will surely use the hard power bargain to gain the benefits from both neighbours — India and China. Hence, a cautious approach to manage the sentiments of the Nepalese and rooting out future probabilities of tensions is the need of the hour.

The Nepali government is trying its best on coaxing China to join the talks though, at the official level, Chinese government has refused to be a party to bilateral border issues. As the real value of South Asian Association for Regional Cooperation (SAARC) has declined, Nepal is pushing its way into China led Shanghai Cooperation Organisation (SCO). It believes that

SCO entry can help Nepal find co-partners, including Pakistan, to leverage ties with India. Many voices in Nepal have started to demand wired border and International Court of Justice to pursue the case of Kalapani and Lipulekh though it is well aware it lacks substantial evidences to prove any case. Hence, it looks at alternative alliance partners to re-negotiate with India and rope in China to acknowledge Nepal's position and in the process gaining strategic recognition in the area. As Kalapani is a strategic point for both India and China, there is every reason to believe that Nepal will continue to play this card to gain strategic benefits. The passage of a Constitution amendment Bill to change the country's political map on 09 Jun 2020 by the Nepal House of Representatives is a clear indication of this game play.¹²

End Notes

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