



SAB

SOUTH ASIA BULLETIN

COOPERATION • HARMONY • CONFLICT

February 2024

Volume 2, Issue 6

WHAT'S INSIDE ?

- **Modi inaugurates the Ram Mandir in Ayodhya**
- **Muizzu visits Beijing amidst political drama at home**
- **Shock result in Pakistan's election; Jailed Imran Khan the biggest winner**
- **Hashina's landslide win in Bangladesh amidst election boycott by opposition**
- **Tshering Tobgay returns as new Prime Minister in Bhutan**
- **Taliban organizes 'Afghanistan Regional Cooperation Initiatives'**
- **Xi acknowledges Beijing's economic troubles**

Contributors

Santosh Sharma Poudel

Samridhi Pant

Satish Chandra Shah

Abinav Kumal

Copyright © 2024, Nepal Institute for Policy Research (NIPoRe)

Disclaimer: The opinions expressed in the Bulletin are of the contributors. They do not represent NIPoRe's position.

Suggested Citation: Pant, S., Poudel, S.S., Shah, SC, and Kumal, A. (2024). South Asia Bulletin. Nepal Institute for Policy Research (NIPoRe). Vol 2, Issue 6

Designed by: Saurav Thapa Shrestha, Everything Creatives Pvt. Ltd.

Editor's Note

January (and February's first week) was eventful across South Asia. Bangladesh, Bhutan, and Pakistan held elections. Bangladesh's election was a predetermined affair. Bhutan's election was a subdued affair where policy took precedence over politics. Pakistan's election threw a surprise, with former prime minister Imran Khan's party (though his supporters ran as independents and he could not stand for election) winning the most number of seats in the parliament despite the government and the powerful military's groundwork to the contrary.

Bangladesh and Pakistan's elections registered 40 percent and 48 percent turnouts, respectively. It shows a clear distrust of politics. In Pakistan, it could be a result of distrust of the mainstream parties and the voters' perception that the military controls the reigns of power irrespective of who wins. The mainstream parties have hardly done themselves a favor, as reflected in the dire state of economics. Meanwhile, in Bangladesh, the opposition boycotted the elections. Sheikh Hasina has crippled the opposing voices and jailed opposition leaders. Thus, the election was a foregone conclusion.

Meanwhile, Chinese President Xi Jinping finally acknowledged that the Chinese economy is facing hardship. In his New Year's message, Xi said, "Some enterprises had a tough time. Some people had difficulty finding jobs and meeting basic needs." It comes amidst Chinese real estate going bankrupt or defaulting. He attempted to assure his fellow citizens by saying that those issues were at the forefront of his mind. Xi has centralized all power onto himself. Thus, the onus is directly on Xi to lead the way back to economic prosperity. He will not find it easy, though, as the Sino-American tension has also metamorphosed into economic and technological fields.

Indian Prime Minister Narendra Modi continues his victory streak. On 22 January, he inaugurated the Ram temple in Ayodhya amidst great fanfare and celebration among Hindus worldwide. The temple replaces a 16th-century mosque torn down by Hindu rioters in 1992. In the ensuing riots, nearly 2,000 people died. After the event, Modi remarked, 'After years of struggle and countless sacrifices, Lord Ram has arrived home.' The construction of the temple fulfills the decades-long pledge of the ruling Bharatiya Janata Party (BJP). It was possible after the Supreme Court gave the disputed land to Hindus after a protracted legal battle and allotted Muslims a separate plot at a 'prominent place' in Ayodhya to build a mosque.

The timing of the inauguration of the temple, of which only the ground floor has been completed, with the rest expected to be completed later this year, is remarkable. It comes a couple of months before national elections in India in April/May. It will reinvigorate and consolidate BJP support in the hinterland and boost BJP's chances. It is not that the BJP needs the temple to win. Modi and his agenda of Hindu-nationalist developmental agenda remain popular in the Hindi heartland, the BJP's (and RSS') organization remains strong, the economy is performing well, and the opposition remains scattered and toothless. The temple only furthers BJP's dominance in terms of agenda-setting and political outcome.

At the same time, the Sino-Indian tug-of-war continues in the Maldives. President Mohamed Muizzu made Beijing his first foreign trip, and elevated Sino-Maldivian relations. He also asked India to withdraw Indian troops stationed in the island nation by mid-March. He might have chosen the deadline banking on the anti-India sentiment that propelled him to power to win his party's parliamentary majority in the upcoming elections in March. While he continues his anti-Indian rhetoric, the opposition has pushed back, threatening impeachment.

You can read these and more in this issue of South Asia Bulletin.

For more on South Asia, follow the South Asia Bulletin. Feel free to write to us at [sspoudel\[at\]nipore\[dot\]org](mailto:sspoudel@nipore.org) if you have comments or criticisms or want to partner with us in this endeavor. To enjoy our other research works, visit our website at

www.nipore.org.

Santosh Sharma Poudel

Lead, Center for Strategic Affairs
Nepal Institute for Policy Research

Country Brief

Afghanistan

The Taliban organized its first official diplomatic conference since coming to power two years ago, called ‘Afghanistan Regional Cooperation Initiatives.’ The aim was to discuss improving cooperation between Afghanistan and its neighboring countries, focusing on shared interests, mutual respect, and opportunities for connectivity and transit.

In a recent [press conference](#), Russian Foreign Minister Sergey Lavrov stated that the Taliban must form an inclusive government representing more than just the dominant Pashtun ethnic group. [In response](#), the Taliban urged nations not to interfere in Afghanistan’s internal affairs.

Pakistan’s Chief of Army Staff, Asim Munir, [sparked anger](#) among Afghans by suggesting that a Pakistani life is worth more than all of Afghanistan and warning of potential destruction in the country. The Taliban’s [oppressive treatment](#) of women persists, with alarming reports showing that out of around 19,000 people imprisoned in the country, at least 800 are women.

Bangladesh

In the 12th Parliamentary Elections, Prime Minister Sheikh Hasina’s Awami League secured her fourth consecutive term by winning [225 out of 298](#) parliamentary seats. At just 40 percent of eligible voters, the voter turnout was the third lowest in Bangladesh’s history. The main opposition party, the Bangladesh Nationalist Party (BNP), [boycotted the elections](#), citing allegations of intimidation and vote-rigging. Concerns about the fairness and legitimacy of the electoral process remain. Some independent candidates are also pro-Hashina, implying that Hasina might fully control the country’s democratic parliament.

The US, UK, and the United Nations expressed severe dissent against Bangladesh, deploring Hasina’s abuse of power. On the other hand, China, Russia, and India [generously congratulated](#) Hasina for her win and expressed support for her post-election agenda. While the West has criticized Bangladesh’s non-democratic turn, they have been pragmatic about their engagement with Dhaka.

Despite Hasina’s recent victory, the aftermath appears concerning. A significant chunk of the population is disenchanted with politics; thus, protests are likely to continue. This is compounded by Hashina’s absolute control of the government, and she is unlikely to back down as no checks are left on her.

Amidst the chaos intensifying between the Myanmar troops and the rebel group, the Arakan Army, Bangladesh is [housing hundreds of Myanmar troops](#) that have fled the battlefield. However, the

government faces allegations of physically and deceptively coercing Rohingya refugees into repatriating back to Myanmar as part of a “pilot repatriation” program where they are to be met by terrifying violence again.

Bhutan

Under the leadership of Tshering Tobgay, the People’s Democratic Party (PDP) emerged [victorious in the national assembly elections](#), securing 30 seats, while the Bhutan Tendral Party (BTP) claimed the remaining 17. The PDP also dominated the [primary round](#) of the National Assembly elections. Tshering Tobgay is set to become the Prime Minister for a [second five-year term](#), following his previous tenure from 2013 to 2018. Since the opposition party, BTP, has won a healthy number of seats in the national assembly, it indicates a parliament with good checks and balances for the ruling party.

Even though the nation’s economic growth is anticipated to decelerate to [4.7 percent in 2024](#), down from 5.2 percent in 2022, primarily due to a decrease in construction activity, the [PDP’s Economic Stimulus Plan \(ESP\)](#) is anticipated to have a crucial impact. The ESP promises a push worth Nu 15 billion (USD 180 million), promising to inject liquidity into the banking sector, allowing loan deferments and reducing interest rates to expedite their economic recovery. Citizens anticipate a positive outcome from PDP’s ESP expressing support for the ruling party’s intentions.

Vinay Mohan Kwatra, Foreign Secretary for the Government of India, came for a [three-day visit to Thimphu](#) to keep the tradition of regular exchanges between the two countries alive and further reinforce their diplomatic ties.

China

Taiwan held its presidential elections in January. China, which claims Taiwan as its territory, had called the election a [choice between war and peace](#) and had [ramped up military activities](#) on the island ahead of the polls. However, the people of Taiwan have voted for Lai Ching-te, the party chairman of the ruling party, the Democratic Progressive Party (DPP), as the new president-elect. This is the DPP’s [third consecutive term of election victory](#), which advocates for a sovereign Taiwan. President Lai, whom China sees as a dangerous separatist, in his victory speech, [remarked](#), ‘We are determined to safeguard Taiwan from continuing threats and intimidation from China.’

The elections received [mixed](#) reactions from the global community, with some supporting Taiwan’s independence and others supporting China’s purpose. Taiwan-China relations are also important for global powers as the Taiwan Strait is a crucial global maritime trade artery, and the island is a major semiconductor manufacturer. Lai’s assumption of power as the President would mean renewing Taiwan’s diplomatic efforts to strengthen its economic security and reduce dependence on China.

The stance on reunified Taiwan was also reiterated in President Xi Jinping's New Year message, where he [noted](#), 'China will surely be reunified, and all Chinese on both sides of the Taiwan Strait should be bound by a common sense of purpose and share in the glory of the rejuvenation of the Chinese nation.'

In the speech, Xi [acknowledged](#) that the country's economy is in trouble. He stated, 'Some enterprises had a tough time. Some people had difficulty finding jobs and meeting basic needs.' These remarks came when the country's manufacturing sector saw no respite and [contracted](#) for the fourth consecutive month in January. The country's top 100 developers [recorded a deep slump](#) in home sales.

India

Prime Minister Narendra Modi consecrated the [grand temple of the Hindu](#) god Ram in Ayodhya, marking a historic event for Hindus in the world's most populous nation. This fulfilled a campaign promise made by Modi's Bharatiya Janata Party (BJP) over three decades ago. Analysts scrutinized the temple's consecration timing just before the election as Modi sought a rare third term in office.

The Hindu sacred book Ramayana mentions Ayodhya as the birthplace of Ram, whom Hindus believe to be the physical incarnation of Lord Vishnu. The controversial razed mosque, believed to have been built in 1528 by Babur on the spot where Ram was born after demolishing the temple, adds complexity to the narrative. In December 1949, authorities took control of the mosque after Hindu activists placed idols of Ram inside the disputed structure.

Despite attempts at dialogue, the dispute continued for years, culminating in a mob, during the BJP campaign on 6 December 1992, climbing and smashing the domes of the mosque with axes and hammers, bringing the structure down. The violence that ensued led to the deaths of 2,000 people, mostly Muslims, in several parts of India. In 2019, the Supreme Court of India ruled that the entire disputed land in Ayodhya be handed over to build the Ram temple and provisioned another plot at a 'prominent site' in Ayodhya to build a mosque.

Modi's Hindu nationalist BJP launched a nationwide campaign in 1990 to build the temple. Construction began in 2020 after the Supreme Court permitted it in 2019, with the condition that Muslims receive another plot for a mosque.

On India's Republic Day, French President Emmanuel Macron was invited as the [chief guest](#) for celebrations. Both countries have agreed to collaborate on producing defense equipment, including helicopters and submarines, for the Indian armed forces and friendly nations. However, India is [distancing](#) itself from Russia after its ability to supply munitions and spares was affected by the war in Ukraine. Consequently, it is gradually turning to the West as the United States seeks to strengthen ties in the Indo-Pacific region, aiming to contain China.

The Maldives

President Mohamed Muizzu embarked on his first foreign trip to [Beijing](#) on 8-12 January. During the visit, he met with his Chinese counterpart, Xi Jinping, among other leaders. The two countries decided to elevate the bilateral ties to a 'comprehensive strategic cooperative partnership, noting the changes in the world. They also agreed to pursue high-quality Belt and Road cooperation. Male also agreed to implement the Global Development Initiative fully, focus on implementing the Global Civilization Initiative (GCI), and explore ways towards implementing the Global Security Initiative (GSI). Later in the month, it was [confirmed](#) that a Chinese research vessel would call port in Male.

Political and diplomatic drama intensified in Male. Muizzu's Progressive Party of Maldives (PPM) [lost](#) the capital city's mayoral race to Adam Azim of the main opposition, Maldivian Democratic Party (MDP). It is an early setback for the President, who held the post until the national elections.

Meanwhile, the MDP has [collected](#) enough signatures to initiate a no-confidence motion to launch impeachment proceedings against Muizzu. The move was a backlash to PPM's three junior ministers' derogatory comments against the Indian Prime Minister Narendra Modi. The ministers were suspended, but the damage has been done. The row led to many Indians canceling their vacation to the Maldives, [dropping](#) India from first to fifth among the nations with the highest number of tourists visiting the island nation. The tension between the two nations is compounded by Male's asking India to [withdraw](#) its troops stationed in the nation by 15 March. As a result, Maldives saw a 22 percent [decline](#) in India's development aid to USD 72 million for the upcoming fiscal year. Maldives is now [reckoning](#) with the extent of anti-India sentiment that is palatable and politically expedient to voters and political leaders.

Upon his return from Beijing and responding to claims that the Maldives is an Indian backyard, Muizzu has pushed back, saying, 'Maldives' small size does not give any country to bully it.' He is banking on winning the upcoming parliamentary elections in March by exploiting nationalist (anti-Indian) sentiment.

Nepal

Foreign Minister Narayan Prakash (NP) Saud declared at the Non-Aligned Movement (NAM) [ministerial meeting](#) in Kampala, Uganda, that Nepal would refrain from entering security pacts with any nation, aligning its foreign policy with the principles of NAM.

In the Nepal-India Joint Commission's 7th meeting, FM Saud and Indian counterpart Dr. S. Jaishankar discussed [various issues](#), including economic ties, connectivity, and cultural exchanges. They signed four agreements: on long-term power trade, cooperation in renewable energy development, implementation of high-impact community development project (HICDP), and handed over the

fifth tranche of relief aid for earthquake victims in Jajarkot. HICDP caused particular controversy. The agreement increased the Indian grant assistance for implementing High Impact Community Development Projects (HICDPs) from USD 376,000 to USD 1.5 million per project. Such direct spending by a foreign country outside the formal budget influences Nepali politics and political leaders.

During British Army General Sir Patrick Sanders' visit, discussions focused on mutual [interests and cooperation](#). Nepali leaders raised concerns about equal pension and benefits for Gorkha veterans compared to their British counterparts, which Sanders acknowledged. Ireland's upper house Chair Jerry Buttimer visited Nepal at National Assembly Chair Ganesh Prasad Timilsina's invitation, discussing lifting the European Union's [ban](#) on Nepali Airlines.

In response to Nepali casualties in the Russia-Ukraine conflict, Nepal halted [labor permits](#) for both countries. FM Saud urged Russia's Deputy Foreign Minister, Vershinin Sergey Vasilievich, [not to recruit](#) Nepali citizens into the Russian Army during the NAM Summit.

Pakistan

Pakistan conducted its general assembly on 8 February. The contest was between former Prime Minister Nawaz Sharif's Pakistan Muslim League (PLM), Bilawal Bhutto's Pakistan People's Party (PPP), and Imran Khan's Pakistan Tahreek-e-Insaaf (PTI), whose candidates participated as independents. Pakistan's government and the all-powerful military had forced the PTI to the ground, imprisoning many of its senior leaders including Khan, and the election commission barred the use of PTI's cricket bat as the election symbol. The road was paved for the successful return to the premiership of Nawaz Sharif.

However, the results were shocking. PTI-backed candidates won the most seats, followed by PLM and PPP. None of the parties won a clear majority. However, Sharif and Bhutto have reached a deal to form a coalition government under Sharif's leadership. The two parties were previously in a coalition that ousted Khan from power in 2022.

The election was marred by [violence](#) and vote-rigging. The heavy 'electoral engineering' dampened the interest among the voters. Therefore, more than half the electorates skipped the votes. It shows increased distrust towards the mainstream politicians and the despondency among voters that their vote matters less for the powerful military, in conjunction with mainstream politicians, controls the country.

In saying that, the task facing the next government is humongous. The Pakistani economy is in tatters, and the election result will only fuel political tensions between the hugely popular PTI supporters and the government. The government will also have to be in the good graces of the military, for many premiers have had to leave power because of their fallout with the military. At the same time, they have

to address the frustrations of the boisterous public.

The [approval](#) of the first performance review under the USD 3 billion arrangement by the IMF's executive board. It now unlocks the second tranche of USD 700 million. Also, the [increase](#) in remittances during December brings good news amidst the protracted balance of payment crisis.

Pakistan's trouble increased after Iran bombed targets inside Pakistan territory that Tehran claimed were 'strongholds' of the Jaish al-Adl terrorist group. Islamabad claimed that two minors lost their lives in the attack. Pakistan [responded](#) by striking targets in the Iranian town of Saravan. Foreign ministers between the two states met to dampen the situation.

Sri Lanka

The Human Rights Watch [World Report 2024](#) has condemned the Sri Lankan Government for undermining human rights in response to the economic crisis. The report came when the country's Parliament [passed](#) the 'Online Safety Bill.' Under the Bill, content creators deemed to be posting 'illegal' material by a five-member commission will be punished with jail sentences and hefty fines. It also holds companies such as Google, Facebook, and X [accountable for content posted on their platforms](#). The Bill has sparked criticisms from various sections of society and the international community, citing it as a major [blow to the digital economy](#) and efforts to stifle freedom of speech ahead of parliamentary and presidential elections later this year.

The main opposition party, the United People's Power party, has [initiated protests](#) over the incumbent government overburdening citizens by increasing taxes and hiking prices for electricity and fuel, causing a sharp spike in living costs. The police responded to the protests with tear gas and water cannons to disperse the crowd. The country also has so far [arrested 40,000 people](#) in the nationwide drug crackdown.

Colombo's navy has prepared to join the US-led operation to protect the merchant vessels sailing the Red Sea against attacks by Houthi Rebels. Colombo [desired](#) to help counter threats to international shipping, freedom of navigation, and the global economy. A non-aligned country suffering serious economic troubles, Sri Lanka's participation in the US-led operation is striking but could be a result of deep Sri Lanka-Israel military relations

.

Drivers of Debt Distress in South Asia

Government debt in South Asian countries averaged 86 percent of GDP in 2022. In 2023, Sri Lanka, Bangladesh, and Pakistan received fresh payments from the International Monetary Fund (IMF) to stabilize their economies. These financings are only small parts of the multiple bilateral and multilateral financial borrowing the developing nations acquire. Altogether, the borrowings form parts of the country's total debt.

Increased borrowing is not inherently problematic. Most developed countries, including Japan, the United States, Canada, and many European countries, have over 100 percent debt to GDP ratio. These payments are usually linked with productive investment, which generates returns and promotes economic growth. However, in the case of smaller South Asian states, these borrowings are linked to stabilizing economic volatility, preventing default, and, in some parts, boosting growth prospects, thus leading to debt accumulation and vulnerability. It is, therefore, important to analyze the primary drivers of the increasing debt distress in South Asia. This article presents these drivers, citing Sri Lanka's debt default as an example.

Political instability and policy uncertainty. Clear and consistent development strategies are crucial for governments to stabilize the economy and boost productivity in the long term. Lack of consensus on policies and reforms brings uncertainties for investment and businesses, stunting the development processes.

In the case of Sri Lanka, abrupt policy changes in the '60s and '70s, in conjunction with the adoption of inward-looking nationalist policies, slashed the investment inflows to the country. As a result, the external debt burdens had already crossed 60 percent of the GDP in the 90s. After the end of the civil war, which cost the nation years of economic progress, the governments adopted debt-fueled development strategies backed by heavy borrowings in bilateral loans and high-interest international sovereign bonds, leading to debt distress.

The governments that succeeded were aware of the looming economic crisis; however, the policies swung between nationalist import substitution policies and "guided" export orientation policies, leading to uncertainties. Further, the tussle between the coalition governments and widespread opposition from trade unions thwarted the policies on economic agendas and prioritized political agendas. This phenomenon risked the economy further, leading to an economic crisis.

Fiscal mismanagement. Low-income countries usually have weak institutional frameworks for fiscal management, inadequate tax collection systems, poor budgetary processes, and weak public financial management systems. This leads to low and declining fiscal revenues, increasing rigidity of

expenditures, dependency on foreign aid, corruption, and inefficiencies in the public sector.

In the case of Sri Lanka, repeated borrowings without creating a robust revenue base and using debt to fuel consumption led to a series of fiscal forbearances, thus leading to debt accumulation. This also led to the country's decreased creditworthiness and resulted in borrowings at higher interest rates, further increasing the debt costs.

Low economic growth and undiversified exports. With a low volume of exports, low-income countries are highly vulnerable to economic volatility and external shocks. An unindustrialized production base and diversion of public investment to non-tradeable sectors lead to chronic balance-of-payment (BOP) issues, thus emptying the state coffers and much-needed forex reserves.

For Sri Lanka, inward-looking policies and a focus on the domestic market, with sole dependency on tourism for its forex *without diversifying its exports*, led to the deficit in its BOP. With a weak revenue base, the economy was highly susceptible to externalities. Hence, the COVID-19 pandemic crumpled the economy further.

While not all these factors characterize all economies of low-income countries, these factors hold for the majority. Hence, addressing these structural weaknesses in the economy is important to ensure debt sustainability. For this, consensus-based long-term visions and strategies of development must be charted. The country's economic resilience must be strengthened by increasing the industrial base and diversifying exports, and strong institutions must be developed to ensure strong public financial management systems.

Indian budgeted aid to South Asian countries

India has earmarked INR 4884.56 crore (approx. USD 591 million) in its annual 2024-25 budget for aid to other countries. The amount represents more than a fifth of the Ministry of External Affairs (MEA) budget for the upcoming fiscal year. It marks a decrease from INR 5426.78 crore (approx. USD 656 million) from 2023-24. It shows the high priority New Delhi accords to aid diplomacy.

More revealing is the targeted recipients of the aid. South Asian countries (Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, and Sri Lanka) receive almost 70 percent of the earmarked aid. Among other major recipients are the Indian Ocean island nation Mauritius (USD 45 million) and India's eastern neighbor, Myanmar (USD 30 million). It fully reflects India's 'neighborhood first' policy.

Within South Asia, the differences are telling, too. The table below summarizes the Indian aid to the smaller states in South Asia.

	Indian development aid (as per Indian budget)					
	2024-25		2023-24 (Revised)		2022-23 (Actual)	
	INR Crore	USD million	INR Crore	USD million	INR Crore	USD million
Afghanistan	200	24	220	27	279	34
Bangladesh	120	15	130	16	134	16
Bhutan	2069	250	2399	290	2467	299
Maldives	600	73	771	93	183	22
Nepal	700	85	650	79	434	53
Sri Lanka	75	9	60	7	126	15

Notes:

Yellow indicates a decline from the previous year; Green indicates an increase.

INR to USD exchange rate for all years is calculated based on the exchange rate on 1 February 2024 (1INR=0.0121USD).

Source: [Indian budget, 2024-25](#)

Among South Asian states, Bhutan gets the lion's share of Indian aid. Despite a decline in allocated Indian aid, Bhutan still accounts for 42 percent of Indian aid to foreign countries. India has a major investment in hydroelectricity production in Bhutan and is engaged in connectivity infrastructure. Some of the aid could be used at the Ghelepu special economic zone on the border with India's state of Assam.

Nepal overtook Maldives to be second on the list. Nepal is to receive USD 85 million in the next fiscal year, which marks an increase of 8 percent from the current fiscal year. New Delhi has been concerned about the increased influence of Beijing and has worked quietly to undercut such influence. Indian

External Minister S. Jaishankar, during his recent visit to Nepal in January, agreed to increase the grant for implementing High Impact Community Development Projects (HIDCPs) from USD 376,000 to USD 1.5 million per project. It created an uproar in Nepal, but the increase in aid, despite New Delhi reducing the overall aid amount by 10 percent, reflects Indian interest to continue engaging Nepal through aid. Sri Lanka was the only other country that received increased aid for the next fiscal year.

Despite the tension in India-Maldives relations because of Maldivian President Mohamed Muizzu stoking anti-India sentiments, the aid to Maldives saw only a marginal decline. Male is strategically too important for India. Maldives still receives almost 3.5 times the aid it received from India last year.

Certainly, this is not the only aid that India provides to neighboring countries. New Delhi sends additional aid/relief materials during times of crisis. New Delhi is often the first external country to send support during emergencies such as earthquakes.

Such aid may have won the hearts of the people who benefitted directly and may have been helpful to curry favor from political leadership. However, it has not been able to win over goodwill from many people in the region. Anti-India sentiment runs deep and is often a potent political tool used by political leaders in the neighboring countries. All the aid provided over the years has yet to convince the people in these countries of India's goodwill. On the contrary, some might even feel the aid to be a tool of Indian interference in its smaller neighbors. Nevertheless, these smaller neighbors look to India for support. In this case, India is truly damned if it does, damned if it does not.

About Publishers

Nepal Institute for Policy Research (NIPoRe)

Nepal Institute for Policy Research (NIPoRe) is an independent and non-partisan research institute based in Kathmandu, Nepal. It works to generate evidence-based debates among citizens and critical development stakeholders in both the public and private sectors on contemporary policy issues from Nepal and other parts of Asia. The institution works on high policy priority areas through four research centres: the Center for New Economy and Inequality (CNEI), the Center for Strategic Affairs (CSA), the Center for Governance Studies (CGS), and the Center for Human Development (CHD). NIPoRe's team members represent diverse academic disciplines, professional backgrounds and geography. The institute adopts a multi-disciplinary approach in its analysis of policies and research, supported by researchers trained at universities and within professional environments across the globe. NIPoRe's key productions include the Nepal Competitiveness Index (NCI), the Nepal Risk Outlook (NRO), and the Diplomats' Forum.

<https://nipore.org/>

[f](#) [t](#) [in](#) niporeglobal

@ nipore.global

Flagship Initiatives



NEPAL RISK
OUTLOOK

Other Initiatives

