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Introduction

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WHY THIS BOOK?

Asia today has wind in its sails. In one significant shift in international relations emerging from the global economic and financial crisis of 2008–10, the balance of influence is tilting toward Asia, and away from the West, based on the momentum (if not yet the weight) of Asia's economic performance and the geostrategic potential with which this rapidly increasing wealth endows the continent.

Conventional wisdom suggests that the West frittered away its moment of advantage at the conclusion of the Cold War. Meanwhile, Asia tended to its vulnerabilities, which remained, overwhelmingly, economic ones. The focus on economic growth throughout much of Asia has paid off.

When we think of Asian prosperity, we tend to think of the three main regional powers – China, India, and Japan – or of the Asian Tigers: South Korea, Taiwan, and several of the countries of Southeast Asia. We tend to forget about the poverty that continues to afflict so much of Asia, and we think of Nepal hardly at all.

In the minds of Westerners, Nepal evokes the Himalayas, the impressive and elegant Gurkha troops that India and the United Kingdom continue to employ, the hippie trail of the 1970s that led by many roads to Kathmandu, and its rich cultural heritage, so spectacularly on display in the Kathmandu Valley and beyond. Yet, even though Nepal is bigger than it looks on a map, where it appears as a sliver backing onto the Himalayas between the vast territories of India and Tibet, and although its population approaches 30 million, it remains out of focus for distant peoples. In the words of Nepal's founding father, Prithvi Narayan Shah, it is a "yam caught between two boulders" – China and India, the two fastest growing large economies in the world and two of the fastest rising global powers.

The views expressed in this chapter are solely those of the authors and do not represent the official views of the United Nations or the International Development Research Centre.

Few beyond South Asia are aware that for the past six decades Nepal has been caught in an internal struggle for peace, development, and justice. This struggle has involved failed attempts at democratization in the 1950s and 1990s interspersed with 30 years of monarchical dictatorship, which were followed by a Maoist insurgency, an imploding monarchy, and, in recent years, tentative and inconclusive efforts to craft a constitutional solution to the country's political, social, economic, and other woes. This volume aims to contribute to a wider understanding and public awareness of the upheavals that have marked Nepal's trajectory over the past decade, focusing in particular on the country's critical transition from 2005–11 and the international role in those developments.

After 10 years of civil war and the gradual reinstitution of absolute monarchy, the Nepali people in April 2006 took to the streets and forced the king to hand power back to the political parties. Peace negotiations between the leaders of the newly reempowered political parties and the Maoists, which had already led to an important framework agreement in part facilitated by India in 2005, gained new momentum, culminating first in a ceasefire agreement in May 2006 and then in the signing of the Comprehensive Peace Agreement (CPA) in December 2006. In April 2008, after a rocky period and significant delays, elections to a Constituent Assembly took place, bringing to power a Maoist-led coalition under Prime Minister Pushpa Kamal Dahal, known as Prachanda, the former leader of the insurgency. This government resigned in May 2009 after a tussle over control of the Nepalese Army. Since then political life has been unstable, and policy making has been largely paralyzed. Yet, political violence continues to be mostly contained, and the "peace process" is still formally under way, regaining momentum in August 2011 after a long period of stasis when the Maoists returned to power under a coalition government led by the Maoist ideologue turned pragmatist Dr. Baburam Bhattarai.

Why should Nepal's transition be of wider interest? First, Nepal is situated between Asia's two giants, China and India, whose relationship teeters between tension and cooperation, with India very sensitive to any advances by China or Chinese influence in what it perceives as its own backyard. In many ways, Nepal represents a microcosm of the wider geopolitical struggles playing out in the region. Second, the recent political developments there, involving first a Maoist insurgency and then a political process in which the Maoists rather improbably joined in electoral politics, may hold valuable lessons for other countries beset by insurgency, even India itself. Third, although the peace process and the wider transition were largely domestically driven, various international efforts supported Nepal's quest for peace. These efforts included initiatives in peacemaking by NGOs, the UN Secretary-General, and India that throughout the process wielded considerable political influence; significant investments by international donors; and the deployment of two UN field missions: one led by the Office of the High Commissioner on Human Rights (OHCHR) to monitor the human rights situation and the other, the UN Mission in Nepal

(UNMIN), mandated by the Security Council to assist in the implementation of key aspects of the CPA.

Although the jury is still out on the degree to which the transition period lastingly altered the dynamics of Nepali politics and sustainably placed the country on a path of peace and stability, this volume seeks to offer both a "midterm assessment" and a country case study of internationally supported peacemaking and peacebuilding efforts. Placing Nepal's transition in a larger context of its history and international relations and approaching the subject matter from multiple perspectives – from academia and practitioners, Nepali and international – this volume seeks to critically review this period and the international role, in the hope of identifying lessons for other countries undergoing similar transitions.

WHY THESE CONTRIBUTORS?

As the book's editors, we came together because of our interest in, indeed our commitment to, a better future for Nepal and gaining a greater understanding of what that will require. We hail from different backgrounds. One of us, a long-time journalist and analyst turned international public servant, is from Nepal. One of us, a German, served the United Nations political mission in Nepal in 2007–8. And one of us, a Canadian, served as his country's non-resident envoy to Nepal, traveling there from Delhi every now and then during the years 2006–8, after having visited Nepal a couple of decades earlier and been thoroughly seduced by its beauty and its compelling people.

Rather than limit the reader to our own views, we wanted to draw on a wide range of individuals with valuable ideas and genuine expertise on aspects of Nepal's history, economy, politics, and interaction with the rest of the world. Even more, we wanted the book to draw heavily on Nepali voices and engage them in a dialogue with international scholars and practitioners. A volume drawing so heavily on Nepali authors proved possible because Nepal harbors a large number of insightful activists, commentators, and academics with in-depth knowledge of the recent crisis. They include former finance minister and civil society leader *Devendra Raj Panday* (writing about the country's development failure); leading Nepali human rights activist *Mandira Sharma* (writing alongside former OHCHR staffer *Frederick Rawski* on international human rights monitoring); and *Bhojraj Pokharel*, the former head of Nepal's Election Commission who played such a critical role in organizing the Constituent Assembly elections. Two of Nepal's most prolific political scientists, *Deepak Thapa* and *Mahendra Lawoti*, are part of this volume, examining the making of the Maoist insurgency and Nepal's ethnic politics, respectively. Providing a unique view from Nepal's private sector on impediments and opportunities for economic growth is business executive *Sujeev Shakya*. We are particularly proud to be able to introduce to a wider international readership, two startlingly vivid younger writers at

work in Nepal, *Aditya Adhikari* and *Prashant Jha*, writing about the transformation of the Maoist party and the role of key international actors in the peace process, respectively.

Most of the international contributors to this volume are practitioners who played an active role in international efforts to support the peace process. *Ian Martin*, who served consecutively as the head of OHCHR's Nepal Office and UNMIN, reflects in this volume on his experience and the role of the UN. *S. D. Muni*, one of India's most insightful foreign policy scholars, who was personally involved in the early phase of the Nepali peace process, sheds light on Indian interests in and perspectives on Nepal and on the specific role of India in brokering the entry of the Maoists into the country's mainstream politics. *Jörg Frieden*, who led the Swiss Development Cooperation's Nepal Program for many years, critically reviews the donor community's struggles to adapt to Nepal's transition. Other non-Nepali authors include *Rhoderick Chalmers* (on state power and the security sector), the former head of the International Crisis Group's Nepal Office, which was long a lone voice within the international nongovernmental community in informing and advocating on Nepal, and *Teresa Whitfield* (on peacemaking), who as the former head of the New York-based Conflict Prevention and Peace Forum (CPPF) promoted analysis and provided support for a greater involvement of the international community in resolving the crisis.

HISTORY OF NEPAL

Before the king of the small western principality of Gorkha, Prithvi Narayan Shah, launched his campaign to unify the country in the latter half of the 18th century, the geographical area occupied by today's Nepal was dotted with small principalities. Kathmandu Valley itself was divided into three kingdoms – Kathmandu, Lalitpur, and Bhaktapur – ruled by different but related Malla dynasties. Out west, there existed what is collectively known as the 22 Baise and 24 Chaubise rajyas (states) ruled by various clans. The eastern hills were dominated by the Kirat rulers, and the southern plains were divided into several kingdoms, both large and small.

In 1769, King Prithvi Narayan Shah, commanding an army comprised primarily of Magars and Gurungs but mainly led by members of the ruling Hindu warrior caste (Chhettris), embarked on a campaign to unify this conglomerate of mini-states under his leadership. What could not be won with friendship and diplomacy was won over by the khukuri, the traditional Nepali curved knife. In the decades that followed, the Gorkhalis not only unified Nepal but also expanded the territory over significant swathes of modern-day India's east, north, and northwest. They also succeeded, through several campaigns, in extracting favorable trade concessions from the rulers of Tibet. When the latter refused to provide those concessions, the Gorkhalis coerced them through punitive military expeditions into paying tributes to the Nepali king.

This rapid expansion of the Nepali state came to an abrupt halt in 1816 with the Gorkhali army's defeat at the hands of the British East India Company and the signing of the Treaty of Sugauli, forcing the Shah regime to cede all the territory won by the Gorkhali army in India to the British colonial power. After Sugauli, Nepal would never add another inch to its territory through military means, and its borders as defined by the treaty, would remain fixed. The only exception was when the British gave back some western districts as a token of appreciation for Nepal's support in suppressing the Indian Sepoy Mutiny of 1857.

The country's frenzied territorial expansion in the first five decades of its existence significantly shaped its character. Before unification, tribal, ethnic, linguistic, and social caste groups in Nepal's constituent parts pursued their affairs largely autonomously within their own small borders. The Nepali state's expansion forced these myriad groups to live together under the authority of the new Gorkha rulers. By the time Nepal's unification was completed, Nepali society had become multicultural, multiethnic, and multilingual. The failure to recognize and accommodate through active nurturing this new reality would continue to trouble Nepal in the ensuing centuries.

From its earliest days, Nepal was a top-down society governed by a strict hierarchical structure. Before 1846, all power and authority were vested in the Shah ruler and his family. Power flowed from them to the Bhardars – the ministers, aides, and officials who assisted the king and the royal family. Because almost all of the royal court hailed from the higher Hindu castes, spoke Nepali, and wore a particular style of dress, these emblems of the rulers gradually became the norm. The institution of the monarchy therefore drew its sustenance and support from a sense of nationalism embodied by a single religion (Hinduism), a single language (Nepali), and a single dress (Daura Suruwal). It was as if the immense diversity within Nepal's borders – its very multiethnic, multilingual, multireligious, multicultural fabric – did not matter in the eyes of the monarchical state.

Nepal's history took a new turn in 1846 when Jung Bahadur Rana, a military official serving at the court, seized power in a bloody coup and instituted the Rana autocracy that lasted for 104 years. The Ranas, who ruled as prime ministers through a hereditary system, kept the monarchy in place, but left it powerless. They further institutionalized alienation and exclusion by introducing the Muluki Ain (Civil Code) that codified Hinduism's caste structure and incorporated all groups – whether Hindu or non-Hindu – residing within Nepal's borders within its hierarchy. The result was official discrimination practiced on a massive scale, marginalizing large parts of the population.

The first half of the 20th century witnessed growing popular dissatisfaction with the Rana regime, especially among the educated classes. Spurred by the success of the struggle for independence in India, Nepal's opposition in Indian exile called for an uprising against Rana rule. Leading the anti-regime activism was the newly founded Nepali Congress Party (NC), which was secretly in alliance with the politically

impotent Shah King Tribhuwan. Faced with growing turmoil, the Ranas were forced to give back power in 1951. Nehruvian India, itself newly independent from British rule, brought its vast influence to bear in helping fashion the Rana-king-Nepali Congress political compromise of 1951, which officially ended Rana rule and ushered in democracy for the first time in Nepal. The period from 1951 to 1960 saw a flowering of political parties of all ideological hues. This was also the time when the communists, who had founded their first party in exile in India in 1949, burst on the Nepali scene only to find themselves banned in 1952 for anti-government activism (the ban was lifted in 1956 in return for a secret pledge by communist party leaders not to oppose the monarchy).[1] More importantly, however, it was also the time when the monarchy firmly clawed power back not only from the still entrenched Rana clan but also from the nascent and idealistic political parties. A signal of what lay ahead was King Tribhuwan's inordinate delay in implementing his commitment to call a Constituent Assembly election to draft a constitution for the country. He also routinely changed governments, handpicking prime ministers at will to govern a newly awakening country. His death in 1955 and the ascension of his son Mahendra to the throne altered the course of Nepali politics profoundly, as would become clear within just a few years.

After much political turmoil and a succession of short-lived governments, King Mahendra finally called Nepal's first general election in 1959. The NC won resoundingly, led by Bisheswhar Prasad Koirala (brother of the late Girija Prasad Koirala, the four-time prime minister in the 1990s and 2000s who would play such a crucial role in Nepal's recent transition). However, his subsequent government was overthrown by King Mahendra with the help of the army in December 1960. Mahendra banned political parties, and two years later, he instituted the party-less Panchayat system, which bred corruption, nepotism, and all the ills that often accompany highly authoritarian forms of government. An armed cross-border insurgency in 1961/1962 led by exiled NC and communist leaders was brutally crushed by the army.

The Panchayat regime sought to strengthen its legitimacy and popular support by actively fostering a Nepali national identity based on Hindu culture as practiced in the hilly highlands, thereby deepening exclusion of the marginalized groups. The ascension of King Birendra after Mahendra's death in 1972 did little to soften the Panchayat's hard edge. However, in 1979, with the spark provided by Zulfikar Ali Bhutto's execution in Pakistan, Nepali students, always more attuned to politics than the common people, rose up in revolt. Many Nepalis today consider the 1979 student movement the precursor to the 1990 People's Movement. Faced with escalating student violence, King Birendra seemingly loosened the reins of power and, in a major political gamble, called for a referendum on whether Nepalis wanted a reformed Panchayat system or multiparty parliamentary democracy as demanded

[1] John Whelpton, *A History of Nepal* (Cambridge: Cambridge University Press, 2005), p. 91.

by the students and their affiliated political parties. Massive vote rigging led to the Panchayat's victory in the 1980 referendum, but it only provided a limited new lease on life to the regime.

With the advent of perestroika in the Soviet Union under Gorbachev, other closed societies, including some outside the Warsaw Pact, such as Nepal, Bangladesh, and Pakistan, became caught up in the new democratic winds blowing in the late 1980s. The fall of the Berlin Wall in 1989 inspired many Nepali youths to actively urge the still-banned political parties to press for more direct action to reestablish democracy. Thus, the First People's Movement (*Jana Andolan I*) was born in February 1990 under the unprecedented joint leadership of the NC and seven communist parties, which came together as the United Left Front (ULF). As the movement progressed, it drew large swathes of Nepali society, including marginalized groups, professional classes, and trade unions, into a broad alliance with the pro-democracy political parties, challenging the Panchayat's grip.

The protestors drew support not just from within but also from across the southern borders. Many of India's political parties, particularly those on the left, socialists, and even elements of the National Congress (Indira) as well as Indian civil society, pledged support to the movement. At this time Nepal was still under an economic and transit blockade by India, imposed in 1989 in the context of a dispute over Nepal's arms purchases from China. By April of that year, just when it appeared that the rising popular tide of the people was about to sweep away the monarchy, King Birendra, despite strong reservations within the palace and opposition from the Royal Nepalese Army, offered to start talks with the opposition parties. The NC and ULF seized the moment to demand dissolution of the Panchayat regime and institution of a true constitutional monarchy with multiparty parliamentary democracy. A new constitution was promulgated in November 1990, which largely reflected the demands of the democratic forces but, in a compromise with the palace and the generals, confirmed Nepal as a Hindu state and the king as the supreme commander of the army. Multiparty elections were held in 1991. Significantly, the transitional NC-ULF government, led by the NC's Krishna Prasad Bhattarai, managed to negotiate a new transit treaty with India, leading to a lifting of the blockade.

Thus, in the post-1990 years Nepal embarked on its second journey along the path of multiparty democracy. However, in a repetition of the ills that befell Nepal's first democratic experiment in the 1950s, the country experienced a series of short-lived governments that provided little stability and failed to advance the people's aspirations for inclusion, economic development, and good governance.[2] It was in this context that the Maoists launched their People's War in 1996, the causes of which are analyzed in the next section.

[2] For further detail on this period, see Michael Hutt (ed.), *Nepal in the Nineties: Versions of the Past, Visions of the Future* (New Delhi: Oxford University Press, 1994).

CAUSES OF CONFLICT

To analyze the conditions and developments contributing to the outbreak of violent conflict in Nepal, it is helpful, following Michael Brown, to distinguish between long-term structural factors that make countries more conflict prone, and short- or mid-term proximate causes that serve as catalytic factors helping to trigger violent conflict.[3]

Structural Causes

Two of the most important structural causes of violent conflict in Nepal are endemic poverty and group inequality, both of which show a strong association with the outbreak of civil war in cross country studies.[4] Indeed, with a per capita GDP of around USD 200 in the early 1990s, Nepal, statistically, faced a civil war risk almost twice as high than a country with a GDP of USD 2,000.[5] In 1996, the year the conflict started, 42% of the population were living under the national poverty line.[6] That same year, Nepal ranked in the bottom 12% of the Human Development Index (a composite index measuring life expectancy, literacy, education, standard of living, and GDP per capita), in the unhappy company of a number of conflict-ridden countries in sub-Saharan Africa.[7]

A closer look at Nepal's development indicators over time shows a more nuanced picture. Indeed, in the half-century from 1951 to 2001, Nepal enjoyed significant development gains, with the literacy rate growing from 2% to 43%, infant mortality decreasing from 300 to 61 per 1,000 live births, and life expectancy increasing from

[3] Michael Brown, "The Causes of Internal Conflict," in Michael Brown et al. (eds.), *Nationalism and Ethnic Conflict: An International Security Reader* (Cambridge: MIT Press, 2000), pp. 3–25.

[4] Paul Collier et al., *Breaking the Conflict Trap: Civil War and Development Policy*, A World Bank Policy Research Report (Oxford: Oxford University Press, 2003); Fearon, James D. and David D. Laitin, "Ethnicity, Insurgency, and Civil War," *American Political Science Review* 97 (2003): 75–90; Collier, Paul and Anke Hoeffler, "Greed and Grievance in Civil War," *Oxford Economic Papers* 56 (2003): 563–95. Although empirical research on the motivation of those joining the conflict has yet to be undertaken in the Nepali context, such research in other contexts suggests that grievance-based models are incomplete because poverty is also a factor in people's decisions to join both insurgency and counterinsurgency rebellion and counter-rebellion. In addition, involuntary participation is a fundamental, poverty-related aspect of revolutionary mobilization and political violence. See Macartan Humphreys and Jeremy Weinstein: "Who Fights? The Determinants of Participation in Civil War," at http://www.columbia.edu/~mh2245/papers1/who_fights.pdf.

[5] For Nepal's historical GDP per capita figures, see http://www.indexmundi.com/nepal/gdp_per_capita_%28ppp%29.html. For the civil war risk associated with certain GDP per capita levels, see Macartan Humphreys and Ashutosh Varshney: *Violent Conflict and the Millennium Development Goals: Diagnosis and Recommendations*, CGSD Working Paper No. 19, August 2004, p. 9.

[6] World Bank, *Nepal: Resilience amidst Conflict An Assessment of Poverty in Nepal*, 1995–96 and 2003–04, Report No. 34834-NP, June 26, 2006.

[7] UNDP, 1996 Human Development Index.

35 to 59.[8] Surprisingly, over the past 40 years, Nepal has been among the top ten countries in the world in the rate of improvement in the Human Development Index (although, as of 2010, the country remained in the bottom 20%).[9] Paradoxically, not even the decade-long People's War stopped Nepal's steady progress in improving average national income, health, and education indicators.[10] Although the $11 billion in international development aid that Nepal received between 1980 and 2008 surely helped,[11] Nepal made these gains in spite of receiving only 70% of the average per capita disbursement to low-income countries over the same period.[12] (Reflecting international support for the peace process, net development aid received per capita has been increasing since 2005, following 15 years of steady decline.)[13]

Yet, human development indicators based on average national figures can be deceptive. They tell only part of the story and leave out what is the most distinct feature of Nepali society that has made Nepal ripe for conflict: deep social inequalities and injustices. For one, urban areas benefited from much of the development improvements, with poverty in Nepal increasingly becoming a rural phenomenon. In 1995–6, the rural poverty rate at 43.27% was almost exactly twice as high as the urban one (by 2004, the urban–rural poverty ratio had further widened to 3.6 to 1).[14] This urban–rural divide is partly the result of the difficulties of bringing development to the more remote parts of the country and partly a reflection of the Kathmandu-based rulers' neglect of the rest of the country throughout Nepal's history.

Interestingly, in terms of income inequality as measured by the Gini coefficient, Nepal in 1996 compared rather favorably on a global level. Of 110 countries for which data were available, Nepal ranked 55, with most countries in Latin America and sub-Saharan Africa, 10 countries in Asia, and the United States all having greater

[8] Sarah Kernot, "Nepal" A Development Challenge," *Journal of South Asian Studies*, 23 (August 2006): 297.

[9] The top ten improvers were identified by comparing performances of countries against those with similar HDI starting points in 1970; see UNDP, *The Real Wealth of Nations: Human Development Report 2010 Summary* (New York: UNDP, 2010), p. 4.

[10] The Nepali case thus seems to confirm other studies that have identified the paradox of improving health and declining mortality indicators in wartime. For instance, from 1970 to 2008, the child mortality rate has declined in 90% of country-years in war (i.e., the sum of years in which countries have been at war). Reasons for this paradox can be found in the largely localized nature of today's low-intensity conflicts, the lasting effect of the decades-long international campaign to promote public health in developing countries, and the increase in the level and scope of international humanitarian assistance. See Human Security Centre, Human Security Report 2009/2010.

[11] See http://data.worldbank.org/indicator/DT.ODA.ALLD.CD/countries/NP?display=graph.

[12] Between 1980 and 2008, Nepal received an average of $17.6 per Nepali per year compared to $25 per capita received by the average low-income country. Calculations made by authors based on World Bank data; see http://data.worldbank.org/indicator/DT.ODA.ODAT.PC.ZS/countries/NP-XM?display=graph.

[13] Ibid.

[14] Government of Nepal, Central Bureau of Statistics, *Poverty Trends in Nepal (1995–96 and 2003–04)*, Kathmandu, September 2005, at www.cbs.gov.np/Others/Poverty%20Assessment.pdf.

levels of income inequality. (Income inequality has since worsened in Nepal, and the country now ranks, alongside China, as the country with the highest Gini coefficient in Asia.)[15] However, Nepal has some of the world's highest levels of "horizontal" inequality, that is, inequality not among individuals but between groups or regions. No data or rankings are available for the mid-1990s, but the Failed States Index, which ranks states according to a number of indicators associated with state failure, in 2007 placed Nepal in the bottom 10 countries in terms of uneven development and 176 out of 177 in terms of group grievance, with only Zimbabwe ranking worse.[16]

These rankings are all the more relevant because quantitative studies, although failing to detect a correlation between income inequality and increased conflict risk, have identified major group or regional inequalities in economic, social, or political spheres as an important underlying cause of conflict in multiethnic societies. In these cases mass grievances can facilitate recruitment for violence, in particular where political and social inequalities overlap.[17] In Nepal, recent studies found a strong relationship between regional deprivation and the origin and intensity of the Maoist rebellion across districts, with caste polarization having had an additional impact on conflict intensity.[18] Poverty and malnutrition are concentrated particularly in the Maoist stronghold areas such as the hills of the far west and mid-west (see Fig. 1.1).[19] In Chapter 2, Deepak Thapa explains how the Maoists exploited this sense of deprivation in their recruitment and mass mobilization campaign in the run-up to the People's War.

Horizontal inequality is even more pronounced among groups than among regions. Indeed, the pervasive exclusion of large parts of the population based on caste, ethnicity, religion, gender, or regional provenance features prominently in almost every chapter of this volume. Inequality and exclusion in Nepal have to be

[15] For global income inequality data for the mid-1990s, see UNDP, 2001 *Human Development Report: Making New Technologies Work for Human Development* (New York: UNDP, 2001), pp. 182–5; for developments in Nepal's income inequality ranking since then, see Asian Development Bank, *Inequality in Asia: Key Indicators 2007 Special Chapter Highlights* (Manila, ADB, 2007), p. 3.

[16] See Fund for Peace, 2007 Failed States Index, at http://www.fundforpeace.org/web/index.php?option=com_content&task=view&id=229&Itemid=366.

[17] For an overview of recent cross-country and intra-country studies establishing a link between horizontal inequality and conflict, see Frances Stewart, *Horizontal Inequality and Conflict: Understanding Group Violence in Multiethnic Societies* (Palgrave: Houndsmills, 1998), p. 287. For a more critical review of the relevant literature, see James D. Fearon, "Governance and Civil War Onset," Background paper for 2011 World Development Report, August 31, 2010, at http://wdr2011.worldbank.org/governance-and-civil-war-onset.

[18] John Bray, Leiv Lunde, and Mansoob Murshed, "Nepal: Economic Drivers of the Maoist Insurgency," in Karen Ballentine and Jake Sherman (eds.), *The Political Economy of Armed Conflcit: Beyond Greed and Grievance* (Boulder, CO: Lynne Rienner Publishers, 2003), pp. 107–32; S. M. Murshed and S. Gates, "Spatial-Horizontal Inequality and the Maoist Insurgency in Nepal," *Review of Development Economics* 9 (2004): 121–34; Quy-Toan Do and Lakshmi Iyer, *Geography, Poverty and Conflict in Nepal*, Harvard Business School Working Paper 07–065, 2009 at http://www.hbs.edu/research/pdf/07–065.pdf.

[19] See http://www.un.org.np/node/10125.