

**A STUDY ON INTERNAL CONFLICT IN DEVELOPING COUNTRIES
CAUSES AND WAY OUTS
A CASE OF A DECADE LONG ARMED CONFLICT IN NEPAL**

By

BUDDHI PRASAD UPADHYAYA

THESIS

Submitted to

KDI School of Public Policy and Management

in partial fulfillment of the requirements

for the degree of

MASTER OF PUBLIC POLICY

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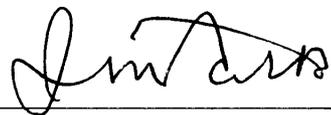
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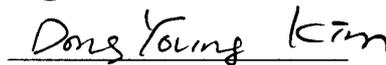
2011

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Approval as of September, 2011

Acknowledgement

I would like to express my gratitude to all respected professors who taught me in different dimensions of public policy and management in the KDI School. Special thank to all library and administrative staffs of the school, who always supported me for the whole study as well as while conducting the research work.

Undoubtly, I am very much grateful to my respected supervisor Professor Dr. Jin Park, for accepting me as his student for this research and providing intellectual as well as academic and practical guidance and boosting morale, without which this study would not be completed. In addition, I am obliged to him for his patience, detailed examination of thesis and tightening the loose ends. I am obliged to other professors as well for observing my thesis presentation and providing valuable suggestions for enriching my research. I also offer my sincere thank to all professors and academic affairs staffs, who contributed for the final evaluation of my thesis.

I would also like to express my sincere thanks to KOICA and KDI School for selecting me to pursue the Public Policy Program in this well reputed institution. My sincere thanks to KOICA for providing financial support during the whole study and finally I highly respect the patient contribution of Korean Tax Payers for the overall cooperation and support.

I am grateful with my wife Ms. Resha, son Mr. Agrim and daughter Ms. Agrani for their support. I equally indebted to all the information for this study who provided me their precious insight gathered. Finally, any mistakes and inadequacies in this study are of course my responsibility.

Buddhi Prasad Upadhyaya

September, 2011

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Executive summary

Policy and conflict are interrelated and shapes each other. Conflict has been shifted from global level to national level as internal conflict after the end of Second World War. However, such internal conflict is also a major source of terrorism and harms in global level. So, managing conflict is equally important for socio-economic development of country domestically as well as protecting the world from terrorism. Various studies and researches have been carried out in national and international level for identifying the root causes of internal conflict. However, it is difficult to agree on common causes of such conflict because of the difference in country specific context and situation that may shape conflict differently.

Most of studies have focused on the diversity as a main cause of conflict and poverty, inequality and other poor availability of basic needs as also byproduct of such diversity because of the difficulty in agreeing for public goods in such society. Some studies focusing the case of Nepal has explored the poverty, inequality, availability of forest area as supporting factors of conflict.

As a student of public policy, I perceived conflict differently linking with policy perspective. In spite of various researches carried out in different level, the root cause of conflict still remained unidentified and effective measures for conflict resolution could not work well in most cases. In this background, I have conducted this study mainly to identify main causes of internal conflict and way out, focusing on the decade long armed conflict in Nepal with some cross country comparison.

I analyzed any internal conflict as a disturbance in the normal social and national system because of the result of weak management of differences and diversity in society. Differences and

diversity are natural in human society. We need to have effective policy measures to harmonize and coordinate differences to manage from family level to national as well as international level.

A decade (from 1996 to 2006) long armed conflict in Nepal left 785 people disabled, 1006 people disappeared and 13,236 people killed. The destruction of social capital (trust and believe), physical infrastructure and pooling back the development process cannot be measured in monetary term. However, it has provided an opportunity of fresh start in socio-economic transformation.

Regarding the causes of the conflict in Nepal, mainly the following factors contributed the most based on my analysis:

- a) Increased aspirations of people remained unaddressed (gap between expectation and achievement)
- b) Presence of ambitious political ideology for overall state restructuring through the strategy of armed/guerrilla war
- c) Proper match of these two situations
- d) Absent of effective institutional mechanism for interest based negotiation process
- e) Absent of Zone of Possible Agreement (ZOPA) at the initial negotiation
- f) Fragile political situation and poor governance during the negotiation process
- g) Discrimination among different regions by the state. For example, the mid-western and far-western regions were left behind from the state mainstream
- h) Discrimination among the citizen in basic services as well as opportunities from the state functioning (employment in Nepal police, school teacher and state owned enterprises)
- i) Power seeking and worshipping culture of society hindering effective policy

management

All these factors are related to policy management. Effective policy in these issues could contribute for managing and transforming the conflict in time. But, due to the absent of coherent and coordinated policy management, nearly 15 thousand people became direct victim and the country went back in socio-economic development.

It can be linked with the coherent and harmonized policy mainly in the following perspective:

- i. Political, economic, and social sector
- ii. From structure of government (macro level) to the operational level
- iii. From people's aspiration to the real implementation
- iv. Balancing immediate, short term and long term policies
- v. Regional balance in development
- vi. Coordination among all from formulation to implementation

In case of Nepal, we missed these parts from the state functioning and created some favorable situation for armed conflict. Furthermore, the power seeking and worshipping culture of Nepalese society and could not systematize the governance in operational level. Poor policy management in these areas created the conflict in Nepal as well as elsewhere.

Any Struggle in the world takes place for better life through equality and equity in the social system. Internal conflict in international arena is also result of policy gap or weak policy management. Country situation matters in cause of conflict. What types of policy to be adopted depends on the natural justice as well as socio-cultural setup. South Africa, Singapore and Switzerland managed conflict through inclusive policy and system. In South Africa, the policy prohibiting blacks from access to power exercise and other key opportunities caused conflict and

the abolition of all discriminatory laws and establishment of inclusive political, economic and social policy and institutional setups transformed the conflict in socio-economic development. Similarly, the well integration of socio-cultural diversity in Singapore created better opportunity for socio-economic development by achieving synergic result through integration.

The diversity has been the beauty of society because of the higher benefit from comparative and competitive advantages justified by the globalized world. So, assurance for equality among the different regions and among the citizen of the country with some special care or protection for marginalized and disadvantaged area and group for equal footing is essential for managing and transforming conflict. This can be assured through the effective policy management from macro level to the micro/operational level in different dimensions of human life including political, economic, social and etcetera by coherent and coordinated way of all policy cycle with assurance of effective implementation. Absent of such situation may create conflict. The forms and level of conflict may depend on the availability of leading ideology and its strategy as well as the level of discrimination in state behavior. So, reducing the policy gap between the aspiration of people and the state behavior reduces the conflict in any area.

Interest and position matter in conflict management. Absent of ZOPA at the initial phase of negotiation was transformed to the successful end of conflict through refining interest and strengthening position with some strategic intervention. The level of public support on Maoist agenda increased from the weak governance and coalition with parliamentary parties with some adjustment in agendas. The coalition between two political powers by harmonizing their interest each other converted the armed conflict into joint people's movement and achieved republic country and also constituent assembly by strengthening own position and weakening the king's position.

Finally, refining the overall policies and system through state restructuring from macro level to micro level has brought all Nepalese people towards the transformation of conflict toward the socio-economic development. So, policy matters for occurrence as well as curing the conflict and also a means of socio-economic transformation.

From the study, my recommendations are:

1. Differences and diversity should be recognized, accepted and managed by taking account of country specific background.
2. Assuring the feeling of fairness is foundation of human life and policy and state behavior are means for this.
3. Policy is main instrument for managing country. So, we need to minimize the gap between people's aspiration and policy agenda, agenda and policy approval, policy approval and its implementation and improving from feedback in political, economic and socio-culture areas.
4. Defective policy creates conflict and again need to have another policy. So, we need to be sincere while adopting any policy and should assess the short term as well as long term perspective and consequences of the policy.
5. Taking the case of Nepal, unfair state behavior among different territory of the country and unfair behavior among people from different level of political and economic approach made the conflict success. So, decentralized state mechanism and equal behavior among all corner of the country and all people should be assured. In addition, the backward area and marginalized people should have special care and priority from the state behavior for compensating the past unjust.
6. Diverse language, religion, culture should be respected and proper opportunity should be

provided for development of each.

7. Vertical and horizontal coherence and coordination should be assured in policy formulation and implementation
8. Provision of policy creates aspiration and expectation but poor implementation makes frustration. So, only implementable policy should be adopted.
9. An inbuilt institutional mechanism should be established from the central to local level to manage conflict effectively with some conflict transformation process.

So, policy and conflict are interrelated and shapes each other. Defective policy creates conflict and effective policies manage it. However, the form and modality of conflict depends up on the availability of leading ideology as well as its strategies and also the level of unjust behavior from the state. Furthermore, coordination and coherence between different policies in different level of government through the whole policy cycle is crucial for transforming conflict with constructive achievement.

1. Introduction

1.1. Background of the study

Human being as a rational living creature mostly tries to maximize happiness through own efforts. Diversification is an ingredient of human being. Diversified perception, interests and preferences among the people in the world has made the entire human civilization complex and mysterious. This caused different level of armed and cold war between countries in the past. After establishing some mechanism of balancing and managing interest, preferences and perception in international level through international organizations, conflict now has been shifted into the national level. Various countries especially least developed and developing countries have been suffered from internal conflict mostly after 1950s. Nepal as a never colonized but least developed country suffered from such internal conflict mainly after the restoration of democratic political system in 1990. Currently the country is in the transition phase after the historic peace accord 2006¹ and in the process of socio-economic transformation through new constitution, refined public policies and institutions.

Nepal went through a decade long armed conflict after the midterm election-1994 with hung parliament in result and its weak management. Ignorance of 42 points demand² of Maoist from government side initiated landmark for the decade long armed conflict. Identifying main cause of conflict is crucial for transforming the conflict into socio-economic development. In this regards, various studies in international level have diagnosed some causes of conflict within countries. However, it may not be acceptable to generalize such causes in the different country contexts and

¹ The peace accord between the government of Nepal and Nepal Communist Party, Maoist on 21 November 2006

² The 42 points demand were submitted by Nepal Communist Party, Maoist in 1996 for drastic changes in overall state mechanism focusing state restructuring and changing the Kingdom to Republic

demands some specific research differently. Most of the studies have shown the ethnic and cultural diversity as main cause of internal conflict in developing countries. However, the situation of Nepal may vary from such findings even though, the country is well diversified culturally and ethnically.

As a student of public policy, I perceived conflict differently linking with policy perspective. In spite of various researches carried out in different level, the root cause of conflict still remained unidentified and effective measures for conflict resolution could not work well in most cases. In this background, a study to identify the root causes of such internal conflict and recommend some way outs seems to be reliable in the present transition phase of Nepal as well as other developing countries. So, I attempted to carry out a small research work in this area. The study has focused on the generalized causes of internal conflict through the analysis of internal conflict in international arena and has also identified some specific causes of the conflict in Nepalese context analyzing the decade long armed conflict in Nepal with some cross country comparison.

1.2. Objective and rationale of the study

The main objective of the study is to identify the root causes of a decade long armed conflict in Nepal. The other objectives are mentioned as below:

- To review the conflict through different dimension linking with policy gap
- To assess briefly the overall situation of a decade long Nepalese armed conflict
- To find the causes of the internal conflict in Nepal
- To compare the situation with international arena
- To recommend some way outs

In this context, my Research Question is: “What influences conflict most?”

And my Research Hypothesis is: “Policy causes the conflict as well as Prevent and Cure the Conflict”.

Conflict is an inevitable in conscious and living human society. Efficiency and effectiveness of the conflict management and transformation keeps countries in different level of development. Currently, the internal conflict mostly in developing world seems hindering the development process because of various differences and preferences that government cannot manage well. In this situation, public policy can be a major instrument to transform the conflict into the conflict economy. This study has explored how policy can cause as well as cure conflict. Furthermore, the root cause of such conflict specifically the Nepalese conflict has also been discussed briefly. This will help to have some policy feedback for the developing countries.

1.3. Review of Literature

1.3.1 Concept

Conflict is a situation of an active disagreement between people in society with opposing opinion. It is an inherent part of human being and has different dimensions. Internal conflict is a situation, where the internal social system is disturbed in any country.

Contextual differences matter while discussing the causes and way outs of such conflict. Theoretically, the difference in perception, interest and preferences may lead to conflict if there is lack of mechanism to settle such issues. Injustice distribution of economic resources, different political ideologies, individual perceptual differences, and injustice social system seems to be some main driving forces of occurring conflict in any society. Hence, diversification is essential

component of human society and poor management or mismanagement of such diversification leads to conflict.

There can be various ways to manage conflict in different situation. Such as, conflict resolution unit, participatory approach of decision making, team work, equity and equality in state mechanism and system. All these need to be managed through proper system and policy.

Policy is perceived as a strategy or way outs for tackling the obstacles or grasping opportunities for moving ahead toward progress. An effective policy can easily address the real problems if implemented well. Among around 200 countries in the world, only thirty four countries³ have high income. Getting independency at the same time, South Korea achieved high income level in 1990 even extra suffering from domestic war, but the India still in lower income country. On the other hand, Nepal as a never colonized country is still in the list of least developed countries. United States vs. Mexico and South Korea vs. North Korea are in different socio-economic situation in spite of similar culture and background. All these happened because of public policy management. How problems and opportunities are identified, analyzed and addressed by policy management from designing to monitoring and evaluation. Policy is crucial instrument of state interfere to drive a country in desired destination. Effectiveness of policy management keeps any country in different level of development as well as different level of conflict.

Various studies have identified the ethnic/cultural diversity as the main cause of conflict. Such studies especially have focused on African countries and have linked with some economic and policy outcome. On the other hand, some studies have also been conducted regarding the conflict in Nepal. Such studies have identified the poverty, inequality, lack of infrastructure etc as the

³ Based on the list of Organization of Economic Cooperation and Development (OECD) on web: www.oecd.org

main causes of armed conflict in Nepal. Various findings of some studies have been highlighted here.

1.3.2 Internal Conflict in Global Context

While observing studies regarding internal conflict in international level, most of the conflicts are found caused by ethnic, language, caste and religious diversity. Various studies have highlighted such issues mainly focusing on the context of Africa and Latin America. These studies also explored the lacking of institutional mechanism for resolving conflict for proper management.

A study conducted by William Easterly and Ross Levine on "Africa's growth tragedy: policies and ethnic division" has highlighted economic growth to be highly related to public policy, how country chooses public policy determines the growth. Furthermore, the study also underscores that conflict in country also is highly related to the policy how country choose policy to incorporate the diversified human phenomena and the institutional mechanism of managing conflict toward the positive result. The study has found the linkage of economic growth with the low schooling, political instability, underdeveloped financial system, distorted foreign exchange market, high government deficits and insufficient infrastructure. It indicates the ethnic diversity causes conflict and hinders the better public policy. However the situation is different in Nepal. The regionalism, communal, and political issues are important for conflicting policy issues. The study also argues the policy gap for economic growth leads to the rent seeking behavior, which leads less economic efficiency, and which finally leads to the conflict. Furthermore, the study has also explored the ethnic diversity hindering the policy related to the micro economic efficiency and macroeconomic stability. However, the context of Nepal is political diversity. The

study has linked the relation of ethnic diversity, better policy for economic efficiency, rent seeking behavior and conflict⁴.

Conflict and economic growth are highly related and the most developed countries have homogeneous society. The World Bank report suggests that the ethnic diversity and level of economic development is highly associated and has negative correlation.

Another study conducted by Alberto Alesina , Reza Baqir and William Easterly has focused on the ethnic diversity as a main cause of low spending on public goods in an ethnically fragmented society. And, concluded that “ethnic conflict is an important determinant of local public financing”. Similarly, “more ethnic fragmentation leads to fewer resources pooled together to provide non-excludable public goods”. “In addition, the distribution of income has also been focused as an important determinant for setting the distribution of references over public goods”⁵. The study mentions that a move from homogeneity to heterogeneity lowers the spending on public goods mainly that are highly controversial. For example: language of instruction in school education. The study concludes that public goods problem is highly associated with the ethnic division.

In addition, another study by Dani Rodrik has focused that “Countries with deeper social division and weaker institutions of conflict management experienced greater economic deterioration in response to the external shock of the 1970s”⁶. The study suggests that the way of dealing/handling outward looking policy is important rather than just the policy only. The result

⁴ Summarized from "Africa's growth tragedy: policies and ethnic division" by William Easterly and Ross Levine

⁵ "Public goods and ethnic divisions", By Alberto Alesina, Reza Baqir and William Easterly

⁶ "Globalization, Social Conflict and Economic growth", by Dani Rodrik

can easily be applicable to the social diversification also. The diversified society is not the problem but the mechanism and policy to integrate the diversification seems more important.

The study suggests that macroeconomic policy specially fiscal and monetary policies are key to deal with the globalized world to take the advantage of globalization as well as to tackle the external shock. In my view the result can be link with the diversified society that the social and economic policy to integrate the diversification can maximize the benefit from diversity as macroeconomic policy for globalized world. So, “the societies that benefit the most from integrations with the world economy are those that have the complementary institutions at home that manage and contain the conflicts that economic interdependence triggers”⁷. It indicates that society with deep social cleavages and weak conflict management institutions, the external shock hinders in higher level in negative direction. The study suggests that being globalized is less important than the way of being globalized and handling globalization. Furthermore, the globalization is an opportunity as well as challenges for the economic growth. So, the complementary institutions at home mainly in the areas of governance, judiciary, civil and political liberties, social insurance and education are crucial for gaining from the globalization as well as diversified society like Nepal. The study also explores that domestic institutions of conflict management play vital role for peace and economic growth. It can be tied up with weak institution and external interfere domestic matters.

And finally suggests three components of the strategies: a) improving the credibility of the state apparatus: including macroeconomic field, quality of judiciary and public bureaucracy, rooting out corruption, b) improving mechanism of voice, c) improving social safety nets and social

⁷ "Globalization, Social Conflict and Economic growth" by Dani Rodrik

insurance. These are the main component for economic efficiency that could support changes as well as integration of diversity⁸.

Then, it can be learnt from the study that as the globalization requires strong institutions at home to realize the benefit, similarly, there needs strong institution for managing conflict to benefit from diversity.

Another study by Even S. Lieberman has found out that “when societies are ethnically divided and increasingly fragmented, it becomes extremely difficult to develop a sense of shared risk across group specially ethnic/local group”⁹. The study mentions about the growing of ethnic diversity through the political support through the political agendas that is highly similar to the Nepalese context that the Maoist tried to cash the agenda. In Nepal, the ethnic identity was not highlighted before the Maoist movement. The constitution of 1990 could not incorporate the ethnic diversity and the issue was explored by Maoist for the armed conflict. The study focus on the matter that only the policy related to the ethnic group or group benefit gets focus and the macro policy for the overall management may not get focused. Similarly, the unequal society may also face the same problem. The study concludes that ethnic fractionalization leads to under provision of public goods/ or development enhancing public policies. It indicates that the ethnic risk generates greater political support for division of public goods.

1.3.3 Internal Conflict in Nepalese Context

Country situation varies the analysis of conflict. Conflict in Nepal is different from the African and other country context in the world. Most of studies relating to Nepal have identified poverty,

⁸ Paraphrased from "Globalization, Social Conflict and Economic growth" by Dani Rodrik

⁹ Ethnic politics, Risk, and Policy-Making, A cross- national statistical analysis of government responses to HIV/AIDS by Even S. Lieberman

access to infrastructure, presence of ethnic diversity, level of inequality as some major factors of conflict in Nepal.

A study conducted by Bishwanath Tiwari has explored the two aspects of the conflict in Nepal. Firstly, conflict is not only due to economic reasons but also due to social and ethnic reasons. Secondly, the conflict is a result of mismatch between political and economic empowerment. And he concludes focusing on need for recovery and reconstruction in political, economic and social dimension and over emphasis on any one dimension could further jeopardize the post conflict situation and obstruct the way to long lasting peace¹⁰.

Similarly, a study jointly conducted by Quy-Toan DO and Lakshmi Iyer has found poverty favoring for initiating conflict relating activities and favorable geographical characteristics to support insurgents. However, social polarization and other cross country findings are not affecting conflict and violence in Nepal¹¹.

In addition, a study conducted under the leadership of Ms. Anjana Shkya has identified the importance of recognizing the diversity of the Nepalese society and has focused on initiating some major programs and activities for the marginalized group such as Shadow caste, ethnic group, women and poor people in rural areas. This study has explored the role of conflict in Nepal to explore the hidden conflict and expectations¹². The study basically has not focused any reasons of the conflict in Nepal.

Likewise, various general researches, newspapers, magazines and government programs and activities have indicated the poverty, inequality, ethnicity, exclusion and caste system played

¹⁰ Summarized from the "An assessment of the causes of conflict in Nepal" by Bishwa Nath Tiwari

¹¹ Summarized from the "Geography, poverty and conflict in Nepal" by Quy-Toan Do and Lakshmi Iyer

¹² Summarized from the "Social impact of armed conflict in Nepal, cause and impact" by Ms. Anjana Shkya

important role to initiate and smoothing the conflict in Nepal. It can be justified through the policies, programs, and activities that government has introduced after the peace accord-2006.

The studies and observation mentioned above mostly centralize on exclusion and mismatch between political, economic and social empowerment of the country as major causes of conflict. I mostly agree with the finding of the study conducted by Bishwanath Tiwari, which indicates the mismatch of political, economic and social empowerment of the people as the main cause of conflict in Nepal. But he could not identify the cause of mismatch of such different aspect of human life. So, we need to diagnose why such mismatch occurred in the country and need to find the deeper reason. Study conducted by other scholars are also convincing in some extent, but could not be more specific and go deeper to diagnose the root cause. Most of study has explored the effects of conflict well and the study by Bishwa Nath Tiwari has explored the conflict situation well in different setup. I have also taken some information from his study. Likewise, these studies have also not been able to recognize the matching of availability of alternative political ideology, which was not satisfied with the change in 1990 and unaddressed higher aspiration of socio-economic sector of Nepalese people to initiate and motivate the conflict.

All the matters mentioned above are closely related to the policy gap between the people's will and real policy implemented in the country. Furthermore, such gap also occurred horizontally between the proper match of economic, political and social empowerment. This issue has not been explored by any scholars and researchers in Nepal and my study has focused on this matter. So, it will have some value addition in governance and policy sectors.

1.4. Methodology and limitation of the study

1.4.1. Methodology of the Study

The study is a desk study and mostly is based on various primary and secondary data. The main raw data has been taken from the central bureau of Statistics, Nepal and also other official surveys conducted by the government of Nepal. Similarly, the socio-economic statistics have also been utilized from various study reports from international organizations as well. Various reports from research studies by renowned scholars and institutions are important sources of the information. Likewise, periodic progress reports and publications of various government and non-governmental organizations are also important documents reviewed during the study. The main data regarding the internal conflict in Nepal have been taken from the information provided by Informal Sector (INSEC), Nepal and some official documents of government of Nepal, such as periodic plan, annual economic survey and annual budget. Policy documents and decisions taken regarding the subjects mentioned here are also sources of data. Likewise, lecture notes and other teaching materials of the KDI School of Public Policy and Management are also important source of information in my research. In addition, the knowledge and experience gained during my civil service career has also been the source of information. Finally, the knowledge enhanced during the period of my study in KDI School of Public Policy and Management has also been an important source for the research.

As a desk researcher, I have taken all information from the study reports, publications and various surveys as mentioned above and then conducted my study based on these information. I have not incorporated any views from direct questionnaires and interviews, but I have analyzed the entire information from different perspectives and justified my finding through the data, figure and also analysis. I could not incorporate the real voices of different people in various areas of the country mainly because of the limited resources and other constraints.

At the beginning of the research, various literatures related to the internal conflict and conflict management was reviewed thoroughly. Certain understanding and conceptual framework was developed for the study after review. Some important researches regarding the internal conflict in international level as well as in Nepalese context were reviewed and major findings of these studies have been highlighted under literature review emphasizing causes and linkages. Major aspects of internal conflict in Nepal have been briefly mentioned including some physical and social result. The conflict in most of cases has been analyzed from the policy gap perspective with due emphasis on the above mentioned objectives of the study. Primary and secondary data have been utilized through subjective as well as objective analysis. Likewise, quantitative and qualitative data has also been utilized as per need.

In the study, information regarding the conflict, causalities and other figures have been presented in national as well as international level. The entire information presented here has been analyzed through different dimensions including causalities and policy gaps. Furthermore, ex ante and post ante policy analysis have also been carried out in national and international level to justify my findings and make the study more concrete. My analysis is based on comparative and causality analysis to the root level. Mostly the analysis has been done from the policy perspective and also the presence of different factors at the moment. Then, the lacking part has been connected with the policy gap to address the root causes. The conflict in general as well as specific in Nepalese case has been analyzed differently and found out the general and specific result regarding the causes and forms of conflict in different country situations.

The study has made some value addition regarding the causality of connection with policy gap and country situation. It will contribute for achieving effective conflict management through effective policy management by taking the account of country situation.

1.4.2. Structure of the study

The study has been divided in five parts. First chapter has covered general background, problems, objectives, rationale, and methodology. Furthermore, the theoretical concept and the practical aspect of conflict incorporating some national and international researches regarding conflict have also been explored in the first chapter under literature review.

Likewise, internal conflict at glance has been incorporated with some facts, figures and background of internal conflict in Nepalese context and also in also in global level. Likewise, internal conflict has been analyzed with some figures, data and comparative studies in Chapter three. Conflict mainly in Nepalese context and also a brief analysis in international level incorporating policy perspective have been highlighted in the chapter. Major findings have been highlighted in chapter four of the research. Finally, some important recommendations and conclusion have been presented in chapter five. In addition, endnotes, bibliography and annex have also been made parts of the research for making the research complete.

2. Internal Conflict at Glance

2.1. Nepalese Armed Conflict at Glance

2.1.1. Background

Internal conflict in Nepal has mostly been centralized on as well as guided by the political level. It has a long history starting since 1799 AD. Establishment of democratic system in 1950 and restoration of democracy in 1990 are major shift in political system for reform and improvement in government system. However, the country has not been able to get political stability till today.

The country has a history of offensive and defensive armed war during the unification and defensive with the East India Company (British Colony). This has explored the braveness of Nepalese shoulders all over the world and also has created a culture of struggle for the sake of people and against the unjust and unfair.

The political change in 1990 was a result of joint movement of nine different political parties for democracy and the change was in a form of compromise between political parties and King. Some hard liner communist parties were not satisfied with the changes.

Similarly, various political movement and changes in different time, and democratic election raised aspiration of people. However, the socio-economic system and process were not changed accordingly to support people's needs and expectations. Likewise, the democratic government also could not address these expectations and aspirations properly. After the change in 1990 created some initial background of decade long armed conflict in Nepal. Nepal Communist Party (Maoist) was the main leading organizer to inspire the poor, rural and marginalized people to

engage in conflict related activities with the high aspiration of drastic change in lifestyle after success. The conflict started in 1996 and ended in 2006.

2.1.2. Brief Introduction

Forty two points demand from Communist Party of Nepal, Maoist (CPN Maoism) in 1996 for drastic changes and restructuring in state mechanism was initial starting of the decade long armed conflict in Nepal (Annex I). Those demands had incorporated the overall changes in political, social, economic and cultural aspects. Such as, changes from kingdom to republic, from Hindu state to secular state, progressive socio-economic reform, progressive land reform etcetera. Then, government could not address those 42 points demands of the CPN Maoist due to some extremely impossible demand to fulfill at that situation. For example, making the country republic, secular state and so on. This led to the formal announcement of armed war from the CPN Maoist party against the ruler and government institutions at that time, comprising various activities against different level of the governance system.

Strategy, Tactics and Motivating forces

The armed struggle was initiated to establish republic by abolishing monarchy and to release lower level mass Nepalese people from the deprivation and slavery¹³. Offensive, power accumulation and defensive tactics and tools for the armed struggle were followed strongly during the war.

¹³ Strategy & Tactics of Armed Struggle in Nepal, Communist Party of Nepal, Maoist.

The long term objective of the armed struggle was to achieve socialist revolution and communism. The nature & orientation of the Nepalese armed struggle was “The line of protracted people’s war based upon the strategy of surrounding the city from the countryside”¹⁴.

Feudalists, landlords, comprador and bureaucratic capitalists were targeted to hit. The existence of proletariat, farm workers, middle peasants, rich peasants, petty - bourgeois class, and national bourgeoisie motivated the struggle¹⁵. In addition, the divided society of the country in various levels, economically, socially and culturally created a huge gap and such gap created high motivation for the struggle.

The armed struggle was initiated, sustained and developed through decentralized action based on centralized policy carried out skillfully. Likewise, different types of activities in different level and areas were carried out in this way: - priority to the rural, not leaving out the urban work; priority to illegal struggle, not leaving leave out the legal struggle; priority to specific strategic areas, not leaving out mass movement, priority to class struggle in rural areas, not leaving out countryside struggle; priority to guerrilla actions, not leave out political exposure & propaganda; priority to build army organization, not leaving out to build front organizations; Specific focus and general actions were well balanced to initiate and sustain the struggle¹⁶.

Furthermore, the following activities were also important during the war:

- b) Action against local elite in village level
- c) Attacking local police office at the village level

¹⁴ Strategy & Tactics of Armed Struggle in Nepal, United Communist Party of Nepal, Maoist

¹⁵ Strategy & Tactics of Armed Struggle in Nepal, United Communist Party of Nepal, Maoist

¹⁶ Summarized from "Strategy & Tactics of Armed Struggle in Nepal, United Communist Party of Nepal, Maoist

- d) Attacking district head quarter especially focusing on security and administration
- e) Imposing ethical behavior and punishing against unethical behavior in local level
- f) Involving people in activities that increased the risk for government side to take hard action

The conflict ended through the people's movement II, which was also a joint effort of Maoist party and democratic parties including Nepali Congress, Communist Party of Nepal (United Marxist and Leninist) and other parties through 12 point agreement¹⁷ between 7 parties alliance and Maoist party against the dictatorship of King Gyanendra.

2.1.3. Major Effects and Result

Internal conflict has various effects in the country. Some major results are highlighted below:

- i. **Loss of personal life (Direct victims):** The main loss of the conflict was loss of life, disappearance and being disabled. Seven hundred and eighty five people were disabled, one thousand and six people were disappeared and thirteen thousands two hundred and thirty six people were killed during the decade long armed conflict¹⁸.
- ii. **Internally displacement:** The conflict was scattered all over the country but the distribution was uneven. In this context, people from high conflict area shifted to the less affected area. There are nearly 35000 families internally displaced in the country and suffered due to loss of their house and property at home village¹⁹.
- iii. **Destruction of physical infrastructure:** Nearly 5 arb nrs. nearly \$ 71 millions²⁰
- iv. **Loss of social capital:** Nepalese society was harmonized with diverse ethnic and caste

¹⁷ Twelve points agreement was signed by the seven parties alliance and the Maoist party on 22 November, 2005

¹⁸ Dwanda Pudit Parshwa Chitra, an overall evaluation, Informal Sector Nepal

¹⁹ Three Years Interim Plan (2007/08-2009/2010), National Planning Commission, Nepal

²⁰ Three Years Interim Plan (2007/08-2009/2010), National Planning Commission, Nepal

group and also in peaceful manner. The conflict has destroyed the social trust and peace that cannot be measured in monetary term. Disturbance of development and backward movement of economic situation of the country, which can be observed from the average growth rate above 5% from 1991 to 1994 and less than 4% after 1995 to 2006²¹.

- v. Increase in various cultural and social imbalance among the citizen, such as: criticizing each other in the name of past events and bargaining for power

The following facts and figures give some picture of the humanitarian loss of conflict:

Number of death during conflict (1996-2006)

YEAR	Total	By Maoist	By State
1996	81	22	59
1997	48	32	16
1998	409	75	334
1999	469	141	328
2000	399	219	180
2001	633	390	243
2002	4647	1351	3296
2003	1863	646	1217
2004	2719	1113	1606
2005	818	258	560
2006	1261	723	538
Total	13347	4970	8377

Source: Informal Sector (INSEC), Nepal

Direct Victims	
Modes of Victim	Number
Disabled	785
Disappeared	1006
Killed/death	13236
Total direct victims	15027
Source: Refined from the INSEC, Nepal	

Security expenses increased by higher percentage comparing to the total budget (in NRS)

Subject	Year 1995/96	Year 2005/06	Increased Times
Total current budget of government	21292000000	70004100000	3.287
For Police	1926900000	7484800000	3.88
For Army	2126400000	9706000000	4.56

Source: Developed based on the data provided in Economic Survey 2011

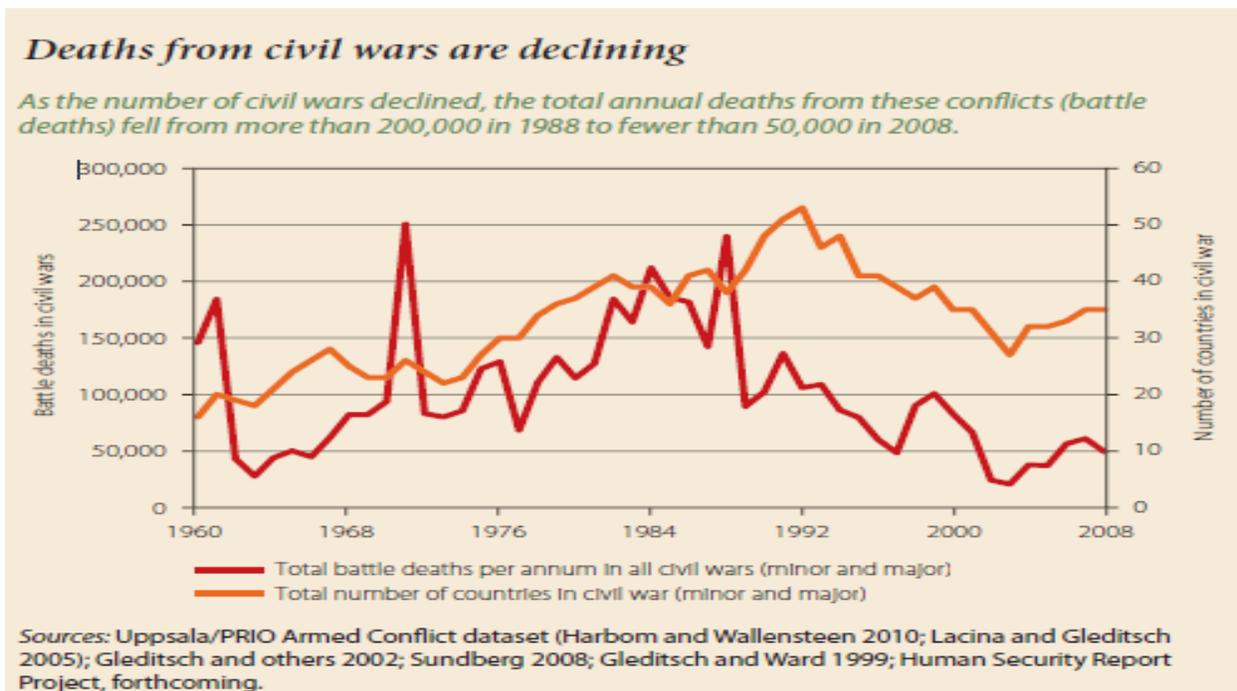
²¹ Economic Survey 2011, Ministry of Finance, Government of Nepal

The increased level of effects of conflict increased the attention of government of Nepal toward controlling mechanism and also increased the security expenses. It made internal governance weak, deteriorate the political and economic situation and external influences started to increase.

However, the conflict has also some positive effects in the society. Mainly, the level of people awareness has been increased and they are aware to fight for their right. Similarly, the paradigm shift in social and political system has provided an opportunity of fresh start to the development of the country from more innovative ways.

2.1.4. Internal conflict at Glance in Global Level

After the end of the Second World War, the conflicts mostly shifted to the third world countries as internal conflict in the countries with transition and poor socio-economic development. The following figure shows the changing trend of internal conflict in global level highlighting increased number of countries suffering from conflict but decreased number of battler death.



Some countries have been divided in many countries due to unsuccessful conflict management. For example, Yugoslavia, Ethiopia, Sudan, and Soviet Union were divided due to different level and different forms of conflicts. However, separation may not be the final solution till proper policy and institutional set ups are not made functional. Because, all individuals are different and needs to integrated through common law and policy.

On the other hand, East and West Germany were united through the process of dialogue and negotiation. South Africa transformed its internal conflict toward socio-economic development through the post conflict management but Sudan is in the process of separation.

Effectiveness in conflict transformation keeps countries in different level of development. Having effective institutional and policy setup to recognize, respect, analyze, and integrate diversity and differences can support to achieve synergic result. Switzerland and Singapore can be proper example of diversity management inside country and having synergic result. South Africa established proper institutional and policy mechanism to address the problem, got political stability and now focuses on socio-economic development and growing very fast but Sudan still suffering from the conflict. 9% population in South Africa ruled the country for long time but 80% population (Black) were out of mainstream.

Most of the internal conflicts were for having better position, better life and better system with equality and equity for managing the country. Some of such conflicts are highly related to ethnic, cast, religion and language or freedom for the autonomy. For example, conflict in South Africa was for equal access of Blacks to the state mechanism. On the other hand, some conflicts are also related to changing the existing political system in the country, such as in Nepal. But the gist is

struggling for equality and equity or fair behavior from state and among people in the country. There was conflict in United States for the equal voting right for black people.

Singapore and Switzerland are good example of managing diversity and conflict well through the effective policy and institutional setups to recognize, respect and integrate the diversity. For example, recognizing major languages as national languages. Similarly, Indonesia has separate ministry to handle the all major religions to integrate the people of different religions.

Only political reform may not sustain without strong backup of socio-economic reform. It can be observed the farsightedness of Mr Nelson Mandela's reform initiatives in socio-economic development in South Africa.

3. Analysis of Internal Conflict

3.1. Analysis of Nepalese Armed Conflict

3.1.1. Background analysis

Political instability is a unique feature of Nepalese history, keeping changes in political system and frequent changes in political leaders (Prime Ministers). For the last 61 years from the political changes after 1950, the country experienced 45 times changes in Prime Ministers. Similarly, the prime ministers were changed 9 times during the period just after political change from 1950 to the imposition of another system by King in 1960 (10 years). Furthermore, the changes were remarkable after restoration of democracy in 1990 onwards keeping the Prime Minister changing 21 times in 21 years period²².

The restoration of democratic system in 1990 was the result of joint people's movement among Nepali Congress and various Communist Parties (Leftist Alliance) against the active kingdom for establishing democratic political system and good governance in the country. The achievement was taken as an output of compromise between Nepali Congress, Leftist Alliances and the King. It provided enough space for political parties to carry out their agendas through the democratic process. Constitutional monarchy, parliamentary democracy, periodic election and various fundamental rights were remarkable achievement of the change. However, some hard liner communist parties were not satisfied much with such incomplete changes in the country. In spite of small voices of dissatisfactions, some major improvements and reforms were initiated after the change that can be highlighted as below:

²² Summarized from the list of Prime Ministers of Nepal, Wikipedia

1. Promulgation of new constitution as “Constitution of the Kingdom of Nepal 1990”, assuring the periodic election, voting rights, democratic political system and equality.
2. Executive chief from the democratic election system.
3. Liberalization of economic system
4. Provision of policy/rule/act for the democratic political system and liberalized economic system
5. Initiation of socio-economic development including physical and social infrastructure.
6. Various policies and programs adopted for addressing the people's aspiration and also for social welfare.
7. Decentralization and engaging people in local government

Various political movements and democratic process including election and party activities raised the aspiration of people after change in 1990. Similarly, new constitution and reform initiatives in public sector management by the elected government drew public attention for some positive result and equal access to the opportunity.

However, the real implementation of those policies and program could not produce expected result. Some policies were hardly implemented well. Mostly, those changes benefited certain people and groups close to the power centre. The diversified need and requirements of the marginalized and grass root level people in the country remained unaddressed. Such as, schedule cast, women, people in Karnali and other remote area, various ethnic group and many lower class people in economic activity could not get benefit from the supply driven system of governance. Poverty, inequality, unemployment, backwardness, exclusion etc were still present in the country.

This can be justified through the increase in Gini Coefficient from 32 to 41 with decrease in head count poverty from 42 to 31²³.

Leaders committed only things like road, tap water, school etcetera for winning in election, but never committed to establish fair system and institutional mechanism. Favoritism, nepotism, and discretionary power dominated the overall governance of the country in implementing policy and programs. Such as, most of important appointments were made based on the personal discretion without considering the professional requirements and capacity. Reputed leaders also started quarrelling for appointing their own people in key posts instead of establishing better policy and system. Especial attention to empower marginalized people, promoting and addressing diverse needs of various languages, religions, ethnicities, and reducing regional imbalance remained unaddressed.

The election of 1991 provided a majority government but could not sustain for full tenure and went for midterm election by dissolving the house in 1994, just because of intraparty misunderstanding and immature leadership. However, the result of the election did not provide any majority government and the immature political situation could not benefit from the effective coalition but just went through the entire drawbacks of the hung parliament. For example, expansion of number of ministers nearly 25% of the house of representative, introducing various facilities and benefits for members of parliament and hijacking members of parliaments for forming and dissolving government and etcetera. This situation played a vital role for the initiation of conflict in Nepal. This situation was the milestone and baseline to design the overall strategy of the conflict in Nepal.

²³ Three Years Interim Plan (2007/08-2009/2010), National Planning Commission, Nepal

Weak leadership quality could not institutionalize the changes protect the achievements form various movements in the political history of Nepal. Changes in Prime Ministers were not only due to election, but mainly due to inter and intra party disputes. For example, the Nepali congress had majority in election of 1999, but there were three times changes in Prime Ministers from the same party during the period of 3 years. It indicates the culture of enjoying immediate benefit, instead of institutionalizing the governance system and policy to govern the country with justice and fairness.

High political influence in bureaucracy and state owned enterprises weakened the state functioning. Frequent changes in Secretaries, joint secretaries, other key positions and heads of state owned enterprises diverted the professionalism towards the loyalty and unseen support to political leaders. Political influence in governance is essential in some extent. However, this works well in the stable political setup, such as, in the United States. But in the case of fragile political situation like Nepal, the bureaucracy and governance mechanism needs to be stable for maintaining the minim level. High level of undue political influence in operational level in fragile political situation could not provide dividend of democracy equally after change. Likewise, the priority of the parties became who to rule but not how to rule. This may also be the result of the feudal society, where power and position are respected.

Existence of such problem for long time is a matter of state management, which depends on effectiveness of policy and system. Adequate system to open entire opportunities for the people equally, providing special care for marginalized group and assuring fairness by the state does not provide any incentive to engage in conflict related activities. However, through the democratic process after 1990, people were divided politically and party influence increased in public resources and opportunities. The different treatment for the voters and non-voters people from

the ruling party and being unable to establish fairness in state governance as well as party governance were irritating general people. Assigning responsibility, benefits sharing inside party, appointment of important posts were highly influenced by personal interest of higher authority. Such situation led to the people's dissatisfaction, which can be seen in changed results in election of 1991, 1992, 1994, 1997, 1999 and 2007²⁴. In this background, the enhanced aspiration of people through various democratic exercises and other political commitments never came true. The people were empowered politically but did not achieve socio-economic benefit as expected.

In the background mentioned above, the weak and controversial aspects of constitution, such as exclusion of diversity, Hindu Kingdom, and domination of sole Nepalese language were explored by the Nepal Communist Party, Maoist (NCPM) to the marginalized people for supporting its agenda of drastic changes. Maoist party was not satisfied with the overall macro policy of political and government structure, economic, social and cultural aspect in the constitution and other major policies. On the other hand, people in grass root level were not satisfied with the micro policies including the program, projects and the activities, the government was carrying out for them. The Maoist party had high ambition of drastic changes in overall state mechanism, socio-culture and economic system and was seeking favorable situation for persuading people towards its agendas. The Maoist party promptly assessed the situation at hand and the potential future situation as well. In this context, the existence of unsatisfied political ideology from the change in 1990 and the existence of the unsatisfied people in the country from the government performance was favorable condition for the struggle. At the same time, 42 points agenda from Maoist party for overall changes and improvement drew attention of

²⁴ Summarized from the election result provided by election commission, Nepal. Nepali Congress as the largest party with absolute majority in 1991, Nepal Communist Party (UML) as largest party without majority in 1994, Nepali Congress as the largest party with absolute majority in 1999 and the Maoist party as the largest party without majority in 2007.

poor people at the early stage to motivate people toward the movement. Such matching was the main background of the conflict in Nepal. Otherwise, only high corruption, poverty and inequality may not cause such armed conflict. Such as, Bangladesh does not have such conflict in spite of huge corruption, poverty and inequality.

In addition, the decade long conflict was not a result of short term mismanagement but the accumulated result of mismanagement of overall socio-economic system of the country from the very beginning of the state unification. Poor governance and low focus on socio-economic reform and development after political changes weakened the position of government. Inter and intra-party disputes for power and position created some supporting environment for the movement. But, Maoist strengthened own position through strategic movement. It sustained the conflict for ten years. The initiation of the conflict was the 42 points demand submitted by the Nepal Communist Party, Maoist. These demands were not considered well by the government and it led to the declaration of armed movement from 1996. The government could not recognize the probable support on the movement and it also could not maintain the good governance in the country.

Finally, political changes could not be tied up with socio-economic changes in real practices with the assurance of fairness from the state behavior, which created a space for exercising further changes through the armed conflict. Weak infrastructure, mainly the weak road network and remote and forest area available in the rural and remote area of the country supported the conflict to grow through guerilla war. Likewise, continuous political instability and immature democratic practices further supported the conflict. Furthermore, the huge gap in social, economic and political setup also favored the war smoothly.

Strategies and major activities

The armed war in Nepal had equipped with well combination of diverse war strategies. It had assessed the historical background of Nepalese culture to fight against unjust. In this background, the existence of unjust and unfair situation persuaded people to join the armed conflict. The proper assessment of the country situation, strong and weak part of state functioning and preparing strategies accordingly were also important strategies. In addition, the strategies of nation unification comprising offensive, power accumulation and defensive tactics were also important strategies carried out from the history. Similarly, the protected people's war, accumulating resources and destroying enemy's forces were also another important strategy. These policies were well integrated from diverse experiences in the history of the war, where specific focus and general actions were well balanced during the war. Mainly it was based on guerrilla war strategy.

Similarly, some social activities were also carried out to draw attention of people at the initial stage of the conflict. Such as, punishing unethical behavior, demotivating unjust cultural activities and providing social justice by own hand or wings at the grass root level of the country. Accumulating power and resources from the remote and rural area at the initial stage contributed more for enhancing the capacity and confidence of the Maoist party. The unemployed people available in the rural area and no any opportunity cost of getting engaged in conflict related activities also favored the situation well.

3.1.2. Analysis of Negotiation Process of the Conflict Resolution

The government gave less importance to the conflict and the formal negotiation process was initiated only after four years of initiation of the armed conflict. After the armed movement

since 1996, various efforts of negotiation for settling the issues were carried out. These efforts can be divided into two parts as successful efforts and unsuccessful efforts as below:

Unsuccessful efforts

Some initiations for settling the problem were carried out in different time frame in different government tenure. However, the remarkable achievement could not be realized. This might be mainly due to the lack of Zone of Possible Agreement (ZOPA), such as, constitutional monarchy and unitary structure as bottom line for government and republic country and constituent assemble as bottom line for Maoist. The conflict resolution mechanism had also not been institutionalized and mainly based on position rather than interest. A brief overview can be presented as below:

S. N.	Date	Efforts	Result
1	27 Oct 2000	Contact between Deputy Prime Minister Mr. Ram Chandra Paudel and Maoist leader Mr. Rabindra Shrestha	Process disrupted due to release of two Maoist leaders from detention
2	25 Jul 2001	Cease fire from both sides and formation of negotiators teams	3 rounds peace talk but Maoist broke down the Cease Fire
3	3 Dec 2002 and 29 Jan 2003	Maoist formed dialogue team & Government formed team Facilitators also	Code of conducts signed by both sides, two rounds peace talk, resignation of prime minister.
4	4 June 2003	New prime minister, reformation of talk teams from both sides	One round talk but Maoist broke down

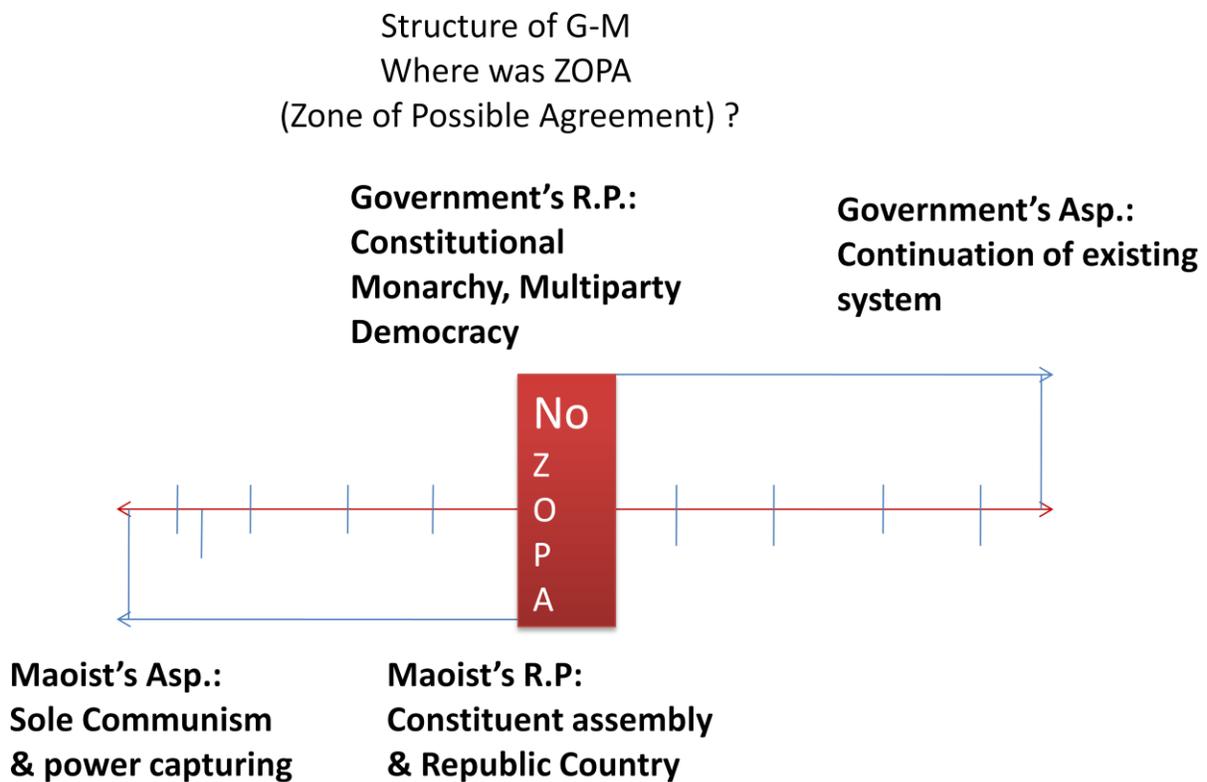
5	12 Aug 204	Formation of peace committee	Question on mandate by Maoist
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Source: Developed from the information on the web site of the Ministry of Peace and Reconstruction, Nepal (www.mopc.gov.np)

Some important points to mention here:

- Initiation of peace negotiation only after four years of armed conflict provided an opportunity of strengthening position and power of Maoist party
- Process was broken due to small reasons/ misunderstanding. E.g. releasing of 2 leaders
- There were five times changes in prime minister during the negotiation process of less than four years (from Oct 2000 to Aug 2004)

The situation can also be analyzed by the following figure:



This was the situation of initial phase of conflict and negotiation process. Not so much difference in position but absence of ZOPA made the negotiation efforts meaningless. The government could not assess the position and potential support of the Maoist's agenda at the beginning. The instable government, favoritism, nepotism, corruption in government functioning and weak security situation deteriorated the position and strength of government gradually. The ongoing conflict and lack of dispute resolution mechanism created a fragile situation that provided an opportunity for the King to be active ruler. It led to tri-parties power politics, the active king, the Maoist party, and other parliamentarian parties. That kept political parties out of mainstream. This was the turning point to make coalition between Maoist and parliamentary parties on 12 points agreement leading to the 19 days joint people's movement of 2006 to establish the democratic system through the reestablishment of House of Representatives as the common agenda. Republic country, new constitution through constituent assembly and democratic political system were main points agreeable for Maoist and other political alliance. The situation can be mentioned as below.

Successful process

After the active rule of then king Gyanendra, coalition between Maoist and other political parties was initiated. Important processes are mentioned as below:

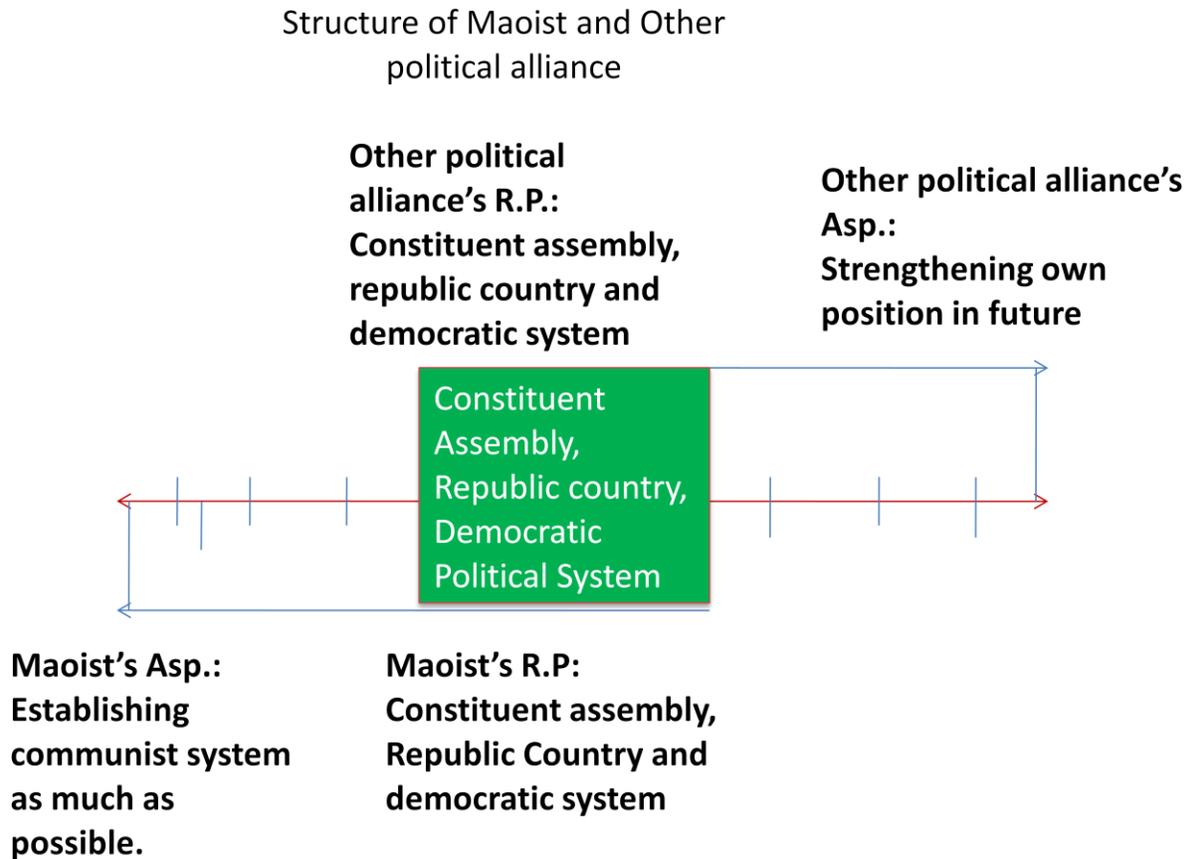
22 Nov 2005	12 points agreement between Seven Parties Alliance (SPA) and Maoist for movement for restoration of democracy
6 April 2006	SPA declared nonviolent people's peaceful movement to be conducted jointly with Maoist and Maoist supported it
21 Apr 2006	Royal address offering SPA to form government but SPA rejected

24 Apr 2006	Nineteen days peaceful movement succeeded by restoring the people's sovereignty to the House of Representative (HOR) (reinstatement of HOR)
26 Apr 2006	Three months unilateral Ceasefire declared by the Maoist.
28 Apr 2006	Mr. Girija Prasad Koirala was appointed as the Prime Minister from SPA.
30 Apr 2006	HOR passed the motion of Constituent Assembly unanimously
3 May 2006	Ceasefire announcement by the government and invitation the Maoist in peace Talk.
	Formation of Negotiation Talk Teams by Maoist and also by government side. And also formation of a Peace Negotiation Coordination and Advisory Committee
16 Jun 2006	First Summit held between Prime Minister G.P.Koirala and Maoist Supreme Prachanda and ended up with a 8-Point Understanding
9 Aug 2006	5-Point request Letter to UN by the leader of the Government and the CPN (Maoist) to provide its assistance for the peace process of Nepal.
25Aug 2006	Interim Constitution Draft Committee submitted its draft constitution to Negotiation Talk Team
8 Nov 2006	SPA and Maoist historic agreement and timeline on various issues mainly Arms Management, Monarchy, Interim Parliament, Interim Government, Interim Local bodies, CA Election, Structure of the State
21 Nov 2006	Prime Minister Girija Prasad Koirala of GON and Chairman Prachanda of CPN (Maoist) signed <u>Comprehensive Peace Accord</u>
28 Nov 2006	Negotiation Talk Team of GON and CPN (Maoist) have signed an Agreement on monitoring the management of Arms and Armies.

8 Dec 2006	Negotiation Talk Team of GON, CPN (Maoist) and UN Representative have signed an Agreement on monitoring the management of Arms and Armies.
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Source: Developed from the various information on the web site of Ministry of Peace and Reconstruction, Nepal (www.mopr.gov.np)

The entire process and steps mentioned above supported the alliance to take revolutionary step against the active rule of King. Finally, the situation changed and position also changed. King lost his power and faith of people. The situation can be presented in the following figure:



The situation changed after the king took all ruling power, and coalition between Maoist and other political alliance made remarkable changes in power and position jointly. The king gradually lost his position and movement succeeded. In this context, the 12 points agreement

made the ZOPA possible and agreed on common strategy against the king. So, the presence of ZOPA and the level of power and position matters in shaping and reshaping the negotiation process as well as conflict management that happened in Nepalese context.

Promulgation of interim constitution, election of constituent assembly and declaration of federal republic and secular country are some important achievement of changes 12 points agreement. But such change could not incorporate various silent conflicts potential to be explored in future. Such as, many side conflicts existed in the country and continuous dialogue and agreement after the peace accord forced to amend the interim constitution 10 times in 5 years' period.

The negotiation process provided some achievements in forms, such as republic country, democracy, inclusion, and etcetera. However, there are various issues to be settled including disappeared and displaced people during the war, returning the captured land and property. Furthermore, the peace process, writing new constitution and settling various issues are still in controversy. One important point to highlight here is that the coalition for creating value is easier but the sharing the value with justice seems difficult in such negotiation process in Nepalese context. It can be seen from the time being spent for constitution making longer than its predefined time of two years.

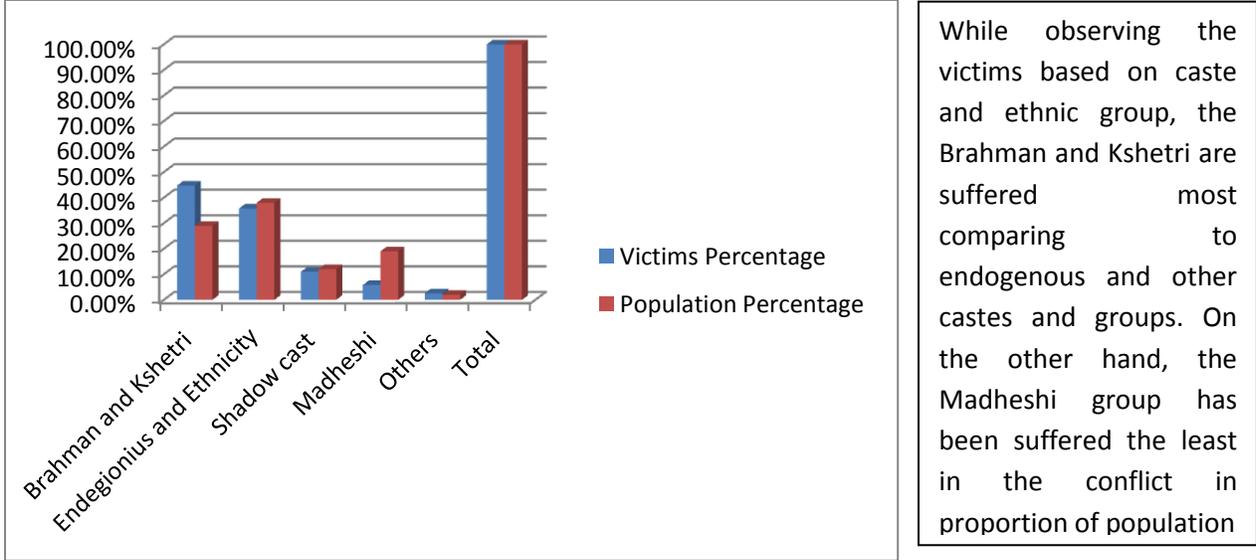
Interest based conflict is crucial. However, we need to maintain position and strengthen it for backing up our interest. The weak governance deteriorated the position of government but strategic intervention from Maoist activities supported to strengthen its position. While the political power changed from two centers to three centers, that was palace, democratic alliances and Maoist movement, the possibility of coalition existed in the country. Finally the situation turned to other way around. The coalition between Maoist power and seven

democratic/parliamentary parties agreed on the twelve point agreement to compromise in Democratic Republic country. Nepali Congress and other democratic alliances left the agenda of constitutional monarchy and the Maoist left the agenda of communist country giving up the People's Republic. This brought the situation in people's movement II and ended the kingdom from the country.

3.1.3. Analysis of some facts from different dimensions:

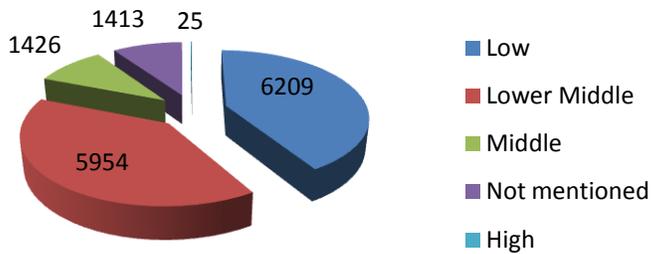
Fifteen thousand and twenty seven people are direct victims of the decade long conflict including 13236 deaths, 1006 disappeared and 785 disabled. Analyzing these figures from various perspectives, taking some important socio-economic indicators can add value in my research.

Direct victims based on caste and ethnic group:



Source: Developed from the information provided by INSEC, Nepal and Central Bureau of Statistics (CBS), Nepal

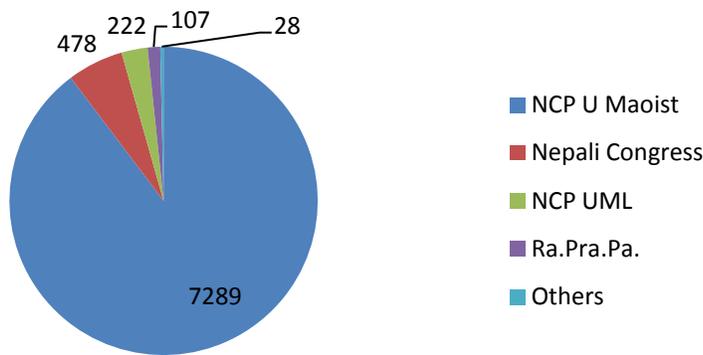
Direct Victims based on Economic Situation



While observing the direct victims based on economic situation, low income group and lower middle income group covered nearly 81% of total victims. This indicates the victims in war are mainly from the same group who are marginalized from state functioning/behavior.

Source: Developed from the information provided by INSEC, Nepal and Central Bureau of Statistics (CBS), Nepal

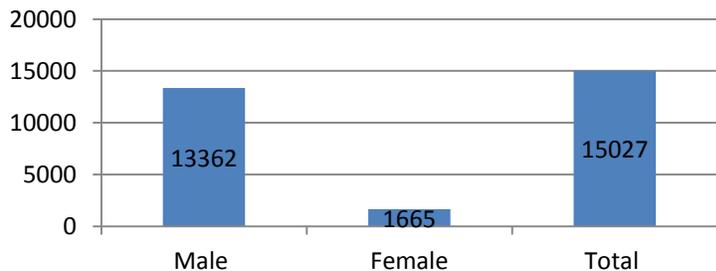
Direct Victims based on political parties/engagement



While observing the victims based on political parties, nearly 90 percentages comprises Maoists out of all politically engaged people. And, remaining mostly from three major parties.

Source: Developed from the information provided by INSEC, Nepal and Central Bureau of Statistics (CBS), Nepal

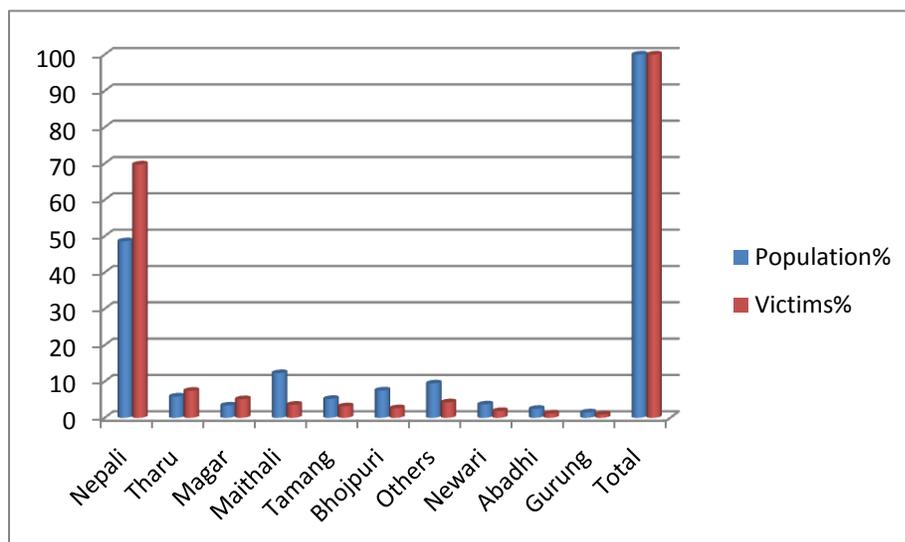
Direct Victims based on sex



While observing the victims based on sex, mostly 89% are male. This indicates the low level of women involvement in conflict related activities. However, there is remarkable involvement of women in Maoist combatant.

Source: Developed from the information provided by INSEC, Nepal and Central Bureau of Statistics (CBS), Nepal

Comparison of victims and population based on languages



The proportion of population and victims based on native speakers seems different. Nepali, Tharu, and Magar speakers suffered more comparing to Mathaili, Bhojpuri, Newari and Abadhi speakers people.

Source: Developed from the information provided by INSEC, Nepal and Central Bureau of Statistics (CBS), Nepal

District wise comparison

S.N	Districts	PISTB	S.N	Districts	VPOP	District	HDI	District	PCI (\$)
1	Bhaktapur	147.8	1	Mustang	0	Kathmandu	0.652	Kathmandu	631
2	Rupandehi	69.4	2	Kathmandu	0.0093	Bhaktapur	0.595	Manang	504
3	Mustang	44.2	3	Manang	0.0104	Kaski	0.593	Mustang	453
4	Solu	20.1	4	Mahottari	0.0137	Lalitpur	0.588	Bara	396
5	Lalitpur	39.3	5	Siraha	0.0187	Rupandehi	0.546	Lalitpur	378
6	Dhading	35.5	6	Prasa	0.0199	Kavre	0.543	Bhaktapur	342
7	Kathmandu	33.4	7	Lalitpur	0.0204	Syangja	0.535	Makwanpur	337
8	Sunsari	32.6	8	Saptari	0.0205	Morang	0.531	Rasuwa	331
9	Morang	31.4	9	Sunsari	0.0208	Tanahu	0.524	Chitwan	315
10	Nuwakot	29.8	10	Rupandehi	0.0223	Terathum	0.523	Kaski	313
11	Parsa	29.6	11	Bara	0.0234	Ilam	0.521	Morang	297
12	Myagdi	29.3	12	Sarlahi	0.0253	Chitwan	0.518	Kavre	288
13	Banke	29.1	13	Bhaktapur	0.0266	Dhankuta	0.507	Solukhumbu	267
14	Kaski	29	14	Dhunusha	0.0271	Parbat	0.504	Parsa	258
15	Kanchanpur	26.8	15	Morang	0.0281	Manang	0.502	Sunsari	253
	Nepal	16.6			0.0661		0.471		240
61	Dailekh	2.7	61	Okhaldhung	0.1302	Salyan	0.399	Bajura	167

				a							
62	Jumla	2.6	62	Surkhet	0.1356	62	Rasuwa	0.394	62	Baitadi	163
63	Dadeldhura	2.5	63	Dailekh	0.1372	63	Baitadi	0.391	63	Siraha	161
64	Darchula	2.5	64	Taplejun	0.1373	64	Rukum	0.386	64	Rolpa	161
65	Bajhang	2.4	65	Bardia	0.151	65	Rolpa	0.384	65	Rautahat	160
66	Bajura	2.2	66	Bajura	0.156	66	Dailekh	0.381	66	Jajarkot	154
67	Mugu	2.1	67	Dolpa	0.2627	67	Dolpa	0.371	67	Bajhang	152
68	Achham	1.6	68	Mugu	0.2796	68	Humla	0.367	68	Sarlahi	147
69	Baitadi	1.5	69	Rukum	0.2998	69	Achham	0.35	69	Mahottari	145
70	Humla	1.5	70	Humla	0.3227	70	Jumla	0.348	70	Salyan	145
71	Dolpa	0.9	71	Jajarkot	0.3337	71	Jajarkot	0.343	71	Kalikot	142
72	Bhojpur	0.9	72	Rolpa	0.4024	72	Bajhang	0.331	72	Achham	141
73	Kalikot	0.8	73	Jumla	0.4305	73	Kalikot	0.322	73	Gulmi	139
74	Rukum	0.4	74	Salyan	0.4634	74	Bajura	0.31	74	Pyuthan	138
75	Palpa	0.3	75	Kalikot	5.9948	75	Mugu	0.304	75	Dailekh	125

Source: Developed from the information provided on the website of INSEC, Nepal

PISTB: Percentage of Internal resource in Total Budget, VPOP: Victims Percentage on Population

From the above table, it can be observed that there is huge difference among the different districts in level of internal resources in total budget, human development indicators and percentage of victims in conflict. While taking top 15 (20%) and bottom 15 (20%) districts to compare the situation, the worst result in all indicators are centralized in mid-west and far-west region. On the other hand, the best results in all indicators are centralized in eastern, central and western regions. For example, out of the 15 least affected districts, no single district is from mid and far western development regions. Similarly, out of 15 most affected districts, 13 are from mid and far western regions and only two from rest three regions. It indicates that the conflict is also related with the level of self independency in budgets and also the level of human development. Similarly, out of the 15 lowest HDI indicators, only one district is from central region and rests 14 are from far and mid west regions. From the above table, it can be observed that out of the most affected top 10 districts, nine are in mid-western region and one in far-western region. On the other hand, out of the least affected 20 districts, no any district is in mid and far western region. In addition, the percentages of victims in those top ten districts are far

above than the national average percentage of victims on total population (0.156% to 5.994% vs. 0.066%).

In brief, eastern, central and western regions have best indicators and mid and far western regions have worst indicators in self independency in budget, HDI, conflict affected and per capita income. It justifies the state discrimination between the development regions and that made the disadvantaged regions to be centre for initiating and growing armed conflict in Nepal. This is the matter of effective presence of state as well as the level of self independency. Another important point to mention here is that the higher the level of self independency in resources, the lower the level of conflict. This is also matter of economic empowerment in local level. Same may be reflected in national level as well. Higher the level of economic empowerment, lower the level of conflict explored.

The Poverty situation

Nepal Poverty measurement by geographical region, 1995/96 and 2003/04

Geographic Region	Poverty head count rate (%)		
	1995/96	2003/04	% Change
Sector			
Urban	21.6	9.6	-56
Rural	43.3	34.6	-20
NLSS Regions			
Kathmandu	4.3	3.3	-23
Other Urban	31.6	13	-59
Development region			
Eastern	38.9	29.3	-25
Central	32.5	27.1	-17
Western	38.6	27.1	-30

Mid-western	59.9	44.8	-25
Far-western	63.9	41	-36
Nepal	41.8	30.8	-26

Source: Poverty Trend in Nepal (1995/96-2003/04) CBS Sent 2005

While observing the poverty situation of Nepal during the period of 1995/96 and 2003/4, the incidence of poverty declined by 11 percentage point from 42 to 31 but the distribution of this reduction is uneven over the country. Such as, the urban poverty decreased by 56%, while rural poverty only by 20%. Similarly, by 36% in far western and by 17% in central development region. There is an unbelievable fact about poverty on different part of the country, mainly the 3% poverty in urban Kathmandu and 45% in mid-western development region in 2003/04. The poverty distribution in various development regions in 1995/96 were also highly uneven. Nearly 60% in mid western, 64% in far western but only 32.5% in central region. Similarly, 4.3% in Kathmandu vs. 64% in far western region was unbelievable.

Some major comparative analysis can be mentioned as below:

  Basis	Eastern	Central	Western	Mid-Western	Far-Western
Population	5286890	7988612	4571013	2707244	2183175
Poverty in 1995/96	38.9%	32.5%	38.6%	59.9%	63.9%
Direct Victims	2294	3256	2179	5612	1683
Victims percentage of population	0.0434%	0.0408%	0.0477%	0.2073%	0.0771%

From the information presented above, it is clear that the state behavior is biased regionally. All the indicators mentioned above are in two parts. Eastern, central and western development regions are benefited more and the mid-western and far-western development region are suffering more that can be justified by all indicators mentioned above. The poverty headcount in 1995 is divided in two parts. First three regions' poverty is less than 40% but the rest two regions are in the line of 60%. Furthermore, the socio-cultural part also rigid in the two regions. The cultural rigidity and separate living during monthly period and during delivery, and caste discrimination are also different in different regions. Suffering due to shadow cast and death due to cold during monthly period of women are mostly in news in mid and far west regions.

The state policy seems unfair toward the people of mid-west and far-west development region. This supported for rigidity in socio-cultural improvement in the regions. Then we can see the percentage of victims in five different regions. The central region has just 0.041% while the eastern and western regions also have in the line of 0.04% that is 0.043% in the eastern and 0.048% in the western. On the other hand, the mid-western development region has far ahead of 0.207% of population to be direct victims. This is nearly 5 times greater than the central region. Similarly, the victims in far-west region also 0.077 percentage of population, which is nearly double of the central region. This seems that the state functioning and behavior was unfair between these regions. It might be intentionally or unintentionally, but it happened. That left the two regions specially the mid-western region far behind the mainstream of the nation. All these biased behavior from the state and the policy that government adopted for the overall development could not address enhanced aspiration of people in the regions. So, the armed war was designed in the region especially in Rukum and Rolpa, far from the state activities and influences. In addition, the effective presence of state also mattered for effective implementation

of the government policy. And the absence of government officers in those two regions left poor implementation of policy (news and media) and people in these regions were left far behind from the state mainstream.

While analyzing the information mentioned above, most of victims are from lower and lower middle economic level. Proportionately, Brahman and Kshetri suffered most in castes base. Politically, Maoist activists suffered most, and Nepalese native speakers suffered most based on native speakers' proportion. Likewise, mid and far west regions suffered most based on regional development regions. It indicates all the factors mostly centered on mid and far west development regions. When we see the victims from the district wide, based on percentages of victims on population, nine out of ten districts are in mid-west region of the country. This area has very high level of poverty and low level of infrastructure connectivity. This region may have also some favorable geographical set up for guerrilla war. In addition, this area also has some key leaders of communist ideology.

The conflict was not correlated with the ethnic diversity. For example, population in eastern, central and western regions is ethnically diverse. However, the effect of conflict is higher in mid-western and far-western region, where the population is not so much diverse ethnically but the regions are far behind from the state mainstreaming in socio-economic development and physical infrastructure.

3.1.4. Analysis of Governance as a Qualitative Analysis of Conflict

In this regards, we also need to analyze the governance effectiveness and level of fairness by using various subjective indicators. I have taken some selective institutions and their selected assignments to be analyzed as below:

Institutions	Selected Subjects	Situation / Status	Major factors
Cabinet	Formation	<ul style="list-style-type: none"> • Lack of stability • Time and efforts spent on gaining and retaining the posts rather than efforts on socio-economic development • High level of manipulation (increasing number of ministries, hijacking members of parliaments, party separation) 	<p>Lack of norms, values</p> <p>Lack of legal system to control and manage the process</p> <p>Lack of maximum fixed number of ministers allowed</p>
Public Service Commission	Selection of government employees	<ul style="list-style-type: none"> • Predictable action plan for each step of selection process • Timely result of examination for selecting civil servants • Assurance of fairness in selection 	<ul style="list-style-type: none"> • Independency and autonomy for work • System of coding and decoding • Proper incentive mechanism • System of fairness
Ministry of General Administration	Transfer of civil servants	<ul style="list-style-type: none"> • Provision of law for scheduled and fair transfer • Transfer based on power influence rather than system • Normal employees suffered • Negative effect on good governance • Conflict becomes public time by time 	<ul style="list-style-type: none"> • Poor implementation of law • Key influence of trade unionists of ruling parties • De jure secretary • Lack of transparency

		(comes out in media and news)	on the process
Examination Control Office (SLC Board)	Conducting examination and publishing result of school leaving certificate level	<ul style="list-style-type: none"> • Nearly 500,000 students attend the exam • Conduct exam at once all over the country • Publish result within two to two and half months • Result in website and newspaper and marks also available in internet 	<ul style="list-style-type: none"> • Proper system of conducting exam • Proper system of checking answer copies • Proper incentive mechanism to run the system
Public School	Recruitment of Teachers	<ul style="list-style-type: none"> • Advertisement of selecting teachers in 1995 • Publication of selection result in 2001 after various manipulation • Now there is system for selection and promotion and working well 	<ul style="list-style-type: none"> • Lack of fair system at the beginning • High political influence on selection • Establishment of fair system and less political or external influences
Tribhuvan University	Exam and Results	<ul style="list-style-type: none"> • Difficult to follow the schedule • Takes nearly eight to ten months for publishing result of academic program 	<ul style="list-style-type: none"> • Lack of proper system • External influences • Lack of incentive

			and punishment mechanism in publishing results
Constitutional council	Recommendation for appointment of members and chief of various constitutional agencies	<ul style="list-style-type: none"> • Chiefs of Commission for Investigation of Abuse of Authority (CIAA), Public Service Commission (PSC), Election Commission (EC), and Office of Auditor's General (OAG) are vacant for more than 3 years. Recommendation are also pending • Recommendations are mostly allocated for members of council than from system • High conflict on person and specially for favoring own candidates 	<ul style="list-style-type: none"> • Lack of procedures and system of selecting such posts • Lack of culture of respecting the right person rather than recommending and favoring own person without considering the professionalism and appropriateness
	Recommendation for appointment of chief judge and judges of supreme court	<p>Chief judge is recommended in time without much conflict</p> <p>Judges are also recommended mostly in time but sometime little conflict</p>	<p>Culture and practice of appointing the senior most judge as chief judge</p> <p>Culture and practice of recommending senior and professional but sometime conflict on the person as own side</p>

			or others' side
Nepal Police	Recruitment / selection of police force	Bribery in selection of force Highly influenced by political and high officials	Lack of independent body/mechanism for selection procedures Culture of enjoying in discretionary power rather than developing system

Source: Developed from various news and public dialogues in public forum

From the information presented above, it is clear that only establishing any institution may not work itself but needs to have some fair and functional operational system. The governance aspect of the country can be reflected from operational modality of some important organizations. To analyze specifically, we can take four exemplary organizations. Firstly, SLC Board, where entire SLC examination of nearly 500,000 students is conducted by the single institution. It publishes its result within just two to two and half months with easy access to result through media and internet. On the other hand, there is Tribhuvan University, where, the result of just less than ten students in master level exam in some subjects also take nearly eight months to publish the result. The system of taking exam and publishing result in these two institutions made difference in performance.

Similarly, there is Public Service Commission (PSC), which conducts exam for selection of civil servant of government of Nepal. One of the most credible organizations in the country that most of people have belief and faith is PSC. We are proud of this institution because it has system of making result in time and with assurance of fairness. On the other hand, there is Nepal Police

where the selection process is completely different. There is high level of formal as well as informal influences in selection of police force. This can be justified from a news of a member of parliament was caught red hand while taking bribe for assurance of selection in police force. FN

Then, it is to mention here that high level formal as well as informal influence in selecting police force and no any influence in selecting civil servant is because of the system it has been designed in the process. There might be intra party and interparty conflict in appointing personnel in police force but we never face any conflict in selecting civil servants, which is just due to the system and policy we have established. Just to add one more example, there is not so much conflict in appointment of chief judge of Supreme Court. This is due to the culture and practice of appointing senior judge. Even there is some policy of selecting professional and senior in judges also and it is less controversial. But, other appointments of various constitutional bodies have been vacant for long time (more than three years) because of two reasons. Firstly, it is not so much prioritized area for the government and oppositions and secondly, there is mostly the practice of dividing posts among members instead of making policy and system of selecting better person. So, it is mostly controversial or just division of post that may not contribute as expected.

3.2. Analysis of Internal Conflict in Global Level

Internal conflict exists everywhere as an ingredient of conscious society in global level. However, the result varies based on how it is managed and transformed. Those countries having effective institutional and policy setup to recognize, respect, analyze, and integrate diversity and differences, have achieved synergic result in development. Switzerland and Singapore can be proper example in this matter. On the other hand, countries with diverse socio-culture set up are

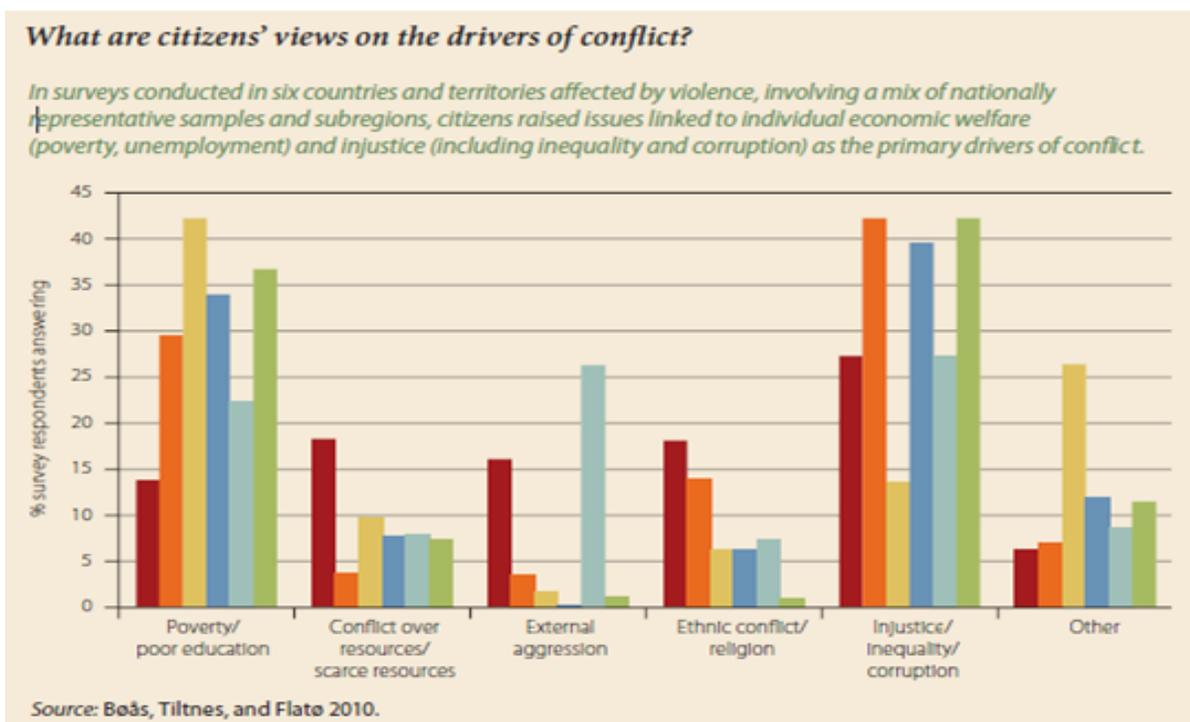
suffering from internal conflict and are also in the process of separation. Ethiopia, Sudan, Yugoslavia can be taken as examples. Separation may not be effective way of conflict management, which may go to the separation of couple at last because of their differences. It indicates that we need to have mechanism of recognizing and respecting diversity even in our family.

Diversity has been identified as a main cause of internal conflict in many countries. The reason behind this has been identified as the diverse society makes the public goods more expensive and also difficult to have common understanding and consensus on public goods. For example, language of instruction in school education. Likewise, most of developed countries have homogeneous society, where public goods and public policy are rationally agreed and implemented well. Japan, South Korea, many European Countries et cetera are good example. This can be true in some extent, however, the situation has been changed and the world has been benefited from the globalization and that is the concept of benefiting from diversity. But, scale of economy matters in this regard. On the other hand, some countries have succeeded to achieve development in diversity. Switzerland, Singapore can be good example of this situation. Similarly, some countries, such as South Africa, is in the process of fast economic development after managing long period of internal conflict. In addition, the United States of America has dynamic policy of DV lottery to invite people from different corners of the world to make the country diverse. So, policy and institution matters in achieving synergic result by managing diverse society.

While observing such conflict, one important point to highlight is that most of the conflicts are for having better position, better life and better system with equality and equity for managing the country. Some of such conflicts are highly related to ethnic, cast, religion and language or

freedom for the autonomy. On the other hand, some conflicts are also related to changing the existing political system in the country, such as in Nepal. But the gist is struggling for equal access to the state mechanism and fair behavior from state and among people in the country. There was also conflict in United States to have equal voting right for black people.

The figure presented in chapter two indicated the changing trend of conflict increasing the number of countries facing internal conflict but decreasing the number of death from the conflict. Now we can observe some major driving factors of conflict from the following figure.

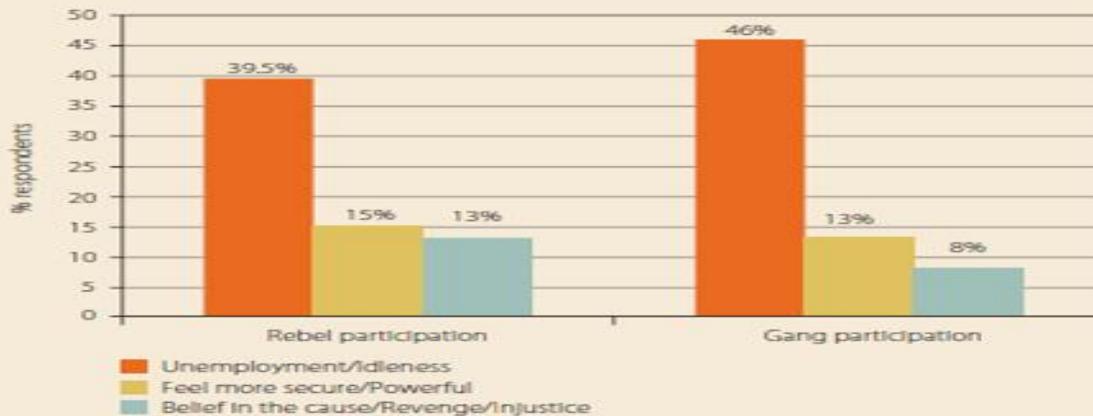


The survey result presented in the figure justifies that causes of conflict varies from context, but poverty, poor education, scarce resources, inequality were identified as major driving forces.

Furthermore, the driving force to join rebel movement can be observed by the following figure:

What drives people to join rebel movement and gangs?

The same surveys found that the main reasons cited for why young people become rebels or gang members are very similar—unemployment predominates for both. This is not necessarily the case for militant ideological recruitment (chapter 2).



Source: Boås, Tiltnes, and Flato 2010.

Joining in rebels is initiation of internal conflict. The study shows that unemployment and idleness as the main cause of joining rebels. It indicates the unemployment as crucial factor for engaging in conflict related activities.

To have initial idea, I have taken some success story from the world in managing internal conflict. South Africa, Switzerland, Singapore are good example of managing diversity internally but Sudan is still suffering from the conflict. A success story of South Africa has been highlighted here incorporating some major points of Singapore as well.

Conflict in South Africa has a long history, beginning from the Anglo-Boer wars of 1880-81 and 1899-1902 with the background of discovery of diamond at Kimberley and large gold deposit in Witwatersand. When British forces prevailed in the later conflict, a Union of South Africa was formed in 1910, as a self governing domination of British Empire to run under the Union's constitution that kept all political power in the hand of whites²⁵. People in the country were

²⁵ Summarized from Background Note of Republic of South Africa, Bureau of African Affairs. (2011).

legally divided in four racial categories as Africans (80%) (Black), whites (9%), coloreds, and Asians and treated differently through policy and system of the country²⁶. Similarly, the diverse languages were also treated differently by not recognizing major languages as national languages. Furthermore, the education system had also been segregated for different groups with different quality and level of access. The discriminated situations mentioned above were by discriminating policy.

African National Congress (ANC) initiated movement since 1912 against the domination of white for eliminating all restrictions based on color or the enfranchisement and parliamentary representation from black. Even after such efforts, the government continued to make laws limiting the rights and freedom of blacks. However, the continuous struggle through guerrilla warfare and sabotage made the movement success. After various discussion and negotiation, government announced unbanning the ANC, and all anti-apartheid groups in 1990 and main policies that were pillars of apartheid (group areas act, land acts, and the population registration act) were abolished. Then, the interim constitution, 1993 and non-racial election 1994 changed the policy and system of governance and person to govern with the government of national unity making Nelson Mandela as the president of South Africa on May 10, 1994. The new constitution was signed on December 10, 1996, after reviewed by constitutional court and intensive negotiation within the constituent assembly, which entered into force on February 3, 1997²⁷.

Socio-economic reforms carried out after new constitution supported the political changes to sustain. Market-driven economic plan and truth and reconciliation commission supported to engage people in economic activities with social harmony and social justice.

²⁶ Summarized from Background Note of Republic of South Africa, Bureau of African Affairs. (2011).

²⁷ Summarized from Background Note of Republic of South Africa, Bureau of African Affairs. (2011).

Furthermore, national reconciliation, single national identity, and sense of purpose were highly prioritized during the post conflict management period.

The newly elected government transformed the political and economic system of the country and also introduced the inclusive socio-economic development through the policy and program. The country addressed its root causes of conflict from state restructuring in macro level to the regular programs and activities in micro level of the government. Inclusive representative system in parliament, strengthening local government through decentralization and devolution and establishing institutional setup for transitional and restorative justice also contributed for conflict management in South Africa. Furthermore, the entire legal, institutional and behavioral differences were abolished through policy, system and program.

Similarly, the multiparty parliamentary democracy with power sharing between parliament and president, the list proportional representation in National Assembly allowing all political ideologies and National council of Provinces (NCOP) of 90 seats representing equally from each province at 10 from each are major policy frame to integrate diversity and manage conflict in South Africa. Now the country has different impression in the world after its successful post conflict management. Organizing FIFA World Cup 2010 has also enhanced its reputation in the world²⁸.

From the situation of South Africa, we need to realize that the political stability seems crucial at the transition period. Nelson Mandela, leader of the movement, was President for 5 years with clear vision. This made the process easy to institutionalize the changes and protect the achievements. South Africa established proper institutional and policy mechanism to address the

²⁸ Summarized from "Background Note of Republic of South Africa, Bureau of African Affairs. (2011)"

problem, got political stability and now focuses on socio-economic development and growing very fast. However, in Nepal, political parties can be united for making changes, but they hardly agree on the common understanding to institutionalize and protect the achievement. We made change in 1950, 1990 and 2006 but still the institutionalization and protection of achievement is remaining.

Singapore can be a proper example of fast development in diverse society in the world. People in Singapore interact in different culture, language and religions from their childhood. Street of China town, Muslim characteristic in Arab Street, Little India in Sera goon Road, and Marks of British colonial in neo-classical building exists around the city have enriched the diversity of the country. The food of the country has equipped with the spicy Indian food, Malay food with coconut milk, Chinese she foods and so on. Similarly, Buddhism, Taoism and Shenism among Chinese people, Indian Hindus, Muslims and Sikhs, Malay Muslim and Christians are equally respected and have equal access to all opportunities. Another interesting matter to mention here is also the learning English and mother language together and other languages in side, which has kept the country different and diverse. Chinese temples, Muslim musk, Christian church, and Hindu temples are real ornaments of diverse society of the country²⁹.

In addition, four official languages comprising Mandarin, Malay, Tamil and English and making English as a main language to integrate all people by respecting their own languages is also exemplary for managing potential conflict. Focusing on English and also protecting each language has respected all social identity and made them professional as well. It has contributed for integrating diversity and creating synergic achievement by decorating the city through the

²⁹ Summarized from "History of the Republic of Singapore", derived from Wikipedia

diversity. The qualitative leadership of Mr. Le Quean contributed to harmonize the diversity through effective policy setup to provide equal floor for all the people in the country³⁰.

Similarly, another example can be the Switzerland, where all main languages are equally respected and people are respected by providing opportunity of voting through referendum in each major agenda. Likewise, the importance of institutional mechanism to handle diversity can also be observed from the example of Indonesia, where conflict between various religious groups was settled by respecting and recognizing major religions equally and establishing a separate ministry to handle the issues³¹.

Some studies have mentioned the ethnic diversity and economic growth to be negatively associated. However, the diversity inside the country is highly potential for the development that can easily be observed from the case of Switzerland, Singapore and the globalized world being more developed and advanced because of the comparative and competitive benefit.

Then, it can be clear from the overall analysis that the conflict in any country is not the result of any ethnic and religious reason as well as not due to the poverty and inequality inside the country but the reality is the lacking of adequate system and policy that assures all people are behaved/treated equally with equity from the state functioning. In addition, how fair, the state mechanism behaves with the people is the main cause of conflict in any country.

3.3. Analysis of Internal Conflict from the Policy Perspective

Public Policy is a main instrument to manage the state affaires effectively. It covers wide range from constitution to a small transaction of a cup of tea between a buyer and a seller. It means all

³⁰ Summarized from "History of the Republic of Singapore", derived from Wikipedia

³¹ Based on direct talk with Kurnia, Government of Indonesia

institutional, legal, practical and real behavior of government and outside government are policy of any state that shapes such behavior differently in different country situation. Because, public policy shapes the private culture and behavior as well as the social capital of the country. For example, a legal provision of imprisoning any husband if he harasses his wife can change husband's behavior on his wife in a family. However, culture and social value also shapes the public policy as well.

Human being normally struggles for natural justice, which s/he starts from the birth. It means fairness and equality are essential in society. The presence of government is essential to establish fairness and justice in the society through its arms, instruments and real behaviors. However, human being is not like god, so s/he tries to maximize own happiness by own efforts and also by manipulating the situation at hand. So, the ruling power is always attractive due to the availability of some discretionary power to manipulate for personal happiness as well as to utilize for the sake of people and the state to keep some memory in future.

Good governance and socio-economic development can be possible through the effective public policy. On the other hand, defective public policy may deteriorate the socio-economic condition and create room for conflict. For example, South Korea and North Korea in the same socio-cultural set up achieved different level of socio-economic development just due to policy and system they adopted. Similarly, United States and Mexico, neighboring countries with same socio-cultural setup, achieved incomparable different level of socio-economic development due to policy and system they adopted.

South Africa went through a long period of conflict just due to the policy that discriminated between blacks and whites in all state behaviors and left all blacks far from the state mainstream.

Nepal went through the decade long armed conflict just due to policy and state behaviors that could not maintain fairness and equality in state behavior among the people and among the different territories of the country. Likewise, it also could not recognize the diverse society and respect their different priorities and interest by providing equal space for all religions, languages and cultures. Provision of Nepali language as national language, Hindu Kingdom and imposing a dress of a particular group (Bhraman and Kshtri) as national dress provided enough space to grow the conflict in the country. Switzerland as a small country also managed its diverse society and prevented the potential conflict by adopting policy of recognizing all diversity, respecting all major languages as national languages and providing direct decision power by referendum in major national agenda. Balancing democracy, liberty and social justice is essential for managing state affairs effectively. The form of conflict from defective public policy may vary based on the availability of the leading ideology and its strategy, and socio-cultural setup of the country.

How policy and institute cause internal conflict and how new policy and system cures and transforms conflict can be analyzed through the ex-ante and post-ante policy analysis. I have taken few examples of such policies mainly focusing on the Nepalese perspective and also a brief sketch of South Africa.

Ex-Ante Policy

Nepalese Context

Ex-ante situation	Ex-ante Policy	Expected Result/Consequences	Real Result
Movement	• Parliamentary	• Equal access to state	• Exclusion of marginalized

against Active Kingdom	Democracy • Constitutional monarchy	mechanism • King under the constitution as guardian of the constitution	group • Manipulation of constitutional provision by king and taking all ruling power by king • Conflict in the country
Demand of decentraliz ation	Provision of Local Government by legal provision	• Decentralization in state functioning • Empowerment of people from grass root level • Autonomous local body	• Power never decentralized • Lack of elected representatives in local body after 2002 • Weak implementation of local autonomy act • Parallel government of Maoist party in local level influencing local affairs
Demand for open economy	• Adoption of open economy • Privatization of state owned enterprises	• Private sector led development • Creation of employment opportunities • Poverty elevation and advancement	• Supply side constraints • Weak private sector due to weak infrastructure, weak security and poor labor relation • Increase in inequality with just some reduction in poverty • Supported for conflict and movement

Demand of good governance	<ul style="list-style-type: none"> • Various legal and institutional reforms • Procedural improvements in service delivery • Adoption of New Public Management 	<ul style="list-style-type: none"> • Good governance • Feeling of fairness • Equality in service delivery 	<ul style="list-style-type: none"> • Reform only in frame and form • Political interfere in personnel management of public sector • Misuse of discretionary power from informal influence • Poor service delivery • Increase in corruption
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Source: Developed based on various legal provision of Nepal and news in media

Post-Ante Policy

Situation at hand	Post-Ante Policy	Expected Result
Exclusion of marginalized group Low level of representation in state mechanism Abolishing kingdom	<ul style="list-style-type: none"> • Inclusive democracy • Reservation for certain marginalized groups • Elected president as ceremonial state head 	<ul style="list-style-type: none"> • Sharing in state mechanism • People's ownership in state • Shared growth
<ul style="list-style-type: none"> • Power centralized • Lack of elected representatives in local body • Weak implementation 	<ul style="list-style-type: none"> • Federalism (intended) • Planned for new election • Expected to be settled by new constitution 	<ul style="list-style-type: none"> • Power sharing between three level of government • New election did not take place • Decentralization and power sharing expected to be settled

of local autonomy act		by new constitution
<ul style="list-style-type: none"> • Supply side constraints • Weak private sector due to weak infrastructure, weak security and poor labor relation • Increase in inequality 	<ul style="list-style-type: none"> • Focus on trade sector development by integrated strategies • Public private partnership in infrastructure development • Focus on inclusive growth 	<ul style="list-style-type: none"> • Export promotion and employment generation • Expected to achieve success but did not work as expected • Market led inclusive growth as priority of government and special program and activities for marginalized group
<ul style="list-style-type: none"> • Reform in frame and form • Political interfere in personnel management of public sector • Misuse of discretionary power from informal influence • Poor service delivery • Increase in corruption 	<ul style="list-style-type: none"> • Reform in overall governance mechanism through state restructuring • Provision of governance act and other acts for managing the situation • Various programs and governance reform for improving service delivery • Anticorruption agency active • Exploring corruption activities in parliamentary committees • Special court active 	<ul style="list-style-type: none"> • Expected to be improved but implementation still poor • Legal provision may track the situation but still doubt • Reform programs to be internalized in most of agencies • Corruption will go down • Public accountability in place and will work well

Source: Developed based on various legal provision of Nepal and news in media

In brief, equal access to state mechanism and freedom of speech and periodic election were major demands during the movement of 1990. So, democratic political system, various fundamental rights including freedom of speech, equality before law and equal treatment for all were adopted as ax-ante policy measures through the new constitution to various policies and program, expecting peaceful development of the country. The country accepted the values and norms of liberalization, privatization, globalization, and liberal democratic system for creating favorable environment for private sector led development and civil society as watch dog. However, the diversity of the country, different level of socio-economic development in different regions, and presence of marginalized people in the country were not taken into account. Similarly, due to lack of policy and programs to track the private sector & civil society with fair operational mechanism invited some drawbacks of the system. So, the ax-ante policy did not produce expected result and these issues were in the centre during the people's movement II-2006. Now, the government has highly focused on these issues and inclusion, reservation, quota, special measures for poverty and marginalized people, social security are now introduced as post-ante policy expecting peace and development.

Liberal democracy and open economic policy in macro level were not supported by effective operation and micro level policy and practices with assurance of fairness. People were suffered in operational level and good governance was lacking. Minority languages, religion, caste, culture were excluded out of the mainstream from the ex-ante policy measures. In addition, the dividend of democracy could not be distributed well and disadvantaged group became an opportunity for extreme political ideology to move forward.

Similarly, the 42 points demands from Maoist side were related to the overall change in state mechanism. Peaceful movement was not enough to make such huge change in political and

economic system because of the small number of initial supporters of the agendas. So, the Maoist followed strategy of armed movement. The policies to address the armed conflict were also counterproductive and did not work as expected. Such as, Kilo-Sera-2³² operation was counterproductive.

Ex-Ante Policy analysis of South Africa

Ex-ante situation	Ex-ante Policy	Expected Result	Real Result
Anglo-Boer war in background of Discovery of diamond and large gold deposit	<ul style="list-style-type: none"> • Self governing domination of British Empire keeping all power with whites • Division between blacks and whites • Discrimination based on color and castes 	White domination in power and resources as long as possible	<ul style="list-style-type: none"> • Movement for equal access to state mechanism • Movement for representation of all people in parliament • Conflict and violence • Security problem

Source: Developed from "Background Note of Republic of South Africa, Bureau of African Affairs. 2011

Post-Ante Policy analysis

Situation	Post-ante Policy	Expected Result/Consequences
<ul style="list-style-type: none"> • Voices of equal access to state mechanism • Voices of representation 	<ul style="list-style-type: none"> • Apartheid law were abolished • New constitution • Inclusive representation in 	<ul style="list-style-type: none"> • Peace and development • Ownership in state functioning

³² Kilo-Sera-2 was carried out for suppressing the Maoist movement by Government of Nepal but it was counterproductive and people were detractive from the government.

of all people in parliament	parliament and other state mechanism	• Equal access to state mechanism
• Inequality and poor economic condition	• Effective power sharing mechanism	• Equity based equality all over the country

Source: Developed based on "Background Note of Republic of South Africa, Bureau of African Affairs.

The policy discriminating blacks and white were ax-ante policy to sustain the white domination in South Africa. However, it did not sustain for long time and crated conflict. Finally, the movement succeeded and the country is in the transformation process through inclusive policy measures from new constitution to the policy and programs in grass root level.

Policy Gap and Coordination

The conflict in Nepal was limited only up to the political leaders and mostly scattered surrounding the power centre till 1950. However, the democratic movement in 1950 and onwards were mostly more participatory and people centric. Various democratic process and movement after 1950 raised the expectations and aspiration of people.

Institutional and policy improvement in macro level after 1990 could not result as expected. Democratic values and norms were not internalized in working culture and practice of state and party institutions. Undue influences from power centre and leadership shaped the norms, practices and working culture of state mechanism to behave unfairly and distributed the democratic dividend unfairly among the different territories and people from different background.

From the overall analysis, I came to conclude that policy coherence and coordination between various sectors in different level through the proper balance is essential for sustaining political changes and socio-economic development, mainly in the following areas:

- i. Political, economic, and socio-culture
- ii. From structure of government to the operational level
- iii. Need of people, agenda and priority setting, policy formulation, policy implementation
- iv. Balancing immediate, short term and long term perspective
- v. Balancing different territories and also different level of people by different policy measures.

Political sector focuses mainly political stability, leadership commitment, people participation and et cetera. Likewise, economic comprises microeconomic efficiency, macroeconomic stability, and distributive mechanism/ justice. Similarly, social comprises political and administrative inclusion, redistributive justice in economic sector, religious inclusion, refining and improving conservative social norms, values attitudes, such as schedule cast in cultural inclusion. Weak coherence and coordination among these provides space for conflict.

Economic incentive and disincentive were frequently changed with change in government and finance minister without rational analysis. Public expenditure rarely took account of the total social benefit and enhancing economic efficiency. Furthermore, the poor distributive justice also supported, such as the minimum wage rate of 4700 NRS per month became an issue for long time but a chief executive officer of private bank easily gets nearly one million per month which is 212 times higher.

Frequently change in chief of state owned enterprise and secretary of ministries after change in ministers also deteriorated the operational quality of government and working culture. Rent seeking culture dominated the hard working culture and mediators enjoyed more and real workers suffered in agriculture sectors, which provided unfair of dividend of democracy. People's aspirations were hardly reached to the policy agenda. And various policies adopted hardly implemented well. Such as, the civil service act itself was highly violated during the personnel management. Likewise, immediate benefit dominated the long term vision and agendas. Finally, the unfair behavior between different territories and different people made the governance frustrating normal citizen of the country.

How better policy and institution creates better practices and good culture for socio-economic development can be observed from the Germany and other European countries, where, everybody takes travelling tickets but authority rarely checks the tickets while travelling by public transportations.

Policy with equality and equity in state behavior is crucial for making the citizen loyal or at least unhappy. For this, balancing the state behavior with different territories of the country and with all citizens is important. In this matter, equal behavior in general and special care for marginalized in particular contributes for sustaining the changes. In case of Nepal, it could not happen, as we already analyzed such unfair behavior and contributed for occurring conflict. Difference between central and mid-west development region, undue influence in employment opportunities in police force, ignorance of minorities in language, caste and ethnic diversity are some key examples.

Then, disadvantaged territories and disadvantaged people from the democratic government were source of conflict. However, the level and form of conflict depends on the availability of alternative leading party and ideology and the strategy it adopts. In case of Nepal, Maoist party with strong ambition of armed movement for drastic changes grasped the opportunity and designed the roadmap of armed conflict to be initiated from the mid-western region.

The issues of marginalized people and diverse society could be could be addressed by amending the constitution, and improving policy and program making more inclusive, but the government did not give much priority on it. Political efforts to be spent for gaining and retaining the power kept these issues far behind.

So, the combination unfair state behavior among the different regions, among the people in the country, the presence of strong political ideology to lead the disadvantaged group through armed war, and absence of effective institutional mechanism for settling conflict through negotiation process, made the conflict sustain and grow.

Analyzing the conflict from gender perspective is also important while assessing the conflict in Nepal. Different norms and values for women in different ethnic group also created unfair socio-cultural system and became a motivating agenda to engage women in the armed struggle. Women combatants had important role during the armed conflict and were in remarkable number comparing to other government institutions. According to the United Nations, out of 19,602 people making up the PLA, approximately 20% of the combatants were women. The active participation of women in the armed conflict has also supported to transform the society in equality and equity based. This has impact on post ante policy and made the valuable presence in the government institutions of women after the changes and there are 33% women members in

the newly elected constituent assembly. Similarly, various NGOs and INGOs also played crucial role to raise women awareness in the issues related to the violence against women and women rights, which also motivated to engage in the war against the male dominated social value system in the country.

In macro level, the constitution could not mainstream all religions, languages and ethnic groups in state mechanism and in operational level, fairness in governance could not exist. Such as, the result of school teacher was published after 5 years with high manipulation. Addressing root cause taking the country specific situation is essential in conflict management. Such as, conflict in Sri Lanka, South Africa, and Nepal had different background and different agendas.

The socio-economic development experiences of Singapore, Malaysia, and China has proved the development to be possible even in communist system comparing to the long time taken in India in democratic system. So, only political system and other policy in macro level may not contribute, but needs overall system and policy for economic, social, and cultural aspects in operational and micro level to be implemented effectively.

Now taking the case of Nepal, most of macro policies in political, economic and social sector were designed well in some extent, comprising democratic political system, provision of local government, open economic policy and abolition of various social and cultural barriers. However, such policies were not supported by microeconomic efficiency, comprising good environment of doing business, strong security, rule of law, fairness in operational level, flexible labor market, effective infrastructure and assurance of property right only may produce effective result of open economy and democracy. .

Likewise, gap between political slogans/voices and the real behavior of leaders as well as the gap between political will and the political practices in reality contributed for political instability.

However, the level and form of conflict may be different in different situation. Furthermore, the power-seeking culture and feudal society is hindering the establishing better policy management which is highly essential for economic growth and overall development of Nepal.

We can also see the gap between political promise and policy reflection, gap between policy and its implementation and gap between expected and real consequences of policies. It was difficult to take the power from king but it is more difficult to maintaining the power in people's hand by fulfilling the high aspiration of people.

The Nepalese culture of joint family and some legacy of feudal social system have also some effects on policy management. It brings the power seeking and worshiping culture and keeps politicians engaged in power exercises and contributes on policy mismanagement. It can be observed from the operational inefficiency by assigning important responsibility, such as chief of state owned enterprises without considering the professional requirement and forgetting own destination even by the Maoist ministers³³. The present constituent assembly also mostly engaged on forming and dissolving the government rather than writing constitution in time.

Political stability is crucial for economic growth and policy improvement. During the period after 1990, only two tenures of Prime Ministers are for more than two years. The first from 26 May 1991 to 30 November 1994 was important for making some new policy reform and kept highest growth rate till today. Similarly, after the regaining of the democracy in 2006, the Prime Minister was ruling from 25 April 2006 to 18 August 2008 where major peace process and the

³³ Based on the decision taken by the government of Nepal and the news in Nepalese media

election of the constituent assembly were successfully conducted and the growth rate was also high during the period. But after the election of constituent assembly, the political parties could not manage the political stability in Prime Minister's tenure so that the peace process, constitution writing and also the economic growth is very slow.

Now, we are in the process of socio-economic transformation and state restructuring through this constitution and state restructuring. Those policies are expected to address the emerging will of Nepalese people and work as post ante policy. In this way the conflict seems to be highly related to the policy. One policy may create conflict and we need another policy to manage it as Nepal experienced the constitution of 1990 and again the constitution of 2011 to be promulgated.

While analyzing the situation in international level, the policy in South Africa after the establishment of African union, the policies and all legal system favored white people and left all black people behind the state mainstream. This policy created an unfair behavior among the people in the country. It discriminated people in entire state facilities and the disadvantaged people started protest and the country faced internal conflict. The government also tried to address such conflict in piece meal basis but did not work. Then the conflict went through the political process and now the new constitution and refined new policy, and necessary restructuring were carried out as post ante policies and now it is working well.

The weak implementation of policy always contributes for conflict. Because, the provision of policy increases expectations of people but while it is not implemented well, then brings frustration.

4. Findings and Recommendations

4.1. Major Findings

From the overall research and analysis here, the major findings can be highlighted as below:

General Overview:

1. Internal conflict is the result of weak management of differences and diversity in society that disturbs the normal social and national system.
2. Mostly, such differences and diversity are taken as cause of conflict. However, such difference is natural in human society. So, the conflict is the matter of managing these differences by effective policy and system from a family to the national as well as international arena.

Nepalese Context:

1. A decade (from 1996 to 2006) long armed conflict started based on the 42 points agendas of Nepal Communist Party of Maoist for overall state restructuring. The conflict left 785 people disabled, 1006 people disappeared and 13,236 people killed. Likewise, it also destroyed the social capital (trust and believe) and physical infrastructure (nearly 71 million US dollars) of the country. Furthermore, the socio-economic development process and overall social system of the country was disturbed due to the armed conflict. Finally, the conflict has provided an opportunity of fresh start for innovative and creative socio-economic development through the enhanced awareness in people.
2. Regarding the causes of the decade long armed conflict in Nepal, mainly the following factors contributed the most based on my analysis:

- i. Increased aspiration of people from various democratic processes were remained unaddressed including basic needs of human life .
- ii. Strong ambition of Maoist party for overall state restructuring through the strategy of armed/guerrilla war
- iii. Proper match of these two situations
- iv. Absent of effective institutional mechanism for interest based negotiation process with the proper assessment of present as well as potential position and support of Maoist 's 42 points agendas
- v. Absent of Zone of Possible Agreement (ZOPA) at the initial phase of negotiation
- vi. Fragile political situation and poor governance during the negotiation process
- vii. Lack of regional balance in socio-economic development and effective government in back warded area (Discrimination among different regions by the state. For example, the mid-western and far-western regions were left behind from the state mainstream)
- viii. Discrimination among the citizen in basic services as well as opportunities from the state functioning (employment in Nepal police, school teacher and state owned enterprises)
- ix. Power seeking and worshipping culture of society hindering effective policy management

All these factors are related to policy management. Effective policy in these issues could contribute for managing the conflict in time. But, due to the absent of coherent and coordinated policy management, nearly 15 thousand people became direct victim and the country went back in socio-economic development.

In international perspective

1. Any Struggle takes place for better life through equality and equity in the social system and

state mechanism

2. Internal conflict in international arena is also result of policy gap or weak policy management. Country situation matters in cause of conflict. However, these matters are to be handled through effective policy. What types of policy to be adopted depends on the natural justice as well as socio-cultural setup. South Africa, Singapore and Switzerland managed conflict through inclusive policy and system. In South Africa, the policy prohibiting blacks from access to power exercise and other key opportunities caused conflict and the abolition of all discriminatory laws and establishment of inclusive political, economic and social policy and institutional setups transformed the conflict in socio-economic development. Similarly, the well integration of socio-cultural diversity in Singapore created better opportunity for socio-economic development by achieving synergic result through integration.

To Sum Up,

The diversity is the beauty of society. Now, the concept of nation state has been shifted to the concept of state nation. Likewise, the globalization has also been promoting the benefit of comparative and competitive advantages. So, assurance for equality among the different regions and among the citizen of the country with some special care or protection for marginalized and disadvantaged area and group for equal footing is essential for managing and transforming conflict. This can be assured through the effective policy management from macro level to the micro/operational level in different dimensions of human life including political, economic, social and etcetera by coherent and coordinated way of all policy cycle (assessing need/country situation, agenda setting, policy formulation, implementation and improvement from feedback of monitoring and evaluation) with assurance of effective implementation. If such situation cannot

be assured by the state behavior, conflict occurs. The forms and level of conflict may depend on the availability of leading ideology and its strategy as well as the level of discrimination in state behavior. So, reducing the policy gap between the aspiration of people and the state behavior reduces the conflict in any area.

Strengthening and weakening the position matters in conflict management. For example, at the beginning, there was lack of ZOPA (zone of possible agreement) in the negotiation on Nepalese conflict. Refining interest and strengthening position supports the agenda to sell. At the beginning, Maoist had not so much strong position and support of people, but weak state functioning and strategic activities of Maoist enhanced the position of Maoist and deteriorated the position of government. The coalition between two political powers by harmonizing their interest each other converted the armed conflict into joint people's movement and achieved republic country and also constituent assembly by strengthening own position and weakening the king's position.

Finally, refining the overall policies and system through state restructuring from macro level to micro level has brought all Nepalese people towards the transformation of conflict toward the socio-economic development. So, policy matters for occurrence as well as curing the conflict and also a means of socio-economic transformation.

4.2. Recommendation

From the overall research, main recommendation can be mentioned as below:

1. Conflict is inherent of human society and should be recognize and accept positively for socio-economic development

2. Country situation matters for managing the conflict, so need to identify the country specific background
3. Feeling of fairness is foundation of human life, so need to assure fairness in state management
4. Coherence in various policies including political, economic, socio-culture should be assured
5. Situation at hand should be assessed systematically to address the conflict by adopting adequate policy
6. Policy is main instrument for managing country. So, we need to minimize the gap between people's aspiration and policy agenda, agenda and policy approval, policy approval and its implementation and improving from feedback.
7. Defective policy creates conflict and again need to have another policy. So, we need to be sincere while adopting any policy and should assess the short term as well as long term perspective and consequences of the policy.
8. Taking the case of Nepal, unfair state behavior among different territory of the country and unfair behavior among people from different level of political and economic approach made the conflict success. So, decentralized state mechanism and equal behavior among all corner of the country and all people should be assured. In addition, the backward area and marginalized people should have special care and priority from the state behavior for compensating the past unjust.
9. Diverse language, religion, culture should be respected and proper opportunity should be provided for development of each.
10. Vertical and horizontal coherence and coordination should be assured in policy

formulation and implementation

11. Provision of policy creates aspiration and expectation and poor implementation makes frustration. So, only implementable policy should be adopted.
12. Position and interest are important in conflict and negotiation. So, government should enhance its position through the balanced policy and program for short term as well as long term benefit for the people.
13. An inbuilt institutional mechanism should be established from the central to local level to manage conflict effectively with some conflict transformation process.
14. Creating value by harmonizing interest and sharing value based on scientific/objective indicators and position of the parties are important to keep in mind.

5. Conclusion

Conflict is a beauty of human society which transforms the social system toward civilized and developed. However, it needs effective management by recognizing the root causes taking specific country situation. The conflict in international level has been shifted toward national level after the end of the Second World War. It was the effect of the establishment of United Nations and other international organizations and legal provisions to manage conflict in global level.

Various studies and researches have been carried out regarding internal conflict in the world. While discussing about the causes of such conflict, most of findings have focused on the ethnic diversity and social division as main cause of conflict. Some studies have also highlighted the unavailability of basic needs including food, education, drinking water and health facility. Similarly, some studies have also highlighted the policy issues as linking the diversity to make policy and public goods more complicated. While talking about Nepal, poverty, inequality and unemployment are taken as major factors to contribute for the decade conflict.

However, I have analyzed the internal conflict from some different perspective. There might be various causes and reasons of occurring internal conflict but need to be linked with policy. My finding is that all the matters can be settled from better policy management. Defective policy that behaves unfairly among the people creates conflict and then needs effective policy to address the conflict and sometime may also need corrective justice. It can be observed from the case of South Africa, where the black people were fully prohibited to participate in the state mechanism. It invited conflict and movement and ended with major policy reform and just behavior from state mechanism.

Likewise, I have identified main causes of armed conflict in Nepal as below:

1. The mismatch or imbalance between political empowerment and economic empowerment of people. We can also perceive it as a gap between people's expectation and achievement from the state behavior or policy. (People's aspiration remained unaddressed)
2. Lack of effective dispute resolution mechanism throughout the overall negotiation process. And also the weak ability to assess the potential consequences of conflict, which created the situation of unavailability of Zone of Possible Agreement (ZOPA) at the initial phase.
3. Poverty, inequality, unemployment and weak level of self dependency of local government resource generation and mobilization.
4. Unfair state behavior among different territory/region of the country favoring central, eastern and western regions more comparing to mid-west and far-west development regions leaving those region far behind the state mainstreaming.
5. Unfair state behavior among the people of the country by favoring some with political and economic approach but avoiding others without such approach.
6. Availability of strong ambitious political ideology with strategic plan of achieving republic and communism in the country by persuading people toward changes for better life after success through the armed war.

All these matters are directly related to the public policy covering from macro level to micro or operational level, how effectively and fairly implemented.

Finally, I would like to recommend that public policy is the main instrument to manage state affairs and also to shape overall activities in the country including state behavior to individual and private sector. So, recognizing, respecting and taking special measures for integrating diversity is crucial component in conflict management. Likewise, assurance of fairness from

state behavior and special protection for marginalized group through policy and program are also equally important for sustainable peace and development. Similarly, coherence and coordination between vertical and horizontal policy measures are really important for transforming conflict in conflict economy in most of the situation in the world by taking specific country situation.

Finally, from the overall analysis carried out in this research, I would like to underscore that policy influences the conflict most and it is the main instrument to cure, prevent and transform conflict by adopting effective policy measures in a vertical as well as horizontal coordination.

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