Stability in Transition: 
Development perspectives and local politics in Nepal 

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Introduction

This article is about ways of looking at local politics in Nepal after the Comprehensive Peace Agreement of 2006. The first part of my paper draws on ideas developed in Sudan, Afghanistan and the DR Congo to critique thinking by development actors about ‘post-conflict’ countries. I first suggest that development actors and others wishing to intervene in Nepal’s local political environment should not concentrate solely on what they think local politics lacks, according to ideal frameworks of the state. Instead, I highlight different ways of viewing the state and local politics in developing and post-conflict countries, focusing particularly on theories that seek to better understand local informal political realities. I then use brief case studies to illustrate examples of local level transitional politics in Nepal. After this I highlight some possible benefits to development actors of cultivating such an understanding of local politics. This will be followed by a suggestion of how to carry out such an analysis. I conclude that development actors need not resign themselves to an acceptance of the reality of politics; nor should they only ask ‘what is missing?’ when looking at local politics and the Nepali state. Instead, I suggest that a realistic and more effective form of analysis would integrate detailed studies of the local political reality with continuing and necessary long-term goals to reform practices such as corruption and patronage.

In particular, this paper argues that an understanding of the impact of political practices can assist interventions in identifying political practices which are effective and supported locally and those that are not. The alternative to this is a continued (and often wilful) ignorance of the complex reality of local Nepali politics. Although the focus of the paper is on critiquing forms of analysis, I also explore some of the difficulties

1 The views expressed are solely those of the author and do not represent the views of the United Nations, The Carter Center or the UK Government’s Department for International Development (DFID).

development actors face in implementing analytical findings. My paper is aimed at development actors as well as analysts working on security, peace building and post-conflict issues. It is also a contribution towards analysing local level politics in Nepal, a topic that has been researched in the past but not widely since the end of the conflict.\(^2\) It should be noted that the form of the paper still reflects its origins as a short discussion paper intended to generate a debate among development actors in Nepal.

**Methodology**

This paper is based primarily on my own field experiences, gained mainly in the Eastern region and Dailekh district while I was working with the United Nations Mission in Nepal (UNMIN), The Carter Center and the UK Government’s Department for International Development (DFID) during 2007-2008 and 2011-2012. Nearly all the case studies were gathered during field trips. I also draw on publicly available reports published by the United Nations Resident & Humanitarian Coordinator’s Office (UN RCHCO), International Crisis Group and The Carter Center. My field experiences were short (usually one-week) trips made as a member of mixed teams of Nepalis and internationals. Each visit focused on one district and typically involved spending time in the district headquarters as well as outside the headquarters in Village Development Committees (VDCs).\(^3\)

On field trips I conducted interviews with a range of interlocutors including politicians, NGO representatives, journalists, government officials and citizens. My presence as a foreigner had an impact on what I was told in ways that are difficult to assess. However, I benefited from not visiting with any redistributive capacity or aid to disperse, a fact that became more widely known in each district as the number of my visits increased.

In this paper I focus on findings from Dailekh, Ilam, Taplejung, Udayapur, and Sankhuwasabha, all essentially hill districts. This is due to the large amount of data I have from these districts. I have used data from Dailekh in the Mid-Western region in order to illustrate the dynamics of a different


\(^3\) Nepal has 75 districts, which are divided into administrative units known as Village Development Committees (VDCs). These are divided further into wards, with at least nine wards in each VDC.
region for comparative purposes. However, the fact that it is included is somewhat arbitrary and based on my own work assignments. The rest of the districts are located in the Eastern region. Tarai districts are not covered, as my field visits to the Tarai were less frequent. They may or may not share the general dynamics outlined in this paper. The current data is enough to generate some initial thoughts on political dynamics, but my findings are tentative and very far from in-depth anthropological or social scientific research. It is also worth noting that the information collected on my field visits was originally collected for purposes other than those of an academic paper. More research is needed, especially in developing detailed case studies across a greater range of districts and regions.

For ease of usage this paper describes Nepal as being in ‘transition’ or as a ‘post-conflict’ state, which are both problematic terms. It is important to recognise that Nepal’s political history has involved several other transitional periods. The definition of Nepal’s ‘transition’ during the peace process or Nepal’s ‘post-conflict’ status is highly debatable, particularly given the continuities between politics before, during and after the conflict. Also, identifying a ‘transition’ or ‘post-conflict’ time period implies that this is a phase that will end and that it also has a natural, agreed end: neither has been the case in Nepal. This paper focuses on the post-2006 situation and highlights local arrangements that developed primarily after the Comprehensive Peace Agreement and during this transitional period; thus, the terms ‘post-conflict’ and ‘transition’ retain some basic usefulness to describe this time. One aim of this paper is to question and unpack, rather than redefine, these and other popular development-led terms, including ‘stability’ and ‘good governance’.

This paper stresses the importance of analysing local politics and the state. Much of it analyses both politics and the state together, because, through political parties in Nepal, they are inseparable and mutually dependent on each other (International Crisis Group 2010: 40). Local government is the most important level of government for ordinary Nepalis. However, there are clearly strong connections between local, regional and national politics. A common analysis in Nepal, as in many countries, defines politics as political decision-making in the capital, especially by political parties. Local level actors are all presumed to be waiting for

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4 Including, for example 1951 to 1960, as mentioned in L.S. Baral (2012: 98).
top-level party and state decisions. Alternatively, earlier anthropological studies of Nepal tended to view local actions in isolation from national processes. In reality, as the examples show, the interaction and feedback between different levels of politics is much more complex than either a top-down approach or an approach that views local politics in isolation from regional or national levels.

Assessing local politics
The assessment of current local political arrangements in developing countries has often revolved around focusing on what is missing from an ideal picture of a functioning and service-delivering state. This is particularly true of assessments carried out by development actors and analysts working on security, peace building and post-conflict issues. Discussions generally follow well-trodden paths about fragile, frail or failed states. A clear expression of this view is in the edited collection Nepal in Transition (2012). At the end of the book the editors bemoan the fact that Nepal ‘is still far from qualifying as a liberal democracy in which the procedural aspect of elections is complemented by respect of individual liberty, the rule of law, and the respect of basic rights, all of which are secured by checks on the power of each branch of government, equality under the law, impartial courts ... and separation of religion and state’ (von Einsiedel, Malone and Pradhan 2012: 368).

Few Nepalis would dispute the importance of holding local elections, introducing greater accountability and making citizens feel more secure. Advocating for ideal outcomes is also important for local civil society actors, victims of the conflict who seek justice, and those excluded by current political processes. Reducing patronage and corruption is undoubtedly a politically desirable outcome in the long-term. However, asking, ‘what is not working?’ or variations such as ‘where is the next conflict going to come from?’ is not the only or even the most effective form of analysis that development actors can carry out. Actors could also, this paper argues, carry out a detailed study of local political practices, including political interests, patronage and corruption, before they make interventions.

The root of an analysis that defines states in terms of what they are not lies in a common understanding of Max Weber’s work on the state. According to Weber, ‘the state is a relation of men dominating men, a
relation supported by means of legitimate (i.e., considered to be legitimate) violence’. Weber famously also said, ‘A state is a human community that (successfully) claims the monopoly of the legitimate use of physical force within a given territory’ (Weber 1958: 78). Even though Weber was very cautious in his use of this definition, social scientists have been quick to categorise many kinds of states as operating under this ideal description of a coherent, effective bureaucracy. Translated into development analysis, this means viewing the Nepali state and Nepali politics solely in terms of what they cannot deliver—both in terms of weak delivery of services and a failure to provide security. This is undoubtedly an important and necessary form of analysis, but it is not the only approach and it can obscure more than it reveals.

An approach in which ‘state capacity is gauged against a measuring stick whose endpoint is a variant of Weber’s ideal-type state’ (Migdal 2004: 15), also ascribes too much power and coherence to the state. As Migdal says:

...it posits a human society where one incredibly coherent and complex organisation exercises an extraordinary hegemony of thought and action over all other social formations intersecting that territory. It provides no way to theorize about arenas of competing sets of rules, other than to cast these in the negative, as failures or weak states or even as non-states (ibid.)

In contrast, Migdal’s state-in-society approach offers an alternative definition. Migdal defines this as an assessment of both the state’s ‘image of a coherent, controlling organisation in a territory, which is a representation of the people bounded by that territory’ alongside its ‘actual practices’ (Migdal 2004: 16).

Migdal’s view is echoed by a recent report, which sums up six years of research on crisis states. The authors state:

The dominant position in the policy community when addressing the condition of a state, or public authority, in the developing world is based on the proposition that ‘good governance’, defined as liberal democratic and free market institutions, is the source not only of a
state’s ability to preside over peace and stability, but also over growth and development. These are generally assessed by the formal rules adopted by a state and the policies articulated and implemented. Our research suggests that a better understanding of the possibilities of progressive institutional change and policy reform can be achieved by seeing the state as a political settlement embodying a set of power relations (Putzel and Di John 2012: iii).

Other approaches have considered alternative ways of understanding how state and political practice actually works in developing countries, including those affected by conflict.⁵ Alex De Waal’s ideas on the marketplace of politics in Sudan and other countries are particularly useful in this connection (2006, 2009, 2010), despite the politics in Nepal and Sudan being markedly different. De Waal’s work focused on international engagement with ‘fragile states’ but his analysis can be applied to states defined internationally as ‘post-conflict’ too. Applied to the Nepali context, De Waal’s approach would suggest that instead of solely measuring Nepal against a post-conflict Weberian ideal state, academics and policy practitioners with knowledge of Nepal could also concentrate on understanding what the practice of politics looks like at present and then marshal their knowledge and findings in ways that inform current development debates and policy. Alex De Waal made several points about Sudan which are arguably applicable to Nepal and other similar states. He writes:

These countries are defined by what they are not: they are not delivering services in an equitable manner; they are not exercising a monopoly on violence within their territories; they are not choosing their leaders through democratic processes, and they are not putting international assistance to its rightful use. In turn this approach leads to approaches for peacemaking, peace building, reconstruction and development that are premised on trying to achieve a particular normative standard (2009: 5).

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⁵ The studies by Bayart, Ellis and Hibou (1999), Chabal and Daloz (1999), Coburn (2011), Khan (2001) and Migdal (2004) proved useful for the purposes of this paper.
Thus, policies aim to replace what is perceived to be missing, and do not consider what works, or what is actually taking place. This approach ignores some important questions, such as why local politics has remained relatively peaceful in Nepal since 2006.

De Waal also attempted to develop a theory of patronage in the political marketplace of ‘fragile’ states. He did this in the context of multiple peace agreements between various rebel movements in Sudan and the central Khartoum government. De Waal defined patronage politics as ‘the ability to gauge the monetary price that can be offered to any particular individual to secure his loyalty (it is a very gender-specific exercise), and more widely to read the market so as to know the likelihood of that price rising or falling in the future’ (De Waal 2009: 8). The point De Waal makes about the failure to incorporate the role of patronage in political affairs and conflict management is applicable to Nepal (2009: 7). Without an understanding of how patronage works and why people ‘may have more confidence in them than in weak formal institutions’ (2009: 2), external interventions in local politics will almost inevitably be misguided. As De Waal writes, ‘one of the drawbacks of the western, institutionalized normative standards is that they do not draw a clear line between patronage systems that maintain stability, and those that generate instability’ (2009: 12). As a first step he recommends understanding how political patronage markets work. This paper aims to make a very small contribution to such an effort.

At the same time, a more informed approach might help development actors to understand the strength (not fragility) of current local political arrangements better, and to distinguish between different types of patronage and corruption, in particular practices that are less harmful and may—generally for a limited period—aid stability, and those which do not. In broader terms, it would also help to identify what International Crisis Group described as the ‘resilient flexibility’ of the Nepali state (2010). In practical terms, this approach could mean that national development projects such as the multi-donor Local Governance and Community Development Programme (LGCDP), could be reconfigured to take local specifics into account. Practically, this would mean that

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6 De Waal also highlighted various elements of the market place that are worth assessing when seeking solutions to a conflict: namely affordability, sustainability and the increasing monetisation of patronage systems.
LGCDP’s well-intentioned efforts to try to quickly remove corruption and patronage would recognise local complexities, and would use this knowledge to identify the very worst excesses whilst ensuring that further problems were not created by the intervention itself.

Development actors and local politics
In addition to the particular frame of analysis that this essay seeks to critique, development actors have other reasons for ignoring local politics. This includes willful ignorance, lack of interest in the topic, centralisation in capital cities and organisational constraints. Instead of analysing the practice of local politics to assess what works, donors may effectively turn a blind eye to all corruption and patronage, viewing them as a price literally worth paying in order to generate a form of stability. This has arguably been the case in Nepal, in the form of donor support for Local Peace Committees (explained below) and, at the national level, continued DFID support for the Nepal Police despite criticisms of the project and the lack of police reform.7

National partner staff are often acutely aware of how local political practice works, but may not be easily able to feed their knowledge into programme design; nor may they have any incentive to do so. In the DR Congo, Séverine Autesserre identified international inaction on local conflict and micro-level issues as ultimately stemming from the ‘dominant international peace building culture’ (2010: 22). This culture ‘established the parameters of acceptable action’ and ‘made it possible for foreign interveners to ignore the micro-level tensions that often jeopardize macro-level settlements’ (Autesserre 2010: 10). Autesserre also says that internationals perceived violence to be routine in the DR Congo and that this was another barrier to a stronger focus on local peace building.

This main focus of this paper is on how development actors have analysed local politics in the post-conflict period. I go on to suggest one possible method of analysing local politics, along the lines of a political economy study. Part of my optimism that a study of local level politics can take place comes through my involvement in a study in Dailekh, carried out on behalf of DFID in 2012. Myself and a team of Nepali researchers, including

7 See, for example, the public Independent Commission for Aid Impact report on DFID’s Peace and Security Programme in Nepal (2013). ICAI reports to the UK Parliament through the House of Commons International Development Committee.
NGO staff from Dailekh and researchers based in Kathmandu, spent one week in each VDC asking a series of questions to try to understand local politics. We visited five VDCs, developed our own semi-ethnographic methodology and focused our questions on leadership, institutions and political change. The study benefitted greatly from the combined involvement of researchers from Dailekh, who generated trust among key informants (although they did not research their home VDCs), and researchers from Kathmandu, who possessed technical skills. In the space of one week it generally proved difficult to obtain information on internal political conflicts inside a VDC, but a potentially useful outline analysis of trends in local politics in Dailekh emerged. I will go on to explain some of the findings, and the benefits of doing such a study, below.

My optimism is also based partly on the fact that many development organisations have recognised, often in what appear to be theoretically advanced models, the importance of different ways of looking at the state in developing and post-conflict countries (see OECD 2010, 2011). This is often highly generalised and, typically, still ultimately focused on the goal of a Weberian ideal state. However, a large set of theoretical literature, toolkits and guidance notes now exists which explores the notions surrounding, for example, a ‘political settlement’ (The Asia Foundation No. 2, 2010); or provides guidance on carrying out a political economy analysis (DFID 2009); or stresses the importance of unpacking different types of patronage and corruption (Stabilisation Unit 2012).

However, despite these reasons for optimism about the potential of development actors to carry out such a study, I have less confidence in the ability of large development organisations to integrate and implement political analysis into their planning and programming. This is an additional challenge, which this essay does not intend to explore. Development actors have carried out political economy analyses before in Nepal (although they have only rarely looked at local level informal structures), with little sign of implementation. Also, the extent to which development actors have been able to incorporate theoretical thinking from headquarters into programming and implementation in the field is unclear. The continuing approach, in Nepal at least, has been to continue an analysis of politics along the lines of the ‘what is missing?’ thesis. As a result of my focus on analysis rather than policy and implementation, this paper does not engage deeply with the debates around the nature of
development raised in, for example, Ferguson (1990) or Mosse (2005). Nor, however, does my paper assume that there are no politically attuned local development projects currently working in Nepal.

**Local political bodies in Nepal during the transition**

Formal politics at the local level in Nepal takes place through a number of institutions. The core institutions established under the Local Self-Governance Act (1999) are the District Development Committee (DDC), Village Development Committee (VDC), and Municipality, which were all established as elected bodies. However, local elections have not been held since 1997 and unelected representatives have headed local bodies since 2002. They have done this largely by chairing meetings termed All Party Mechanisms (APMs). APMs consist of local political party nominees and key government officials, and are chaired by unelected civil servants. APMs represent a link between national and local politics, as they are, in many respects, a replication of central-level arrangements. As explained below, they have subsequently developed local logics of their own.

In the transitional period, although formal authority rests with unelected civil servants, political party representatives have, through APMs, assumed de facto responsibility to settle disputes, manage budgets and oversee local development work. Following widespread allegations of corruption and mismanagement, the Ministry of Federal Affairs and Local Development abolished APMs in January 2012. However, APMs remain informally active and politically important in VDCs and district headquarters. Another important institution, Local Peace Committees (LPCs), were created in 2006 as part of the transition but central-level political disputes meant they were not fully active until 2009. As with APMs, LPCs were established at DDC and VDC levels and controlled by political party representatives, who also rotated the chair.

Formally, LPCs were given a wide local peace-building mandate, but in practice they came to be used primarily by political parties to handle the distribution of interim relief compensation to conflict victims. Very

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8 These were the Local Development Officer for the DDC; the Village Development Committee Secretary for the VDC; and the Executive Officer for Municipalities.

9 The Ministry of Federal Affairs and Local Development officially disbanded APMs on 3 January 2012, following recommendations from the Commission for the Investigation of Abuse of Authority.
quickly it became apparent that party members and those connected to them were seen to be receiving relief funds, alongside some actual conflict-affected victims. Most LPCs soon became inactive, and they remain so. Political parties at the local level also developed informal roles in many other local bodies such as DDC Coordination Committees, VDC committees and smaller scale user groups. With no elections or other political programmes, participation in APMs, LPCs, committees and user groups remains a major activity of district and VDC political party branches (Carter Center 2011c: 2).

Another important local body, especially in Eastern hill districts, is the Indigenous Nationalities Coordination Committee (INCC). This was set up at the district level to make recommendations to APMs on the 15% of the DDC budget specifically allocated for socially marginalised groups.\footnote{The 2006 procedures actually state that the 15 percent is intended for socially and marginalised communities, including senior citizens, Dalits, indigenous nationalities, disabled, Madhesis, Muslims, and other underprivileged groups. In several districts, NEFIN and other identity-based groups have claimed control of this 15 percent.} The INCC is chaired by the district Local Development Officer (LDO) and typically includes representatives from major political parties, the Nepal Federation of Indigenous Nationalities (NEFIN), and Non-Governmental Organisations (NGOs). In several Eastern hill districts, NEFIN has gained strong influence over the use of these funds. This paper argues that an analysis of how transitional politics has worked shows that APMs, LPCs and (in the Eastern hills) INCCs were all important in generating a form of stability at local level, albeit undemocratically, particularly through their use of patronage and government spending. Later case studies highlight ways in which these formal structures of leadership and decision-making interacted with more important informal ways of practising politics.

**Debating local political arrangements**

It is worth placing the discussion in this paper in the context of wider debates on political arrangements in Nepal. It is important to remember that many of the political trends described here are not new. Earlier in the 1990s, as Joanna Pfaff-Czarnecka has described, ‘distributional coalitions’ gained ground in local politics. They were successful at resource capture ‘because politicians, bureaucrats, and entrepreneurs form coalitions and manage to institutionalize their practices in a sustainable manner’ but they
‘decisively reduced’ people’s confidence in the state and democratisation (Pfaff-Czarnecka 2008: 72). Prashant Jha has also argued forcefully that the 1990s were a failure in democratisation, including at the local level (Jha 2012). In contrast, Kanak Mani Dixit has stated that the 1990s were a relative success, including in ‘promoting participatory development and local government’ (Dixit 2012). In current debates about the peace process, assessments of the extent of democratisation in the 1990s have proved to be an important fault line between different commentators.

Two broad views exist on local political arrangements in Nepal during the current post-conflict period. One view states that local bodies such as the APM are a necessary evil in post-conflict situations in order to maintain peace and stability. Adhikari (2010) highlights some of their functions, demonstrating that an expanded group of actors benefited from patronage and government spending. This argument says that the creation of a money-fuelled harmony was a price worth paying in order to build cooperation and ‘peace-build’ among local political leaders. Donor support for LPCs, in particular, can be viewed as an attempt to institute barely disguised elite capture in order to generate local peace.

If donors were not aware of how corrupt LPCs were, then newspaper reports made their practices common knowledge (Shah 2011). Soon after the 2008 elections, many actors also made the argument that local polls would be highly disruptive and likely to exacerbate conflict (this argument subsequently fell out of favour). This view of elections was, incidentally, shared by King Mahendra, as part of his broader argument both in favour of the partyless Panchayat system, introduced in 1962, and in opposition to Western-style democracy in Nepal, claiming that it was unsuited to the Nepali soil (L.S. Baral 2012: 286). Recognition of the reality of local politics in corruption cases after 2006 involved development actors similarly equating support for stability with support for the status quo. Politicians claimed a loose democratic legitimacy and stated that their representation, which was broadly based on the existing balance of power at the centre, was at least preferable to that of unelected government officials.

A contrasting view of local post-conflict political arrangements says that APMs and other such bodies have become unacceptably corrupt, and have deepened unaccountability as well as the democratic deficit (through an inability to change representatives at the ballot box). APMs
are also seen as having the potential to create problems for the future. This view prevailed when APMs were abolished in January 2012, which at least removed their official legitimacy. It was argued that in post-people’s movement Nepal it was a mockery to have such arbitrarily nominated bodies in Nepal. Political representatives, so the argument went, were accountable to no one except their parent parties. Prashant Jha articulated these concerns, noting the exclusionary nature of bodies like the APMs (Jha 2011). According to Jha,

> the mechanisms do not take into account changing social realities and newly emerging political forces. While they provide the appearance of stability, such bodies undermine institutions and the rule of law in the long run. This, in turn, has the potential of inducing conflict and so the present calm is deceptive at best (Jha 2011).

It is useful to understand debates on local bodies in the context of post-conflict Nepal. An APM or an LPC certainly had the ability to generate some inclusivity and a form of stability whilst also and at the same time deepening the democratic deficit and becoming more and more closely linked to corruption. To some extent, as the case studies below illustrate, their poor performance has less to do with any inherent flaw in, for instance, the design of APMs, and more to do with the fact that they have been co-opted by local political processes, often in ways which ultimately encourage local political stability at the cost of any democratic accountability.

Although the focus of this paper is on ways of analysis and providing examples of how local politics works in practice, rather than taking views on existing arrangements, I generally side with the second, more negative view. As the transitional period stretched out beyond 2006, local political arrangements became increasingly unsustainable. The distribution of patronage and corruption in such arrangements is typically linked to political goals, not inclusion. Development actors too can point to a long list of local governance failures linked to APMs and LPCs. What this paper seeks to challenge are assumptions about the best methods of handling such political practices. I will argue that if development actors continue to pursue an analysis using only the ‘what is missing?’ thesis alongside an unquestioning or willfully ignorant approach to stability, then little will
change. It is likely that the worst excesses of patronage and corruption will remain unreformed, thereby continuing to marginalise many people.

**Case studies from the field**

This paper will now present some case studies as examples of how local politics in the post-2006 period has been working in practice. Before doing this it is worth highlighting some factors that are unique to the Eastern region hill districts and Dailekh. Eastern region hill districts are unusual in Nepal for their relatively high level of political awareness and especially the high level of identity-based politics, which has a history that dates from long before upsurges in activity during April and May 2012.11 Some possible factors behind this include the relative wealth generated by cash crops, income from a long tradition of migration including to foreign armies, infrastructure development enabling many hill citizens relatively easy access to the Tarai, and the cultural importance placed on education. Dailekh district in the Mid-Western region is particularly unusual for having a long history of opposition to the Maoist movement during the conflict, creating political fault lines that re-emerged in early 2013.12

*Quiet cooperation and sharing the spoils*

In multiple visits to Eastern hill districts and Dailekh district in the Mid-Western region I heard about tensions, disputes and accusations as well as clashes that had occurred over tendering processes, all between political parties. However this activity appeared to exist within certain bounds. Levels of cooperation—especially between political parties and government officials—were very high. Many groups had a strong interest in demonstrating to visiting outsiders that they were important local actors. However, when it came to potential disputes, local actors seemed to find ways of avoiding substantial confrontations that would threaten the continued flow of the resources they were seeking to control. As stated in the International Crisis Group Nepal’s ‘Political Rites of Passage’ report (2010): ‘budget lines involving donor money risk getting cut off if violent...

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11 Hangen (2010) and Fitzpatrick (2011) are interesting recent works on aspects of hill East Nepal.
12 See Lecomte-Tilouine (2008) for more on the anti-Maoist movement in Dailekh during the conflict.
contestation of local disbursement is too visible and no one involved is interested in losing the resources they are competing to control.’ Whether this cooperation would last under the impact of elections or other external shocks is unclear.

Most district and VDC councils in Eastern hill districts operated on a largely consensual basis and were usually free of serious conflict. Political parties often operated according to informal norms, in which their influence on local bodies was in proportion to their relative organisational or electoral strength, with positions and influence divided accordingly. The APM, in many districts, influenced every stage of the ‘planning process, through contracting, implementation as well as quality control’ (UN RCHCO No. 37, 2012: 2). These practices of cooperation and consensus were described by others using different terms. Many non-party affiliated interviewees described the same processes as one of ‘dividing up the budget’ according to party interests, and noted that there was financial incentive for parties to agree quietly on ‘who gets what’ projects and positions (Carter Center 2011c: 4). A government official in the Eastern region complained: ‘This is not “loktantra” [democracy] we live in, it is “loottantra”’ (Carter Center 2010: 3). The case studies below will help to illustrate how political actors worked through these bodies.

In Sankhuwasabha in 2011 local journalists stated that when it came to the allocation of development budgets, political parties worked very closely together, especially through the APM (personal communication). At one point local Maoist party representatives demanded 100,000 NPR (1 lakh) from the VDC development budget in order to build a social trust in the name of a deceased party member. This led to a dispute in which the three main parties (NC, the UML, and the Maoists) eventually reached an agreement to each take 1 lakh each from the budget. While the parties claimed to have used the money in order to build social trusts that would benefit the whole community, local journalists stated that the money had been primarily used for party activities or the personal enrichment of party members. Because APMs and LPCs have involved the main parties ‘democratically’ dividing the spoils, the benefits of continued political cooperation are clear.

13 There are three main political parties in Nepal: the Nepali Congress Party, the Communist Party of Nepal (Unified Marxist-Leninist) and the Unified Communist Party of Nepal (Maoist). I will use the commonly-used short forms NC, UML and Maoist.
Multiple government, political party, media and civil society representatives across the Eastern hills and Dailekh stated that having an influence on local bodies was a major source of political patronage for parties in the district headquarters and VDCs. In Taplejung, journalists and the local Federation of Nepalese Chambers of Commerce and Industry (FNCCI) complained about the ability of all political parties, including the two main Limbuwan parties, to have people accused of crimes released from jail.\(^\text{14}\) As in Sudan, informal ‘patronage mechanisms can dispense resources, sometimes in a way that is recognizably fair’ (De Waal 2009: 2). In one case a group of Limbuwan movement-affiliated cadres in Sunsari who were arrested in early 2012 actually quit a Limbuwan party and joined the NC, partly due to the (correct) assumption that the NC had more informal power to prevent them from going to jail than local Limbuwan leaders did. After they joined the NC, a strike was called in the local town, enforced by the NC, and all charges against the former Limbuwan cadres were reportedly dropped. Necessary and vital support for formal structures by development actors should be first understood to operate in this highly effective informal context.

*Managing disputes and demonstrating local influence*

Local citizens or visitors to Eastern hill districts and Dailekh who see widespread corruption, impunity among political party cadres, clashes between political parties, tendering disputes and the deep reach of political parties into every decision-making body have reasons to believe that local political life is far from calm or peaceful. But alongside this, as described above, there exists a certain form of stability in which no party has attempted to overthrow the local political order, albeit also during a time of no elections or other external shocks (such as a natural disaster or a sudden decline in remittances). What happened when disputes arose or when new forces challenged the local all-party consensus? The following case studies will look at the ways in which the boundaries of acceptable political behavior were policed by all-party consensus.

Unsurprisingly, political disputes and clashes were most often resolved informally, rather than being resolved through formal judicial processes.

\(^{14}\) The two main Federal Limbuwan State Council parties are the FDNF-affiliated Kumar Lingden party and the Sanjuhang Palungwa party.
Resolutions often took the form of arrangements between political parties and informal leaders or emerged from APMs. Chief District Officers (a CDO is the most senior government official in a district) and senior policemen, who were reluctant to expose themselves to political pressure, usually encouraged political parties to resolve their disputes privately rather than everyone facing the multiple costs of cases going before courts. However, in some districts serious political disputes were brought before APMs called by the CDO or police. An agreement reached between political parties after clashes typically involved apologies, compensation for injuries or property damage, and promises not to repeat such behaviour. In one case in Ilam, a personal financial dispute between NC and Maoist members in a VDC threatened to turn violent. However, the issue was resolved peacefully, with political parties taking a leading role in mediation, encouraged by the administration, local police and civil society organisations.

In the transitional period, political parties have been increasingly used in order to prevent relatively ‘apolitical’ disputes from spiralling out of control. This can also be looked at, from another perspective, as the unhealthy growing ‘politicisation’ of local disputes. In Sankhuwasabha in 2011, journalists said this trend was due to the fact that at least one person involved in a dispute would seek the support of a political party, effectively compelling the others involved also to seek political party support (personal communication). Sometimes this happened even before the local police or district administration knew about the case, illustrating the strength of political party networks when people wanted to get things done. In a VDC in Udayapur, an informal mechanism had been set up whereby representatives of political parties and local intellectuals were consulted in order to resolve local disputes.

In VDCs in Dailekh and the Eastern hills it was clear that informal dispute resolution was the norm. Vertical accountability mechanisms such as Ward Citizens Forums (WCFs), which are supported by development actors, often lacked access to the village’s decision-making political core. In one Dailekh VDC in 2012 the WCFs were completely cut off from the political core. The social mobiliser post in VDCs was also not, typically, politically empowered by local leaders. However, disputes among top-level village and district leaders were resolved within the leadership, illustrating the existence of a measure of exclusive and informal
accountability at the top. In one VDC there were allegations that a user group representative had misused the budget intended for a new Health Post office. In response to these complaints, the accused representative was withdrawn from the user group by his own party. He was punished by the party at the VDC level and was not allowed to participate in user groups again.

There is also widespread recognition that political parties’ networks and local influence, although corrupt, can generate positive outcomes that work in the short term. This demonstrates the need to distinguish between different types of corruption and patronage. Mushtaq Khan (2001) has usefully explored ideas around good and bad corruption and called for a distinction to be made ‘between situations where corruption has impoverishing effects from those where corruption allows rapid growth’. Khan also writes that ‘structures are the problem so anti-corruption strategies which are concerned with the possible effects of corruption on development have to explicitly identify the underlying political problems’ (Khan 2001: 132).

NC and Maoist cadres clashed during a dispute over positions on a Campus Management Committee in Sankhuwasabha in 2011. The situation was resolved when representatives of all three main parties were guaranteed key positions within the Committee, with limited representation from smaller parties. Eventually, in a very typical outcome, a UML supporter was appointed campus chief, a NC supporter was made vice president and Maoist supporters were allowed to dominate the rest of the management committee. Despite problems around the politicisation of the committee, there was widespread recognition locally that political parties, with all their attendant patronage, corruption and informality, had actually assisted the campus because of their ability to access crucial VDC and DDC funds. Without this money the Campus would have found it very difficult to survive. As one interviewee said: ‘without political parties we would not get this extra money’.

**Handling new political forces**

Political parties also adopted particular strategies when dealing with new or minority forces who could challenge the prevailing consensus. A judgement took place as to whether new political forces should be taken seriously and whether continued exclusion would be more harmful in
the long term. New forces may be admitted or not, depending on the context, and on local pressure.\footnote{This is in contrast to what Coburn (2011: 179) found in Istalif, Afghanistan, where the inherently fragile situation and weak state encouraged political groups to cooperate without testing each other.} Gaining access to and understanding aspects of this local analysis would greatly assist development actors. In districts such as Ilam, Panchthar and Taplejung, access to ‘distributional coalitions’ (Pfaff-Czarnecka 2008) has improved in the transitional period for NEFIN and organisations representing Rai and Limbu communities, especially Kirat Rai Yayokkha and Kirat Yakthung Chumlung. A local political judgement was made that these forces were too strong to exclude. Interestingly, in part this was also due to new formal local government procedures, introduced in 2006, which require 15% of all local government spending in districts to be spent on ‘marginalized communities, including senior citizens, Dalits, indigenous nationalities, disabled, Madhesis, Muslims and other underprivileged groups’ (DDC and VDC Procedure No. 11(3) v.s. 2067).

Generating expanded coalitions that recognised new political forces such as NEFIN has arguably been a factor in generating a form of local stability within these districts. NEFIN played a prominent role in the Indigenous Nationalities Coordination Committee (INCC) meetings in DDCs in many Eastern hill districts. INCCs have a large say over how the 15% for socially and marginalised communities is spent. NEFIN gained a prominent position on the INCC in different ways in each district. In Udayapur, interviewees said that NEFIN’s act of locking up local politicians in the DDC office in 2010 played a big part in convincing politicians to agree to NEFIN demands for greater representation. It was widely stated that, since then, NEFIN has had a strong voice on the INCC and a close relationship with the Local Development Officer. The NEFIN district president said: ‘we strongly protest if the INCC tries to implement the budget on its own without consulting us’.

Yet, in an example of the exclusivity of informal arrangements, other groups within the same district were not considered deserving of admittance to local coalitions. In Udayapur in 2011, the Tharu Welfare Assembly, a NEFIN member organisation, said that they were left out of the INCC process and resented NEFIN’s gatekeeper status. This decision to continue to exclude Tharus was, in part, based on a calculation regarding Tharu
political strength and numerical support within the district (both were seen as low). Across the East and in Dailekh, the larger parties dominated decision-making. Interviewees in numerous districts stated that smaller parties were regularly sidelined—potentially, as Jha (2011) argued, storing up problems for the future.

**Leadership and institutions at the VDC level**

Visits to Eastern region hill districts and Dailekh in the Mid-Western region brought to light a number of issues in the practice of transitional politics at village level. In villages in Dailekh, political decision-making was typically restricted to a ‘political core’ of important village leaders. This small group was central to decision-making, conflict resolution, and the control of village resources. The effectiveness of other village-level leaders, as well as institutions and projects in the village, depended on the strength of their connection to this political core group of leaders. The large number of institutions and potential positions also formed an important part of political patronage networks, as developed by the political core. The perception of the power of institutions was also closely tied to which leader was in charge of a particular institution.

The political core of village leaders in Dailekh usually differed from the formal expectation of who is supposed to hold power in a village. In theory, under transitional arrangements, the VDC Secretary and VDC Council members should have played an important role. However, the political core did not usually involve the VDC Secretary (except in the unusual case of one VDC in Dailekh). This was despite the increased formal powers granted to VDC Secretaries in the absence of local elections. Nor were the other VDC Council signatory members (namely the village Junior Technical Assistant and Health Post In-charge) seen as uniformly powerful, despite their formal positions. The real political core typically consisted of four to five leaders in each village who held a mixture of formal and informal positions. It regularly included NC and UML members of the APM, one or two government officials (such as important school teachers) plus influential informal leaders, including those with strong links to the district headquarters. Meetings took place informally and outside the APM.

The political core in one southern Dailekh VDC consisted of the three main party representatives (NC, UML and Maoist) and an additional Maoist cadre, co-opted for his ability to cultivate higher-level links at the district
and national levels in order to bring funds into the village. In the majority of VDCs visited, members of the political core also came from historically powerful village families. A common pattern was that earlier generations of the dominant family were village leaders in pre- and early-Panchayat times, around the 1950s and 1960s; typically, members of the next generation of the same family were then appointed as Pradhan Panchas in the 1970s/1980s; followed by the next generation taking on formal village positions in the APM or other transitional bodies in the present day. These families tended to dominate the NC and UML parties but also, to a lesser extent, the NWPP\textsuperscript{16} and the Maoists. One example was in a remote Dailekh VDC, where men from the same family used to hold the Mukhiya position in the Panchayat period, the next generation included a Pradhan Pancha in the early 1980s, and the youngest politically active member from the same family is now a UML-affiliated School Management Committee Chair.

Political parties were also prominent actors in institutions in which parties formally have no role, such as user groups and School Management Committees (SMCs). SMCs have a range of responsibilities, including the appointment and dismissal of certain categories of teachers. User groups are responsible for the management and implementation of local development projects such as irrigation and road building. Parties frequently accused one another of trying to ‘dominate’ these bodies. I found numerous cases of political parties trying to influence SMCs and user groups, partly as a way of demonstrating local strength. Sometimes, this took the form of political parties monopolising key positions in their own strongholds (such as ‘capturing’ the whole SMC of a particular school). Other parties complained about this but often tacitly accepted the result, knowing that their own areas of strength would remain unchallenged in turn.\textsuperscript{17}

**Sub-VDC perspectives**

Another important issue, which only an in-depth analysis of local politics would reveal, is that sub-VDC perspectives may be more important than the VDC-level perspective for many citizens, particularly as a factor in exclusion. More developed areas inside VDCs tend to correspond with areas where leaders and former leaders live, and also where there are

\textsuperscript{16} Dailekh is one of the few districts outside Bhaktapur where the Nepal Workers and Peasants Party (NWPP) has a prominent presence.

\textsuperscript{17} For more on this, see Carter Center (2011c).
roads, markets and VDC offices. Dalits were often among the most marginalised communities inside a VDC, but isolation, a lack of political leadership or not having access to the political core can also affect other castes and ethnicities, including those who are assumed to be powerful. Exclusion from village-level power structures can take place politically along community and caste lines, and geographically by ward, cluster of wards, neighbourhood or area.

In several VDCs in Dailekh, Chetris and Brahmins were among the most marginalised communities. Brahmins in one remote VDC were excluded from power, essentially because they lived in wards located away from the dominant Thakuri majority. One source of exclusion (e.g. geographic isolation) sometimes overlapped with other sources (e.g. being a Dalit). In one VDC wards 1, 2, 3 and 4 were relatively well developed and, not coincidentally, the home of current and former village leaders. Also, the main road passed through these wards and the market was located there. In the same VDC, wards 5, 6, 7, 8 and 9 were relatively underdeveloped with ward 7 in particular also being isolated geographically and containing a majority ethnic group (janajati) population. Development actors who plan an intervention that does not take into account these kinds of local differences at district, VDC and sub-VDC levels may end up reinforcing current transitional arrangements in local politics.

Implications
The above case studies illustrate on a small and limited scale that post-conflict local politics operates according to complex dynamics that are not immediately visible or easily understood by external actors. A large driver of continued cooperation and stability is the need to maintain a flow of resources and funds. New members are admitted or rejected to the local ‘distributional coalition’ depending on assessments of their political strength. The distribution of resources and funds marginalises many citizens but, among top leaders, is routinely divided relatively equally. Patronage mechanisms are central in understanding local politics: they further political power and are widely viewed as more effective than formal structures. When disputes or corruption occurs, informal mechanisms are preferred over formal routes. Top leaders in the political core are primarily held accountable by each other, not by ordinary citizens. Party and family politics influences the majority of appointments
and decisions inside a VDC. The informal political core of leaders in a VDC has more say over the development budget and decisions than formal leaders. Institutions and citizens that are not linked to the political core are usually politically weak. Marginalisation below the VDC level, in terms of access to decision-making and political power, can also be significant.

An understanding of how local politics in the post-conflict period has been operating could bring benefits for development actors and others, without those actors necessarily abandoning long-term goals of change. Understanding the nature of patronage and distribution of resources would help development actors, for example, to consider the impact of creating new institutions (as opposed to reforming existing ones), which often provide yet more opportunities for patronage and corruption. An in-depth analysis of local and VDC politics which recognises that it is the nature of power relations in a particular area that determines political and developmental outcomes would also help to explain why institutions behave differently in different contexts. This analysis involves identifying the political core of informal leaders in a VDC or district, particularly so that interveners understand who their programmes should at least acknowledge in order to be effective.

Further beneficial analysis would include assessing which institutions and lower level leaders are linked to the political core and which are not, in order to build a picture of local winners and losers. This would also help to indicate different types of marginalisation at the district, VDC and sub-VDC level. Understanding disputes can also help development actors think about existing accountability mechanisms, especially in how to rethink important formal vertical structures, such as Ward Citizens Forums, in a political context that is generally dominated by informal horizontal mechanisms among top leaders. A recognition that formal structures may need to be adapted to local realities (say by linking Ward Citizens Forums to the local political core of leaders) should also be compatible with long-term goals to reduce corruption and patronage. In order to effectively read the local political balance of power, development actors could also learn from how local political actors assessed potential new political forces that may be admitted to the local ‘distributional coalition’.

Each type of analysis suggested here would underline the importance of local specificities and hopefully encourage development actors to reconsider using national frameworks for programme implementation, such
as in the multi-donor Local Governance and Community Development Programme (LGCDP), which arguably, when planned, assumed a level of homogeneity across Nepal. This kind of analysis is, to my knowledge, not currently taking place as a part of the planning process before development actors intervene. When implementing development projects, the current practice for the UN, donors and some NGOs is to see local politics as a secondary consideration. In general, this is done through actor mapping of the key stakeholders, a security analysis of risks, or a contextual analysis of major political forces. All of these approaches are largely based on the ‘what is missing?’ framework that this paper seeks to critique. What is not taking place currently, and what this paper is advocating, are studies of political interests, especially patronage and corruption, at a local, micro-level before interventions take place.

**Mapping local political interests**

While analysing local political realities, development actors should not have to follow an attitude of resigned acceptance or willful ignorance. De Waal suggests one approach, which essentially advocates framing analysis in order to purchase a form of stability. He writes:

> If it is correct that stability can be ‘bought’ through a well-managed patronage system, it should be possible to calculate the optimal ‘stability payoff’—the level of resources that should ideally be spent on stabilisation through patronage (De Waal 2009: 13).

However, a ‘stability through patronage’ approach may result in an exclusive, unaccountable and anti-inclusive short-term fix, which could easily collapse under external shocks. Instead, would it be possible in Nepal to model and map local patronage networks as part of assessing the possible impacts of outside interventions without necessarily working towards a stability payoff?

Existing political economy analyses produced by development actors tend to be highly generalised, national-based and theoretical (DFID 2009). Here follow some thoughts on what a VDC-level study in Nepal could include in practice. One approach would be to research in detail local political interests at the beginning of a study. This is qualitatively different from actor mapping, security analysis or a contextual analysis in
terms of the level of micro-detail being gathered, the focus on informal structures and the guiding principles behind it (not ‘what is missing?’ but ‘what is happening?’). An understanding of the economic, social, historical and political context and a mapping of local leaders and institutions, including who is involved in the political core of decision-making, should, ideally, take place at the beginning of a study. Studies need to find out how decisions are taken locally and who takes them, the reality of how money is spent, and which groups are included and excluded. All of this would also take account of links between the local political core and district, regional and national actors.

This initial scoping of how local politics broadly works and how decisions are made would make it easier to identify corruption and patronage practices, who benefits, who is marginalised, who takes decisions and what (if anything) has changed during and before the conflict period. It would also make it easier to identify aspects of political practice that are wholly negative and need to be addressed immediately as part of an intervention, and those aspects that effectively generate some form of stability at present and could be dealt with through longer-term strategies. After this, the issues to gather would include the views of ordinary citizens on leadership, the nature of institutions and decision-making in the VDC or district, answers to how people obtain jobs or decisions or approval for projects, and questions on how leaders become powerful and what makes them locally legitimate.

Further details could be sought about decision-making blockages, accountability mechanisms, sub-VDC exclusion, and how new political forces are handled by existing powerful groups. Developing these approaches would assist those designing interventions to a) understand what is different and unique about local political dynamics at the VDC or sub-district level and b) identify those political practices which are effective and supported locally and those that are not. Potentially, development partners could then, for example, consider which types of intervention would be most likely to work in a political settlement, in particular through a greater knowledge of local political interests and incentives.

Conclusion
It is clear that if development actors are seeking political marketplace-based solutions in Nepal, it may be worth them trying to understand the
local political situation, as described above. The limited case studies I have used suggest that in a never-ending transitional period politicians and others will continue to practise local politics in ways that satisfy donors and the government and ensure that money keeps on flowing. Although real divisions and competition exist, there remain, in the absence of elections or other external shocks, strong incentives to cooperate through corruption and patronage mechanisms. Institutions set up in the transitional period, such as APMs and LPCs, work to generate stability because they have been co-opted, usually in an exclusive way, by local political elites. Further research needs to be carried out on this topic, but it is clear that corruption, patronage and managing the continuation of development funds are likely to remain a part of post-conflict Nepal in the near future.

Making efforts to understand local realities does not mean justifying or supporting current practices. As stated, it is clear from many parts of Nepal that an emphasis on stability through transitional political arrangements marginalises many and is not inclusive. Would continuing to design programmes and operations around versions of an ideal Nepali state or continuing to ignore the reality, without analysing local political practices or the resilience of current arrangements, really help marginalised communities? Creating new institutions and structures through interventions does not take place on a blank slate. Strategies for political or economic reforms that challenge interests embodied in a political settlement will either fail or can, in the worst case, even provoke new conflicts. Also, as suggested, the gap between existing development tools and analysis and actual policy practice, an area not covered by this paper, remains wide.

The current approach of development actors in Nepal can be characterised as formal adherence to the ‘what is missing?’ model of looking at local politics, mixed with occasional willful ignorance regarding the reality of political practices. As suggested, the aim of achieving good governance and security is still a necessary standard for development actors and civil society to try to achieve, as well as a vital goal for citizens to demand from the state. Assessing the security situation, carrying out actor mapping and doing a context analysis are important forms of analysis for development actors to understand political processes in post-conflict situations. However, these approaches need to be placed alongside
other more analytically rigorous micro-level frameworks which privilege understanding what is happening informally through a detailed study of local political interests. Ideally, this should occur before any interventions are designed and should co-exist alongside long-term efforts to reduce, for example, the importance of corruption and patronage. What is needed is the maintenance of both an important long-term ideal and short-term pragmatism about what actually works.

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