

# New Maoist-led government installed in Nepal

W.A. Sunil  
2 September 2008

After months of wrangling among Nepal's political parties following elections in April, a coalition government led by the Communist Party of Nepal-Maoist (CPN-M) was sworn in on August 22. The CPN-M's coalition partners are the Communist Party of Nepal-Unified Marxist Leninist (CPN-UML) and the ethnic-based Madhesi Peoples Right Forum (MPRF). The CPN-UML ministers were finally sworn in yesterday after bickering over who would hold the number-two cabinet post was resolved.

CPN-M chairman Pushpa Kamal Dahal, also known by his *nom de guerre* of Prachanda, is the new prime minister. He was appointed to the position after winning 80 percent of the 602 votes in Constituent Assembly on August 15, defeating Nepali Congress candidate Sher Bahadur Deuba. The conservative Nepali Congress chose to remain outside the ruling coalition.

Key posts in the new cabinet are held by CPN-M ideologue Baburam Bhattarai, who is finance minister, and former CPN-M guerrilla commander Ram Bahadur Thapa, who is defence minister. MPRF leader Upendra Yadav is foreign minister and CPN-UML leader Bamdev Gautam has been installed as home minister after being formally designated number-two in the cabinet hierarchy.

The Constituent Assembly is charged with drawing up a constitution, which the government promises will be completed within two years. The Assembly's first action was to abolish the monarchy and reduce the widely despised Nepali King Gyanendra to the status of ordinary citizen. The Maoists have the largest bloc of 220 seats in the Assembly, followed by 115 for the Nepali Congress and 108 for the CPN-UML.

After the installation of Pushpa Kamal Dahal as prime minister, Baburam Bhattarai enthused about the arrival of a "golden dawn". "We feel that Nepal has found its hero. For any epoch-making society, we need

a hero," he declared. "After Europe's capitalist revolution, Napoleon came along. To institutionalise socialism in Russia, Lenin appeared. In Nepal, to institutionalise the federal democratic republic after 10 years of people's war and mass popular movement, Prachanda is here."

The Nepalese prime minister bears no relationship to Napoleon, let alone to Lenin. He is simply the latest in a long line of guerrilla leaders around the world to exchange his military fatigues for a business suit and the privileges of office. The CPN-M decision to head a capitalist government is the logical outcome of its program, which was never socialist or communist but was based on the reactionary Stalinist perspective of "socialism in one country" and the "two-stage revolution".

For months, the CPN-M leaders Prachanda and Bhattarai have been making it clear to business leaders and foreign governments that a Maoist-led government would guarantee private property and welcome foreign investment. In his first live TV speech on August 23, Prachanda pledged: "We will work to bring about a modern industrial economy for which the private-public partnership model will be followed... The industrial peace will be maintained by improving relations between labour and employers."

For the past two years, the Maoists have worked might and main to prevent the mass movement that erupted in April 2006 against King Gyanendra's autocratic rule, from threatening capitalist rule. The CPN-M's version of the "two-stage" theory confined political demands to the end of the monarchy, putting off any struggle for socialism to the indefinite future. To that end, the CPN-M formed a seven-party coalition with the corrupt parties of the Nepali establishment, including Nepali Congress and the CPN-UML. In December, they laid down their weapons after 10 years of guerrilla war and entered an interim government in

preparation for the election of a constituent assembly.

Having won the largest bloc of seats in the April election, the Maoists have been engaged in months of sordid horse-trading to form a government. After much reluctance, the Nepali Congress and CPN-UML voted with the CPN-M to abolish the monarchy in May and declare Nepal a “federal democratic republic”. But the other main parties were reluctant to enter a CPN-M government without guarantees. Under the pressure of the major powers, particularly India, the CPN-M, CPN-UML and MPRF finally agreed to form a government.

The flimsy character of the present ruling coalition is shown by the previous wrangling over the positions for Nepal’s president and vice-president. The CPN-UML backed the Nepali Congress candidate Ram Baran Yadav, who narrowly defeated the CPN-M’s nominee for the key post.

### **Common minimum program**

The coalition government is based on a 19-point common minimum program (CMP) which, while paying lip service to democratic rights and improved living standards, guarantees the continuation of capitalist property relations and private profit—the source of social inequality and oppression. The government has appealed for international aid and investment, which will be conditional on it implementing the economic restructuring and market reforms demanded by the IMF and World Bank.

Aspects of the program will rapidly bring the government into conflict with conservative layers of the Nepali establishment. The army, which was the main prop of the Nepalese monarchy, repeatedly rejected the CPN-M’s demand for the integration of its guerrilla fighters. Army chief Rookmangad Katawal is on record as saying “a politically indoctrinated PLA [Peoples Liberation Army] cannot be accepted into an institution made up of professional men and women in uniform”. Thousands of discontented PLA fighters are languishing in makeshift camps pending a decision on their future.

The common program calls for land reform and land to the landless tillers as a sop to the CPN-M’s social base among the country’s rural poor. Any attempt to implement such measures on a wide scale will result in resistance from the country’s landlords and related sections of the capitalist class. In reality, as in other countries, any land reform will be limited and lack

much-needed cheap finance, technical assistance and social services, leaving the bulk of the rural population mired in poverty.

On the international stage, the new government is trying to balance between the rival regional and major powers. Prachanda has appealed to the international community to help Nepal establish “lasting peace”. The US, UK, India and other countries immediately congratulated the Maoist leader and the new government. There is no indication, however, that the US is about to remove the Nepalese Maoists from its list of terrorist organisations.

Prachanda’s first overseas trip, which was to China, raised concerns in Washington and New Delhi. No one is under any illusion that the regimes in either China or Nepal have anything to do with socialism. The US, however, regards Beijing as a dangerous potential rival and its previous close relations with King Gyanendra were part of a broader strategy to encircle China. India, which looks on China as a rival for regional influence, regards Nepal as part of its sphere of influence.

Anxious to maintain good relations, the Maoist prime minister announced on his return from China that his first formal official visit would be to India. He has also indicated that he wants to visit Washington in the near future.

The Maoists have declared their intention of turning Nepal into a “Singapore”—in other words, a regional investment hub and cheap labour platform. They boast that their government will deliver 20 percent annual growth and \$US3,000 per capita incomes by 2020.

In reality, Nepal is one of the poorest countries in the world with an estimated 55 percent of the population living below the poverty line and living standards being further eaten away by soaring prices. The average per capita income is just \$280. The inflation rate for food items is running at around 20 percent.

Having raised the expectations of working people of a better life, the new Maoist-led government will face social discontent and political opposition as reality falls short of its grandiose and fanciful plans.



To contact the WSWs and the Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**