The report is based on detailed findings gathered by Carter Center observers from 25 districts in Nepal between February and June 2011. Since June 2009, teams of observers have been continuously deployed to observe the peace and constitutional drafting processes at the local level. Observers spoke

POLITICAL SPACE IN NEPAL: AN ASSESSMENT OF RECENT CHANGES AND FUTURE CHALLENGES

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I. INTRODUCTION

The freedom of political parties to organize and conduct activities, and the freedom of citizens to support the political party of their choice without fear or threat of violence, are core principles of democracy. However, these principles have been heavily contested at various points throughout Nepal's recent history. For thirty years of Panchayat rule, political parties were banned and all of their activities by necessity were underground. After the 1990 *Jana Andolan* (People's Movement), multi-party democracy was restored and political parties were able to operate openly. However, with the onset of the Maoist conflict, political space was once again severely limited, particularly outside of urban centers. Non-Maoist political leaders and party members were often displaced, forced to join the Maoists, or killed, while suspected Maoists and their sympathizers were targets of state and police

the most significant political space concerns that were raised during the CA election period – Maoist behavior and the activities of Tarai armed groups – and attempts to address the following questions:

- Are all Nepali political parties currently free to organize and conduct activities throughout the country? If not, how is their political space limited, by whom, and where?
- To what degree are Nepali political parties using the political space available to them?
- How has political space changed since the Constituent Assembly election of 2008?
- What expectations do citizens, political party members, government officials, civil society, and other groups have for the future, and particularly for the next national election?

The Carter Center wishes to express its deep thanks to all of the political party members at the national, district, Village Development Committee (VDC), and ward levels who shared their experiences with Carter Center observers, as well as to the Nepali officials, civil society members, journalists, and citizens who have generously offered their time and energy to facilitate this report. The report deals with difficult questions, and complicated answers, in the hope that it can make a useful contribution to the ongoing discussions, debates, and various points of view on the issue of political space in Nepal today.

Notes on how to read this report: For the purposes of this report, the Carter Center defines open political space as the ability of all of Nepal's political parties to organize and conduct activities freely, without harassment, intimidation or violence from the state or from other parties. Also included is the ability of Nepali citizens to freely choose which political party they support without fear or threat of violence, to speak openly about their political affiliation, and to change their affiliation if they desire. It is important to note that limitations on political space can be difficult to measure and to verify, particularly during times of low political activity such as is the case currently. While some examples

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have been implemented, and also in order to establish an impartial baseline against which future changes in political space can be measured.

II. METHODOLOGY

Since June 2009, The Carter Center has been observing the peace process and constitution drafting process in Nepal, with small teams of national and international observers deployed throughout the country. The findings included in this report are based on data gathered by Carter Center observers during this period. Additionally, from February through June 2011, the Center deployed observers to collect detailed information on political space in 25 districts across the country. The sample includes areas where political space was seen as particularly limited during the 2008 CA election period, such as hill and mountain districts in the Mid- and Far-Western Region, and districts in the Central Tarai. Altogether, observers have conducted more than 4,000 interviews on political space and security environment issues throughout Nepal since the outset of the Carter Center's observation efforts in 2009.

For this report, Carter Center observers visited district headquarters and multiple VDCs in each district to understand the recent political history, context, and current political space challenges. Observers interviewed political party representatives, government officials, civil society representatives, journalists, and citizens, and wherever possible attempted to verify claims about political space with multiple interviewees. In each interview, observers asked about the ability of political parties to organize and conduct activities freely, any limitations on political space, recent incidents of concern, perceptions about the current situation, and expectations for the future. In cases where credible political space concerns were noted, identifying information has been withheld in order to maintain the security and confidentiality of the individuals with whom the Center spoke. Due to limited capacity, the Center was not able to gather systematically information about political space concerns for civil society organizations.

This report also draws on data collected by Carter Center observers during the 2007-2008 CA election process. During that period, the Center had six international observer teams based throughout Nepal gathering information on political party activities, campaigning, political space issues, the security environment, and the management of the electoral process. This information was published in a number of Carter Center reports and statements released between April 2007 and November 2008. Additionally, detailed district-level observer reports have been kept on file at the Carter Center and provided source data for comparisons between political space in the 2007-2008 CA election period and the present.

III. SUMMARY OF MAIN FINDINGS

In nearly all districts visited across the country, there is broad consensus that political space has opened since the 2008 Constituent Assembly election period, although challenges remain. In general, political parties are able to conduct public and internal events without interference, including in areas that were problematic during the CA election period. Party, civil society, and government interlocutors at the district and VDC levels cite improvements in Maoist behavior and, in parts of the Tarai, a decline in armed group activity as reasons for the improvement but note that problems continue in some areas.

Despite the reported improvement in political space, the overall level of political party activity in the past year has been relatively low, meaning that this space remains partly untested. Much

⁷ Observers gathered information between February and June 2011 from six mountain districts (Darchula, Bajura, Bajhang, Mugu, Jumla, and Sankhuwasabha), seven hill districts (Achham, Rukum, Pyuthan, Gorkha, Tanahu, Dhading, and Ramechhap) and twelve Tarai districts (Kailali, Kapilvastu, Rupandehi, Chitwan, Parsa, Bara, Rautahat, Mahottari, Saptari, Siraha, Sunsari, and Jhapa).

⁸ Available at: http://cartercenter.org/news/publications/election_reports.html#nepal

political party work at the local level has focused on internal rather than public activities, and the public activities that have taken place have been concentrated in district headquarters and municipalities rather than at the VDC level. In the absence of widespread public party activity, particularly in VDCs, it is difficult to fully evaluate the openness of political space. Party members frequently cited a lack of guidance and instructions from their central leaders as the cause of this inactivity.

Throughout Nepal, many interlocutors report that UCPN(M) cadres are gradually moving away from a "conflict-era mentality," including in Maoist-dominated areas. However, serious incidents of Maoist violence and threats, as well as lingering "psychological fear" from the conflict, continue in certain areas. Improvement in Maoist behavior is one of the main reasons cited for the opening of political space throughout Nepal, and is evidenced by the ability of the NC and UML to re-establish committees in some VDCs previously considered Maoist dominated, and for parties such as the Rastriya Janamorcha (RJM) to freely promulgate an anti-federalism agenda even in Maoist strongholds. However, there remain credible examples of Maoists using threats and violence to limit political space for other parties and, in a very few cases, of identity-based organizations. Additionally, the presence of Maoist combatants in cantonments continues to have a negative effect on perceptions of political space.

In most of the Tarai, political space was reported as generally free, mainly because no single party or group was seen as having either the capacity or the intent to close political space. However, armed group violence continues to have an effect in some areas. The number of political actors in the Tarai has multiplied since the end of the conflict, especially in Madhesi-majority areas, and no single party or group is considered dominant. Armed group violence remains, however, and UCPN(M) cadres and leaders seemingly have been disproportionately targeted. It is difficult to determine the degree to which these attacks are based on political motives, as opposed to personal or other factors.

Although largely inactive, smaller parties are generally free to organize, conduct activities, and participate in local development bodies. Smaller parties have little influence in district affairs compared to larger parties, and frequently complain of being marginalized in all-party mechanisms and local development planning. Those promoting an anti-federalism or pro-monarchy agenda appear to potentially face a hostile environment from other parties; however, there have been very few actual incidents of obstruction.

With a small number of exceptions, most identity-based organizations have not restricted the ability of political parties and other groups to hold public activities, nor have they had their own activities restricted. The majority of identity-based organizations are advocating their agendas using peaceful and lawful means, and there are very few examples of open contention between these groups and more established political parties. However, factions of the Federal Limbuwan State Council have obstructed a small number of RJM anti-federalism programs in the East, while UCPN(M) cadres in Gorkha obstructed members of the Chhetri Samaaj who were traveling to a rally in February 2010.

In most areas, political parties say they are partly or mostly free to participate in local development bodies, and parties generally report good cooperation on development matters. In the absence of elections or other major campaign events, much of the work of local party branches is to participate in local development institutions. In general, parties say that they have good cooperation in these institutions. However, in practice this sometimes appears tied to the significant financial incentives to do so; observers frequently heard reports of parties "dividing up the budget" for their own benefit or to direct funds to party-affilia

In some areas of Nepal, there is very little non-political space. Since the initiation of the peace process in 2006, the role of political parties at the local level has expanded. Thus, while the focus of this report is on the level of open political space for parties themselves, it is worth bearing in mind the varying degree of open space for individuals who are not politically-affiliated. A monitoring officer with a District Administration Office in the Eastern Tarai expressed a common complaint: "People who are not affiliated with any political party do not have their voice heard."

Some interlocutors are optimistic that the improvement in political space since the CA election period will be sustained, while others believe that the next election period will be more competitive and more violent than in 2008. Nepalis interviewed for this report had mixed views on whether the campaign environment in future elections would be more or less free than in 2008. Although some believed that the next election would be less violent, they also frequently said that in order to make the current improvements sustainable, the integration and rehabilitation of Maoist combatants must be underway or completed before the next election. Others speculated that the NC and UML had "learned their lesson" from 2008 and would adopt more aggressive tactics in future polls. Finally, many interlocutors also noted that the ability of police and administration officials to guarantee open political space remains limited by political interference, widespread impunity for politically-affiliated individuals, and lack of police resources.

IV. POLITICAL CONTEXT AND RELEVANT AGREEMENTS

Political space during the 1990s and the conflict period

Political space has rarely been completely free in Nepal. Rather, during the 1990s, Nepali political parties at times used violence, threats, and other methods to close political space for their competitors and to manipulate elections. Such tactics were employed by a range of parties. For example, during his 1991 election campaign, former NC leader Girija Prasad Koirala had to flee a campaign meeting in Pyuthan when he was attacked by CPN (Masal) supporters attempting to enforce their electoral boycott. By contrast, at around the same time, Informal Sector Service Center (INSEC) reported that in Rolpa, "local elections were held in a one sided manner...and candidates of other political parties (non-Nepali Congress) were not allowed to file their nominations." Party leaders associated with the former Panchayat system were often particular targets of obstruction during this period. 11 As Hoftun, Raeper, and Whelpton wrote in 1999, "As well as possible official tampering with the polls, it is common knowledge [in Nepal] that where any party has a strong majority in the area around a polling booth, its activists may use their superior numbers to intimidate both election officials and supporters of rival candidates."12

Another form of restriction of political space evident in the 1990s was the use of state mechanisms by the party in power to limit the political space of the opposition, leading at times to violent clashes between the police and opposition parties. After the formation of the NC-led government in 1991, it was reported that "communist activists in outlying districts began facing harassment from the local administration, working in league with local [Nepali] Congress politicians."¹³ In particular, the police reportedly used arbitrary arrests and in some cases torture to deny space to the United People's Front Nepal (UPFN) especially in Rolpa and Rukum districts. Meanwhile, there were numerous incidents of the UPFN attacking NC activists.

⁹ See, for example, International Crisis Group, Nepal's Political Rites of Passage, September 2010, p.23, Whelpton, John, "The General Elections of May 1991," in Michael Hutt (ed.), Nepal in the Nineties, New Delhi: Oxford University Press, 1993, p. 68, and Hoftun, Martin, William Raeper and John Whelpton, People, Politics and Ideology: Democracy and Social Change in Nepal, Kathmandu: Mandala Book Point, 1999, p. 251.

¹⁰ Thapa, Deepak and Bandita Sijapati, A Kingdom Under Siege: Nepal's Maoist Insurgency, 1996 to 2003, Kathmandu: The Print House, 2003, pp. 68-69

¹¹After the Panchayat system fell, parties formed by the former Panchayat leaders were frequently obstructed from conducting political activities such as public meetings. Officials and even some staff in places such as universities were removed for their reported allegiance to the former regime. Hoftun, et al., op. cit., pp. 155, 159. See also Whelpton, op. cit., p. 68. ¹² Hoftun, et.al., op. cit., p. 251

¹³ Thapa and Sijapati, op. cit., pp. 68-72.

During the insurgency, the situation on the ground changed drastically. Maoists attacked local-level politicians from other political parties and forced them from their areas of influence in an increasing number of districts. NC local politicians were the primary targets.

previously signed agreements, armed Maoist combatants left their cantonments around the country in order to campaign, contributing to a general climate of fear and intimidation. Additionally, and continuing a pattern from the 1990s, in the early pre-election period parties perceived as royalist were often the most prominent targets of threats and harassment. However, the Carter Center also reported that claims of infringement on freedom of movement were assessed to be more numerous than actual instances. In some areas, claims by party workers in district headquarters that it was too dangerous for them to venture out were contradicted by statements from villagers who said that the security situation was calm and party workers simply did not want to take the trouble to visit them.

sentiments about improved political space were expressed in multiple hill and mountain districts such as Rukum, Jumla, Darchula, and Dhading.

Improvements in political space since 2008 were also widely reported in Tarai districts visited. There, in addition to changes in Maoist behavior, the primary reason appeared to be the improved security environment and reduction in armed group activities. In districts such as Kapilvastu, Saptari, Parsa, and Mahottari, representatives from all political parties reported a largely free environment in which to organize and conduct activities as compared to the CA election period.

However, despite these reports of improvement, serious problems continue in certain parts of the

more comfortable to speak publicly – although political space in the area remained far from free. In the same district, during ward elections to a steering committee for a proposed conservation area, the NC and UML won a considerable number of seats in polls that interlocutors noted were "surprisingly free of conflict."

In addition to other parties feeling increasingly comfortable to organize in areas where the Maoists are strong, citizens also reportedly feel freer to attend non-Maoist political party programs. A UML representative in a Mid-Western hill district told Carter Center observers that higher citizen participation in UML public events in his district indicated that citizens are also losing their fear of the Maoists and feel increasingly free to show public support for non-Maoist parties. In another Mid-Western hill district, an NC supporter said, "The Maoists used to intimidate, but not any longer." More and more, as a citizen in a Far-Western hill district put it, people see the Maoists as "just another political party."

In some districts, Maoists themselves spoke about their change in attitude. One Maoist interlocutor said, "Of course our mentality has changed, everything has changed since the conflict." A Maoist student leader in another district admitted that during the conflict other parties had not been able to speak freely and contrasted this with the present situation in which many people are openly involved with other parties and the Maoists are just one party among many. Another said, "The people are much more empowered now, ask anyone and they will tell you the same." Several Maoists mentioned instructions from the central level not to hinder the activities of other political groups, including district committee members in two Far-Western Hill districts who said these instructions had come after the resignation of the M.K. Nepal-led government.²²

However, in certain areas, Carter Center observers heard reports of credible incidents of Maoist violence intended to close political space for other parties. For example, in one Mid-Western hill district where the UML had become increasingly active over the past year, there were multiple clashes reported between the Maoists and the UML in politically competitive VDCs; Carter Center observers were told of a UML attempt to hold an assembly which was then attacked by the YCL, an attack on an internal UML program in another VDC, and multiple attacks on a UML program for a senior party leader in a third VDC. In two districts in the Far West, Carter Center observers were told by Nepali Congress members that they could not open offices in particular VDCs because no one would rent them an office space out of fear that the building would be attacked by Maoist cadres. Finally, in a Western Region hill district, the UML reported they were renewing existing party memberships but were not giving out any new memberships due to fear that they would accidentally approach UCPN(M) supporters, particularly in new and unfamiliar areas. In the same district, a UML member was reportedly stopped by Maoist members on his way to gather support from remote VDCs for a district Youth Federation convention; he was advised to turn around, which he did. Overall, of the districts visited by Carter Center observers for this report, geographical areas reported to be of particularly serious concern with regard to UCPN(M) control of political space included eastern Rukum, northern Gorkha, VDCs near the shared border of Darchula-Baitadi-Bajhang, and eastern Kailali (especially near the cantonment).²³

Even in districts that were reportedly calm and completely free for all parties to organize activities, there were often one or two incidents that were cited as evidence of continued Maoist violence or threats, or a small part of the district was still considered to be of concern. For example, in Dhading all interlocutors reported that the situation had improved and most party members said they had not faced any interference during their internal party activities. However, they also mentioned that a UML member was killed in the northern part of the district in October 2010, allegedly by Maoist cadres. In Chitwan, an administration official and other interlocutors told Carter Center observers that

²² However, in Ramechhap one non-Maoist party member saw this as a reason not to trust the change in the Maoists as "their behavior depends on the Maoist central committee's instructions" and thus they could revert back to violence if directed to

²³ This list is meant to be indicative on the basis of 25 districts visited by Carter Center observers for this report. It should not be considered a comprehensive list of areas with serious political space concerns throughout the country.

space was completely free for all parties; however, shortly thereafter there was a widely reported incident of Maoist cadres attacking an RPP public event led by central-level leader Bikram Pandey, which some interpreted as a signal that the Maoists were still willing to act against potentially serious political challengers.²⁴

Also, there is some indication that the ability of Maoist cadres to leave the party in certain districts may be limited. In Mugu, Rukum, Darchula, Sankhuwasabha, and Tanahu, Carter Center observers received reports of incidents related to changing of party affiliation. For example, in Sankhuwasabha a former Maoist party member left to join the Nepali Congress after the CA election and was threatened, assaulted, and ultimately forced to leave the district after the Maoists demanded a large sum of money from him; local villagers were also warned against helping the individual or joining rival parties in the future. The Maoists admitted this activity, and claimed the individual had been working as a spy for the Nepali Congress. However, it should be noted that problems around changing political affiliations are not exclusive to the Maoists; observers have heard scattered instances of tensions over members of non-Maoist parties changing their affiliations as well. For example, in Sunsari the UML reported that a clash between NC supporters and its own cadres had taken place due to the NC's attempt to "co-opt" UML cadres.

Finally, some interlocutors emphasized that the continued presence of Maoist combatants in cantonments around the country reinforces "psychological fear" amongst non-Maoist party cadres and citizens. The cantonments serve as a physical reminder that the Maoists retain the capacity to return to conflict or to use violent and aggressive tactics to achieve their aims. Even some individuals living in districts far away from the camps noted that the existence of the cantonments has a psychological effect on political space, especially in more remote areas, and will continue to do so until the reintegration and rehabilitation of Maoist combatants is complete (see Section VI, "Expectations for Future Elections").

5. The Carter Center has found some examples of non-Maoist parties making use of the increasingly open political space in Maoist strongholds. However, in many cases parties do not appear to be doing so, due to a combination of factors.

Given the reported opening of political space since the 2008 CA elections in Maoist strongholds, non-Maoist parties including the UML, Nepali Congress, RPP, RJM and RPP-Nepal have increasingly been able to open offices and conduct programs in areas where they could not do so previously, and are trying to regain support lost to the Maoists during the conflict. In Bajhang, the UML reported that

open political space; instead, it can mean quite the opposite – that one party is so dominant no others dare challenge it and thus no clashes or other incidents take place.²⁶

Carter Center observers also frequently found that in districts where political space was reported as "improved" or "open," it was often not being used by the NC, UML, and other parties, prompting some interviewees to argue that these parties were simply being "lazy" or just did not want to reach out, and were using "fear of the Maoists" as an excuse. The reasons for the relative lack of non-Maoist political party activity at the district and VDC level are complex, and vary significantly by location. While Maoist behavior and fear of Maoist cadres are factors, many of the same reasons for low party activity described previously in Section

This follows a similar trend observed during the CA election period. While the Maoists were responsible for the majority of incidents during that time, they were also not the only party to use tactics of fear and intimidation to protect their strongholds. For example, in one constituency of Baglung, the RJM reportedly prevented campaigning, and in Doti, CPN-UML and Maoist district committee members complained they were unable to campaign freely in an NC candidate's VDC.²⁸

7. In most of the Tarai, political space was reported as generally free, mainly because no single party or group was seen as having either the capacity or the intent to close political space.

In Tarai districts visited such as Kapilvastu, Rupandehi, Rautahat, Parsa, Bara, and Saptari, Carter Center observers were told that political space

prince Paras Shah to Kailali, organizing a street protest in Saptari, and pamphleting in Sankhuwasabha. In general these parties have not faced interference in their work.

However, small parties, or parties without a strong base in a particular district, sometimes spoke of harassment and "humiliation" from large parties, such as large party representatives asking their cadres why they support "such an insignificant and powerless party that has nothing to offer."

FDNF-affiliated FLSC said that anti-federal parties were weak but that the party would resist them if

Finally, although helpful in understanding local political space, party relations on local development bodies are not an unambiguous indicator. For example, parties may cooperate on a VDC council but have difficult relations on a users' group or SMC in the same VDC. Similarly, the norm of dividing influence according to party strength may create an image of normalcy that masks one-party dominance; the inability of other parties or unaffiliated citizens to participate meaningfully in local governance may go quietly unnoticed.

13. Finally, in some areas of Nepal, there is very little *non-political* space.

Since the initiation of the peace process in 2006, the role of political parties at the local level has expanded due in part to the transitional political environment, the weakness of the state, and the lack of elected and accountable local bodies. Political parties are now involved formally and informally in key aspects of local governance, enforcement (or non-enforcement) of the rule of law, and development activities – to name just a few areas. The degree of party engagement varies by district; some districts, such as Mugu, are heavily politicized and nearly all aspects of public life are affected by political party affiliations, while in other districts the sphere of political party influence is more restricted. However, across the country it is increasingly difficult to find areas where political parties do not play at least a minor role. Thus, while the focus of this report is on the level of open political

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should provide security to the people during an election. But in 2008, police did nothing and we could not go to cast our votes." An NC member in the Far West had a similar view, and said technical efforts to reduce irregularities, such as new voter identification cards, would be insufficient without adequate police presence. In the Central Tarai, a UCPN(M) leader claimed that the CDO and police worked together to assist a party to capture polling booths and suggested there was a risk of such collusion happening again. And, in a Central Region district, a police official believed that parties would still have the capacity to capture booths in any future election, as he said they did in 1991 and 2008.

Other skeptics pointed to a continuing political culture of employing fear and intimidation as election tools and said the incentive to do so remained in place. A Limbuwan representative in Eastern Nepal said, "Obstruction is tradition in Nepali politics... All political parties want to win and they'll do anything to do so." In the Central Tarai, a journalist speculated that the NC and UML had underestimated the UCPN(M) in 2008 and will use more aggressive tactics in future elections, including youth wings and links with criminal groups; an RJM member in the same district believed the NC and UML had "learned their lesson" in the last election and that the next polls would be highly competitive and more violent. A journalist in the Far Western Tarai remarked that "nowadays everybody knows how to make a bomb. However, some interviewees noted that any future violence could be cyclical; as a users' committee member in Gorkha put it, "During the next election, things may be a bit difficult, but afterward it will be okay again."

VII. CONCLUSION AND RECOMMENDATIONS

This report attempts to document the current status of political space in Nepal and to provide a baseline for the future. Its main finding is that political space has opened since the CA election period but that this space is largely not being tested by Nepal's political parties, making it difficult to assess fully how open the environment is for all parties to organize freely. A second important finding is that, in many districts, the behavior of Maoist cadres has reportedly improved and their "conflict-era mentality" has lessened, leading to opening political space for other parties. However, at the same time, there are clear areas throughout the country where Maoist behavior remains of serious concern. A third significant finding is that there have been comparable improvements in political space in the Tarai, although armed group activities continue to have an effect in some areas.

As noted at the outset of this report, the issue of political space at the local level is deeply linked to the debate at the national level over the degree to which the Maoist party has transformed. This transformation involves formal steps – such as officially renouncing violence and completing the integration and rehabilitation process of Maoist combatants – which are critical and have not yet taken place. However, it also involves an informal process of transformation in the activities and attitudes of Maoist cadres at the local level, their relationships with other parties, and their relationship with the state. The observation findings in this report indicate that while the formal steps remain outstanding, the informal process at the local level is slowly moving forward. The transformation is not complete, but it is ongoing.

However, there are reasons to question the sustainability of these changes and the prospects for the future. First and foremost, the likelihood that elections will be held in the near future is low. Therefore, there are limited incentives for parties to close space for rivals at present. This can result in a false sense of security – political space looks open now, but may not be in the future. In many districts across the country, for example, Carter Center observers were told that the Maoists retain the capacity, through their sheer numbers, their youth wing the YCL, and their overall organizational strength, to close political space for other parties when they choose to. At the same time, just being better organized and more active by itself cannot be automatically labeled foul play.

Second, the overall political culture of Nepal, in which limiting the space for other parties has been commonplace (particularly during election periods), ³⁹ remains at least partly intact. While the Maoists have been responsible for the majority of incidents reported to observers, it is likely that when the next election nears other parties may once again attempt to employ similar tactics in their stronghold areas. In this respect, political space in Nepal can be understood at the local level in terms of each party's capacity to protect its cadres and its strength to "take on" other parties – essentially the physical number of cadres in a given district or VDC, the party's capacity to mobilize them, and the party (or individual candidate's) willingness to use unfair, aggressive or violent tactics.

Third is the seemingly increasing tendency for political parties to turn to "muscle" – be it party youth wings, armed groups, or local thugs – to ensure they retain access to power at the local level. As The Carter Center has reported previously, the YCL and to a lesser extent the Youth Force continue to engage in negative activities aimed largely at financial gain, and which have the effect of undermining political space, development and public security. The June 2011 incident in which journalist Khilanath Dhakal was severely beaten in an attack allegedly ordered by Youth Force leader Parshuram Basnet provides a recent case in point. During an election period, the focus of these groups may shift towards securing support for their mother party by whatever means necessary. The Carter Center has also heard frequent allegations of links between individual political party members and members of criminal groups. All of this takes place in an environment in which impunity is rampant, and in which those with political protection are rarely, if ever, held accountable for their actions.

These factors put together paint a worrying picture for the future, despite the current positive findings of improved political space. However, it is important to balance these concerns with a recognition of the remarkable resilience of the Nepali state and of Nepal's peace process over the last five years. While challenges certainly continue to exist, significant achievements have been made, not least of which is the fact that all of Nepal's main political parties remain committed to the roadmap agreed upon at the outset of the peace process. As one analyst has written recently, "Nepali politics is slowly but steadily maturing in its democratic expressions" and there are reasons for optimism about Nepal's future, despite the serious obstacles en route.

In the short term, the two most prominent concerns outlined in this report – Maoist behavior and the activities of armed groups in the Tarai – are likely to remain the key determinants of political space. However, the activities of all political party youth wings, alleged links between political leaders and criminal groups, and political intervention by all parties in enforcement of the rule of law deserve close attention as well. In addition, the activities of identity groups and their effect on political space, as well as the degree of space that is open for them, will continue to be important indicators. Already, there are signs that some points of view (in favor of the monarchy and against federalism) may not be safe to express everywhere in the country, although very few incidents of repression have taken place.

Finally, in order to consolidate the improvements observed to date, it is critical that the formal steps required to complete the peace process take place: the integration and rehabilitation of Maoist combatants should be completed and the Maoist party should implement in both words and deeds their commitment to democratic principles of non-violence, freedom of movement, freedom of speech, freedom of the press, and the impartial enforcement of the rule of law. At the same time, non-Maoist parties should also take clear steps to test and use the political space available, support the impartial enforcement of the rule of law, and maintain the same commitment to democratic principles which they demand from the Maoists. Finally, the state bears the ultimate responsibility for ensuring security throughout the country, maintaining open political space for all parties, and addressing impunity to ensure a level playing field and a future electoral environment that is free and fair.

The following recommendations are offered in the spirit of cooperation and respect, and with the hope that they will provide useful discussion points for future action.

The UCPN(M), the Government of Nepal, and the parties to the peace process should take all necessary steps to complete the integration and rehabilitation of Maoist combatants, and implement fully all outstanding peace process commitments. Carter Center observers frequently heard that to ensure full political freedom, the integration and rehabilitation of Maoist combatants should be completed. In order to make sure this takes place prior to the next elections, the UCPN(M),

interest to interfere on behalf of its own cadres and affiliates, all parties will ultimately suffer from a weakened security environment. Parties should also refrain from interference in police promotion, postings, and transfers.

At the local level, political parties should consider adopting a code of conduct that affirms their freedom to organize and that sets clear standards for the behavior of party members, such as has been established in some districts around the country. Though the legal framework is clear, in some districts it appears that establishing a code of conduct to which all parties agree can have a positive effect on political space and inter-party relations at the local level. Dhankuta provides a positive example of this trend. The code should reaffirm that cadres involved in obstructing or threatening members of other parties will be subject to both internal and legal action, and its implementation should be regularly monitored.

The Government of Nepal should support local staff in enforcing regulations for the formation of users' groups and school management committees, and investigate thoroughly and impartially all allegations of irregularities. The ability of VDC and district-level officials to resist political pressure in the formation and functioning of local bodies is limited. Strong central-level commitment to the enforcement of guidelines for these groups is needed.