**05NEWDELHI1262**

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This record is a partial extract of the original cable. The full text of the original cable is not available.

 C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 001262 SIPDIS E.O. 12958: DECL: 02/16/2015 TAGS: PGOV PREF PREL IN NP BT SUBJECT: GOI WITHOUT PLAN "B", HOPING NEPAL KING WILL RESPOND TO DIPLOMATIC PRESSURE Classified By: DCM Robert O. Blake, Jr. for Reasons 1.4 (B, D) [Â¶](http://www.bhutan-research.org/us-diplomatic-cables-on-bhutan/05newdelhi1262#par1) 1. (C) Summary: The Ambassador used the return to New Delhi of Ambassador Shiv Mukherjee as an opportunity to discuss with the GOI the current strategy on Nepal. During the February 16 meeting, also attended by MEA Joint Secretary (Nepal/Bhutan) Ranjit Rae, Polcouns and Poloff, Mukherjee expressed hope that the King would respond to international pressure within the next two weeks by restoring a democratic government, but implied that New Delhi does not have a contingency plan if this does not occur. Mukherjee and Rae stated that neither the Maoists nor the Royal Nepalese Army (RNA) have the strength to defeat the other militarily, and that a political solution must be found. They indicated a Maoist victory would be unacceptable and implied India will quickly adjust its arms embargo if the RNA begins to suffer substantial losses. Mukherjee expressed support for the idea of a joint US/UK/India demarche when the three ambassadors return to Kathmandu, but cautioned this would require political-level approval. He concluded that it is unlikely there will be any significant progress on the issue of the Bhutanese refugees during the current power struggle. End Summary. Return to Democracy ------------------- [Â¶](http://www.bhutan-research.org/us-diplomatic-cables-on-bhutan/05newdelhi1262%22%20%5Cl%20%22par2) 2. (C) Responding to the Ambassador's query regarding the GOI strategy, Mukherjee indicated that the GOI hopes King Gyanendra will respond to international pressure in a short period of time, possibly within the next eight to ten days, and make moves towards restoring democracy in Nepal. He predicted that the possibility of losing aid from donor countries and military assistance from India, and the increasing diplomatic pressure will force the King to change his policy. However, when the Ambassador asked what would happen if the King does not restore democracy, Rae reiterated that he expected the King to do so, demonstrating that it is unlikely the GOI has developed a contingency plan if the current efforts fail. Mukherjee stressed the importance of the King developing a road map for the return to democratic rule and that "he must do it quickly." He commented that the GOI is not demanding the King re-establish democracy in a given way (such as restoring the previous government), only that it happens. "If he makes the right kind of gestures, it could be business as usual," Mukherjee stated. Maoists ------- [Â¶](http://www.bhutan-research.org/us-diplomatic-cables-on-bhutan/05newdelhi1262%22%20%5Cl%20%22par3) 3. (C) Neither the Maoist nor the RNA has the ability to defeat the other in combat, Mukherjee stated. Rae commented that the Maoists do not have the firepower to take Kathmandu or any of the larger towns with a significant RNA presence, although their writ runs free in the countryside. Mukherjee added that the Maoists can sustain the insurgency indefinitely and "to avoid this the King must respond to our actions and come back to the (negotiations) table." He expected that the RNA could maintain operations for about 3 to 4 months before supply problems would hamper their activities and allow the Maoists to make headway. If the Maoist succeed in making early progress, Mukherjee commented, the GOI would have to rethink its strategy. India's foremost objective, he added, is to prevent a Maoist victory. Diplomatic Efforts ------------------ [Â¶](http://www.bhutan-research.org/us-diplomatic-cables-on-bhutan/05newdelhi1262%22%20%5Cl%20%22par4) 4. (C) Mukherjee expressed support for a joint US/UK/India demarche to demonstrate to the King that the international community is committed to its demand for a return to democracy after the Chief's of Missions return to Kathmandu (Mukherjee plans to go back on February 20). While calling this a "very pragmatic step," he also noted that it would need to be blessed at political levels of the GOI. He added that he was glad most of the interested countries had been firm and on-message, with the exception of Pakistan, China and Russia. Mukherjee agreed with Polcouns that further Mil/Mil information sharing between the US and India regarding the ground situation in Nepal could be beneficial. Bhutanese Refugees ------------------ [Â¶](http://www.bhutan-research.org/us-diplomatic-cables-on-bhutan/05newdelhi1262%22%20%5Cl%20%22par5) 5. (C) Mukherjee noted that the political upheaval in Nepal has put the issue of the Bhutanese refugees on the back burner. He added that nothing was happening before the King's action and it is very unlikely the Royal Government of Bhutan will be willing to resume the Joint Verification process during this time of uncertainty in Kathmandu. When questioned about Maoist activity in the camps, he commented that the UNHCR has reported the Maoist are present in the area, but does not see it as a major danger. Comment ------- [Â¶](http://www.bhutan-research.org/us-diplomatic-cables-on-bhutan/05newdelhi1262#par6) 6. (C) This discussion was helpful insofar it confirmed GOI agreement regarding the imperative of preventing a Maoist victory, but worrisome in its exposure of the GOI's "hope for the best" diplomatic strategy. Given what we understand is the low likelihood of the King yielding to US/UK/Indian pressure for a return to full democracy, we may wish to begin a serious dialogue with the Indian Government about fleshing out a fallback plan. One opportunity for doing this would be a visit to New Delhi by Ambassador Moriarty in connection with his return to post. MULFORD