



**Date:** January 21, 2005

**To:** NDI

**From:** Mark Feierstein  
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**Re:** Rising Concern about Maoist Strength; Unease over Elections Prior to Peace  
Report on the Second Survey and Set of Focus Groups

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Nepalese are increasingly concerned about the Maoist insurgency, as they see the rebels gaining in strength and becoming more violent. There is overwhelming support for peace talks between the King, Maoists and the political parties, but also a recognition that achieving peace will take some time.

The signals from the monarchy and the government that they may attempt to restart the peace process has helped boost the standing of the King, but the public is still looking for a more vigorous and more flexible official approach toward the Maoists.

Although the government is suggesting it might call elections without the Maoists if they refuse to re-enter peace talks, the public does not endorse that approach. Nepalese see elections as a product of peace, not a precursor to peace. Although Nepalese are eager to participate in elections, they do not think elections can take place in the current security situation.

If elections are held, the UML and NC would have the initial edge. All parties, however, have much to do to improve their standing. Every party's agenda should include backing peace talks, fighting corruption, and developing economic programs focused on job creation. Concerns about the prevalence of discrimination, mostly based on caste, suggests that parties can also enhance their appeal with serious and credible efforts to promote equality of opportunity.

These are the principal findings of our second round of research, which included 10 focus groups in rural and urban areas in September 2004 and a nationwide survey of 3,222 people, including 296 opinion leaders,<sup>1</sup> covering a little more than 90 percent of Nepalese territory in October and November 2004. The sampling error on a simple random sample of this size is 1.7 percent.

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<sup>1</sup> Opinion leaders were predominately VDC chiefs, though some teachers and community leaders were also surveyed. It is important to note that 42 percent of opinion leaders say they identify most closely with the UML, not surprising given the UML's presence in local government.

### Increasing Concern over Maoist Strength

Nepalese are increasingly worried about the Maoist insurgency, as they see the rebel movement gaining in strength and becoming more violent. Nearly half the public (44 percent) thinks the insurgency has gotten stronger over the past few months, while only 14 percent see it weakening. [Figure 1.] And a strong plurality (39 to 23 percent) believe the Maoists are becoming more violent, rather than more peaceful. [Figure 2.]

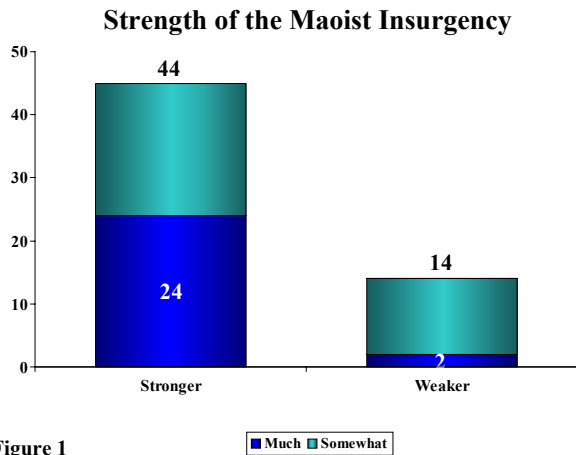


Figure 1



Figure 2

As a result, concern about the insurgency is not abating. About one-third of Nepalese continues to cite Maoist violence as one of their top two concerns, keeping it as the public's second leading concern, after unemployment.

Even though Nepalese perceive the Maoist insurgency as strengthening, support for the government's handling of the Maoists has actually increased, soaring 21 points to 48 percent. [Figure 3.] Elites, however, are less supportive (41 percent) of the government's approach.

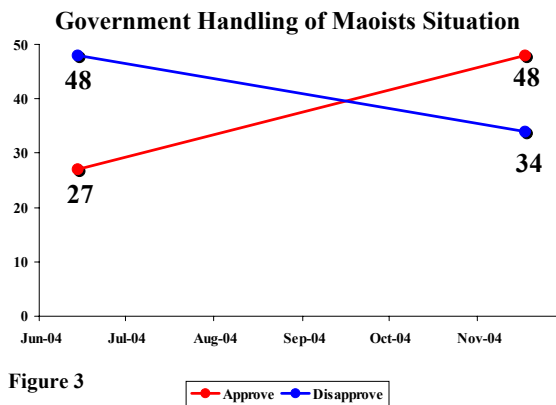


Figure 3

This apparent dissonance – increasing concern about the Maoists and rising support for the government's approach – is likely due to heightened signals from the government that it intends to engage in peace talks with the Maoists. As we noted in our baseline survey, 96 percent of the public support peace talks between the government and Maoists. In our recent survey, by a 3:1 margin over the next strongest solution, 71 percent of the public (and 68 percent of opinion leaders) think peace talks are one of the top two actions (from a list of seven) the government should take to resolve the Maoist situation. [Figure 4.]

**Government Solutions for Maoist Situation**

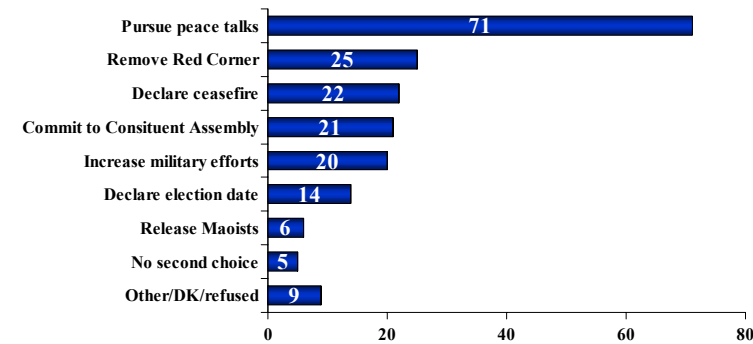


Figure 4

The sense that peace talks might be imminent has also helped to boost the King’s standing with the public, though he has also probably benefited from his reappointment of the prime minister and his recent visits to rural areas. Approval of his performance jumps 14 points to 60 percent since June [Figure 5], and his thermometer rating, on a scale of 0 to 100, rises 4 degrees to 41 degrees, the highest for any individual in the survey.<sup>2</sup> [Figure 6.]

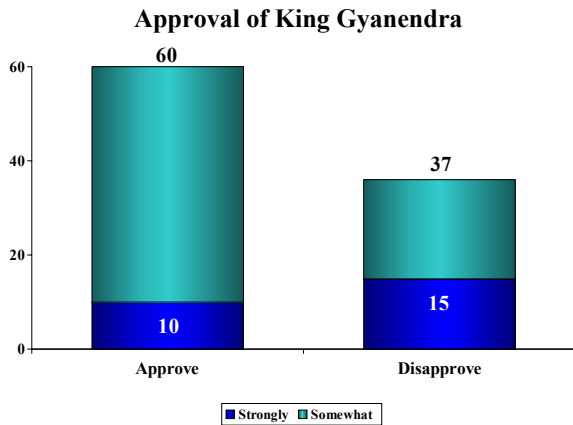


Figure 5

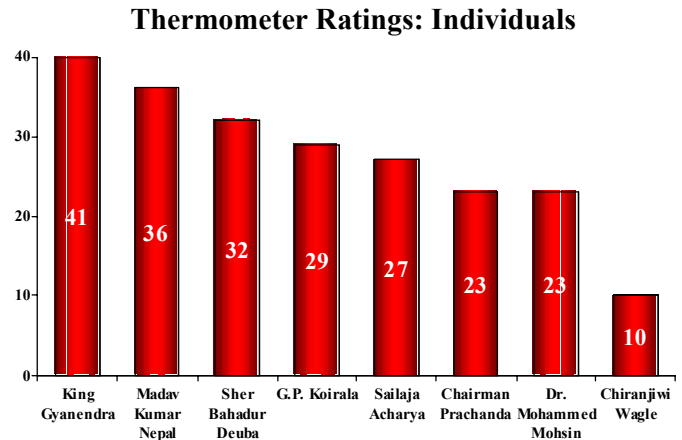


Figure 6

The movement toward peace talks may also account for the prime minister’s strong approval rating of 57 percent.

The favorable ratings for the King and the prime minister do not imply complete support for their approach to the Maoist conflict. On the contrary, 36 percent of Nepalese think the King needs to change his approach the most in order to resolve the Maoist conflict, while 27 percent think the government should change the most. [Figure 7.] Only 14 percent think the Maoists need to change their approach the most, though this is

<sup>2</sup> We use a “thermometer rating” to assess the personal image of political figures and institutions. Respondents are asked to give a rating of 0 to 100, with 100 meaning they have very warm, favorable feelings about the person or institution in question and 0 meaning they have very cool, unfavorable feelings. Respondents can select any whole number between 0 and 100. The average rating of all the scores is the “thermometer rating.”

**Who Needs to Change for Peace**

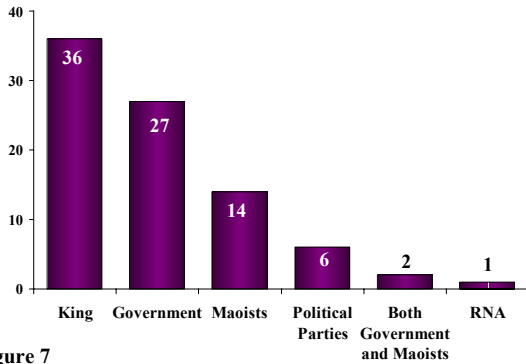


Figure 7

likely due to a sense that the rebels are the least likely to change and that it is incumbent upon the government to move the peace process forward.

That is not to say that the public thinks the government should accede to the Maoists demands on the shape of the negotiations. The Maoists have proposed only to have discussions with the King, but a strong majority of the public (76 percent) thinks it is very or somewhat important for the political

parties to be involved as well. For the opinion leaders, the parties' involvement is essential; 82 percent think it is *very* important for the parties to participate in peace talks.

Despite the support for the peace talks and some encouraging signs they might actually come about, the public is not particularly confident that a resolution to the conflict is imminent. First, there is limited confidence in the government's ability to resolve the conflict. Only 8 percent have "a lot" of confidence in the government's ability to resolve the situation, while 50 percent have either "a little" or "no confidence" in the government. [Figure 8.]

**Confidence in the Government**

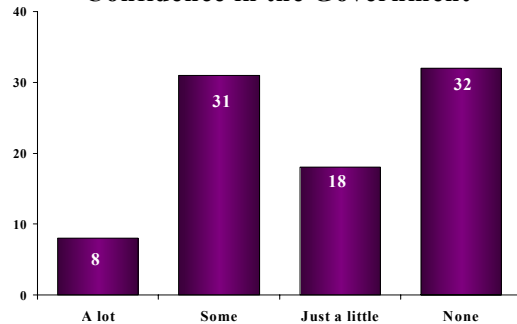


Figure 8

Second, there is limited faith in the High Level Peace Commission, with the public dividing nearly evenly (35 to 31 percent) over whether it will be effective or not. The opinion leaders have even less confidence in the commission, with a majority (52 percent) believing it will be ineffective.

Third, the public is realistic about how long it will take to resolve the Maoist conflict. Only 25 percent think it can be resolved within the next 2 years. [Figure 9.] Another twenty-five percent believe it will take at least 2 years, and another 16 percent believes the conflict will never be resolved.

**Time Needed to Resolve the Conflict**

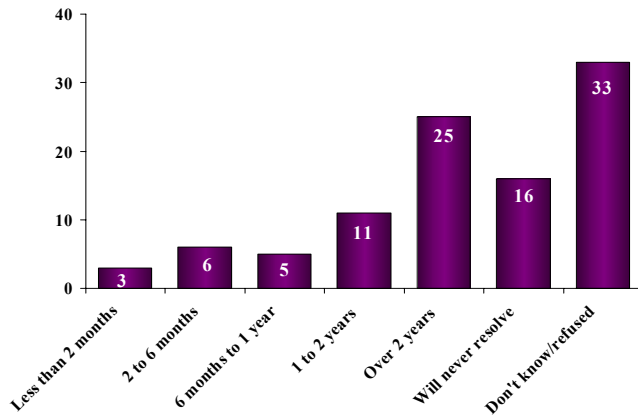


Figure 9

**Peace First, then Elections**

The government has attempted to pressure the Maoists into negotiations by suggesting it will hold elections without them, but the public does not see elections as a linchpin to settle the conflict. Only 14 percent of the public feels calling national elections is one of the top two actions the government should take in order to resolve the conflict. [Figure 4 (above).]

It is not that the public does not support holding elections. On the contrary, 88 percent think elections should be held at some time. The problem is that there are continued doubts that elections can be held given the security situation in the country. A large share of the public (72 percent) thinks that elections cannot be held under the current circumstances.

Elections held before a peace agreement would likely have a serious impact on turnout. Among those people who are not likely to vote, the primary reason is lack of security. [Figure 10]

The public believes that a peace agreement must precede the holding of elections. Only 17 percent approve of holding elections regardless of the Maoist threat; and just 19 percent support holding elections only in areas not controlled by the Maoists. [Figure 11.]

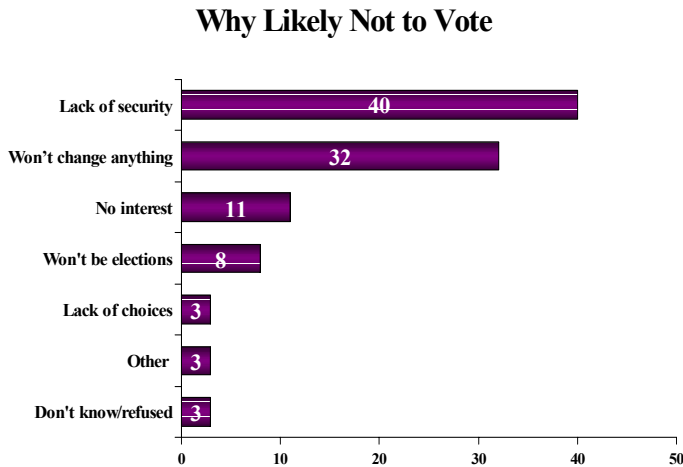


Figure 10

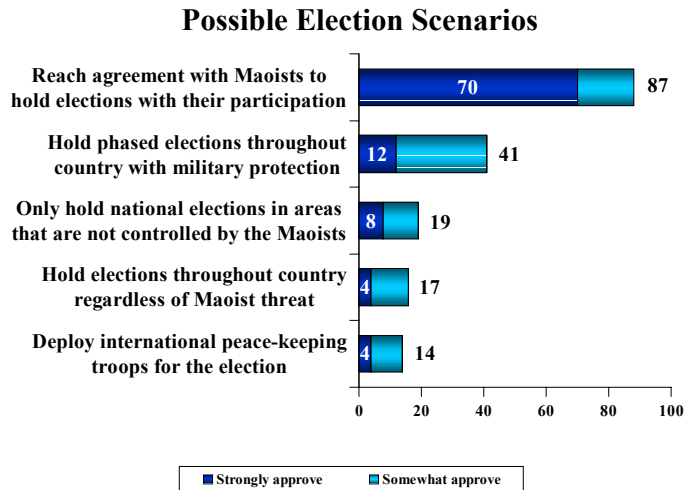


Figure 11

The only scenario in which the public feels elections can occur is to reach an agreement with the Maoists to hold elections with their participation. Under that scenario, support is very strong among the public to hold elections (87 percent) and nearly universal among opinion formers (98 percent). *For the Nepalese, elections are a product of peace, not a precursor to it.*

If a peace agreement is reached and elections do take place, participation in the process is likely to be high, the survey suggests. When respondents are asked how likely they are to vote on a 1 to 10 scale with “1” meaning they are certain *not* to vote and “10” meaning they are certain to vote, 69 percent say “10,” a rise of 17 points since June.

As is the case in most countries, older citizens are more likely to vote than young respondents, with 76 percent of respondents over the age of 59 saying they will definitely vote, compared to 63 percent among those 18 to 25.

In contrast with other countries, however, lower classes are more likely to vote than upper classes. Only 59 percent of A-class respondents definitely plan to vote, whereas 72 percent of D and E-class respondents say they will definitely vote.

Geographically, respondents in the Midwest are the most likely to vote, with 89 percent saying they will definitely vote. Conversely, the Western region is the least interested in election participation, with only 60 percent giving a 10 on our scale. Rural respondents are also more likely to say they definitely intend to vote (71 percent) than urban respondents (61 percent).

In a positive sign for the parties, their partisans are eager to vote. That is particularly true in the case of the Nepali Congress-Democratic Party (NC-D), as 88 percent of its supporters say they would definitely vote. Supporters of Rashtriya Prajantantra Party (RPP) and the Communist Party of Nepal (Unified Marxist-Leninist) (UML) and Nepali Congress (NC) are somewhat less interested in voting (80 percent and 76 percent, respectively.)

### **If Elections Held, UML and NC Have Initial Edge**

If elections take place any time soon, the UML and NC would have an edge, as we noted in our last report, though of course campaign dynamics and events can and do alter voter preferences. If elections are held without the Maoists on the ballot, the UML would capture 26 percent of the vote, with the NC trailing closely behind with 20 percent of the vote, according to our survey. A large share (26 percent) are either undecided (15 percent) or refrained from saying which party they would support (11 percent). These results all track fairly closely with our June findings. [Figure 12.]

At first glance, including the Maoists on the ballot would not change the election dynamic much, as they receive only 5 percent of the vote. [Figure 13.] There are signs in the survey though that this figure may be under-representing the Maoists’ support. First, the share of undecided voters rises to 22 percent when the Maoists are offered as a ballot choice, indicating there may be voters who are fearful of acknowledging their support for the guerrillas. Second, about 2 in 5 Nepalese (38 percent) approve of the Maoists’ goals. This suggests that if the Maoists were to lay down their arms, no longer engage in violent tactics, and elect to participate in the democratic system, they would be able to compete effectively against other political parties.

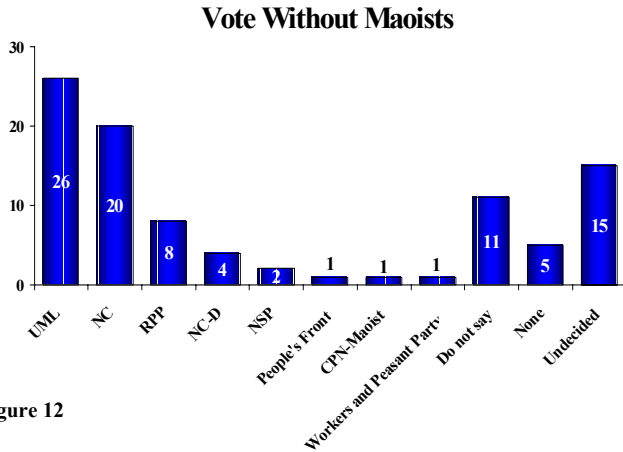


Figure 12

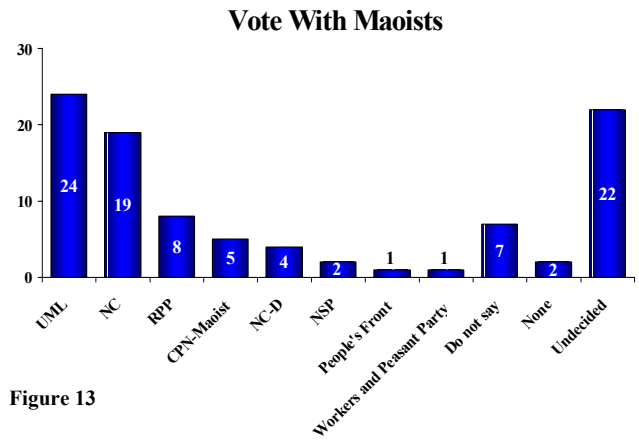


Figure 13

The large share of undecided voters makes any election outcome even more difficult to predict, particularly before elections have even been called. Women comprise the bulk of undecided voters (61 percent). Older women in particular have yet to settle on an electoral preference; about one-fifth (21 percent) of women over 35 are undecided.

The undecided are also more concentrated among certain castes and classes. Twenty-three percent of all Dalits and 18 percent of all Yadav's are undecided, as well as 17 percent of D and E-class voters.

The central region will likely become the battleground for the election. A majority (51 percent) of undecided voters live in the Central region: 31 percent in the Central Tarai and 20 percent in the Central Hills. [Figure 14.]

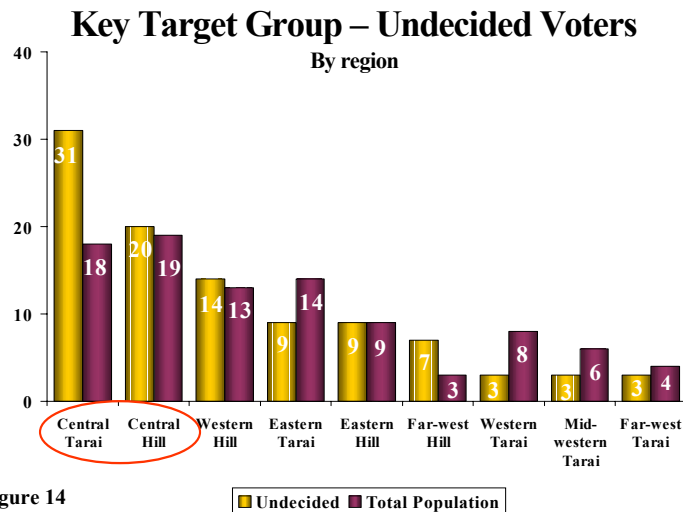


Figure 14

Undecided voters are not easy for the parties to reach. One-third do not have a radio or television, compared with 20 percent of the overall electorate. Of course, a likely reason that these voters are undecided in the first place is that they have less access to news and are less aware of the different parties and what they stand for.

### Political Parties in Disfavor

Political parties have a lot of work to do before the next elections. Aside from the People’s Front of Nepal, all the parties receive slightly lower thermometer ratings (1 to 3 degrees) now than in June. UML continues to be the most highly regarded party (41 degrees).

There is not much personal affection for the country’s political leaders either. The prime minister, for example, has a thermometer rating of just 32 degrees, notwithstanding support for his performance, as noted above. The leader of the country’s most popular party, Madav Kumar Nepal, has a rating of 36 degrees, largely unchanged from June.

Overall, the public feels that the parties in Nepal do more harm than good. A plurality (43 to 34 percent) believes the parties play a mostly negative role, although a plurality of opinion leaders (48 to 38 percent) think the parties have a mostly positive impact. To a large extent, the public blames the parties for the poor economic and political conditions and the rise of the Maoists. As a female from Pokhara says: “In a multi-party system, the parties working actively are good. But in the past the parties did not do well. They gave birth to the Maoists. The party [NC], in which the public had faith, has become corrupt. Because of this, people became frustrated and they joined the Maoists in order to get rid of their unemployment problem.”

Nepalese are dissatisfied with current party leadership and looking for new blood. A strong majority (58 percent) feels that political parties would benefit from having new leadership, as opposed to continuing to be the same with new leaders. [Figure 15.] An even larger share of opinion leaders (74 percent) thinks political parties would benefit from new leadership.

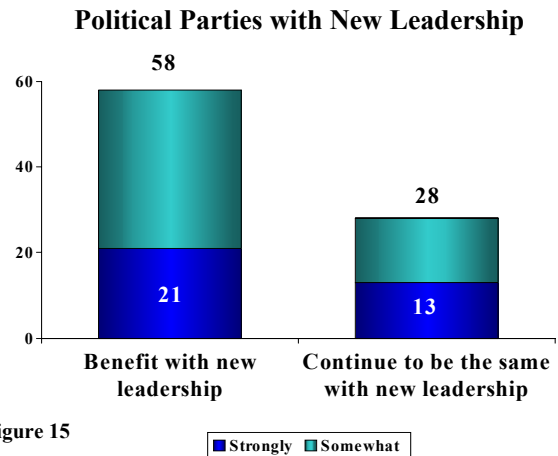


Figure 15

### Possible Constitutional Reforms

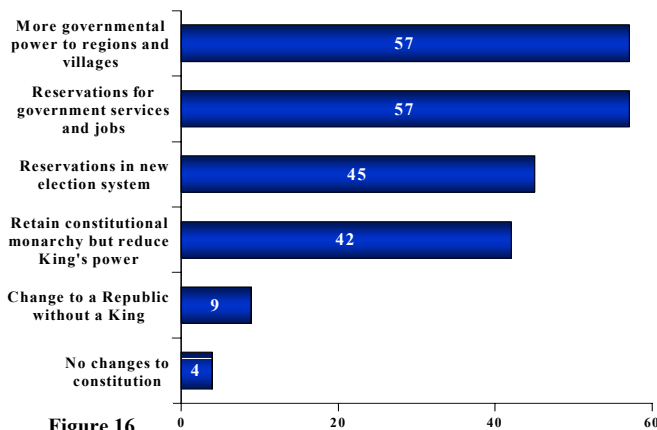


Figure 16

This view is partly a reflection of the distrust that the public has of the Kathmandu power structure. A majority (57 percent) favors a constitutional reform to give more authority to regions and villages. [Figure 16.] A number of focus group participants indicate that they trust local government and political party leaders more than the federal government and national party leaders.



One of the principal reasons that parties are so discredited is the perception that they are corrupt. As a Dhulikhel male said: “Political parties do corruption. They never enter politics to develop the country. Their focus is on corruption.”

Nonetheless, Nepalese do not believe that fighting corruption is hopeless. Most believe (57 percent of the public; 75 percent of opinion leaders) that “with the right reforms, political parties’ corruption can be curbed,” rather than that “corruption by political parties is so extensive that it will never really decline.” [Figure 17.] The focus groups indicate that some people are pleased that steps are being taken to combat corruption but that the legal process tends to slow down once an individual is charged.

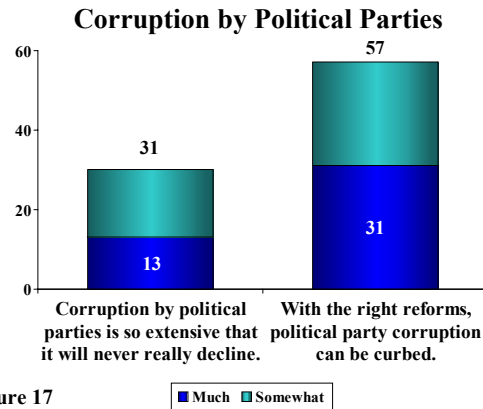


Figure 17

Nepalese believe that the strongest way to fight corruption is to target and prosecute top political leaders in order to, in the words of some focus group participants, “cut off corruption from the head.” The two most popular anti-corruption measures are to increase jail sentences and fines for government officials found guilty of corruption and prosecute high-level officials who have stolen money. On a scale of 1 to 10 measuring the importance of such steps to fight corruption, 62 and 64 percent, respectively, score these measures a 10.<sup>3</sup> [Figure 18.] This compares to the 52 percent who think prosecuting low-level government officials and clerks who demand bribes is extremely important.

### Ways to Reduce Corruption (10s)

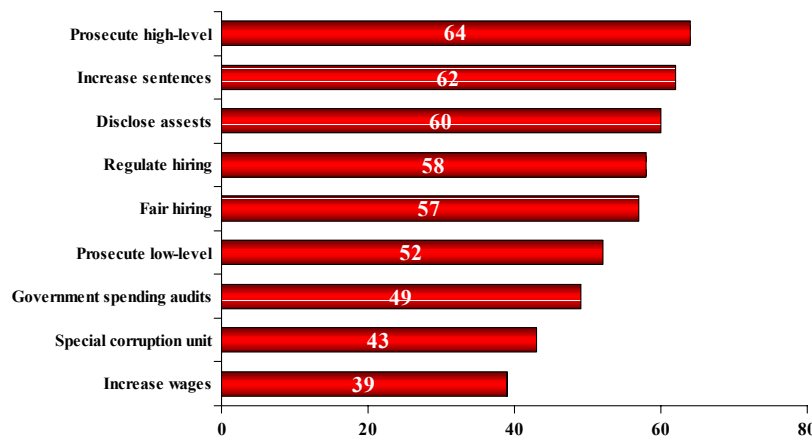


Figure 18

<sup>3</sup> On a scale of 1 to 10 with “10” meaning it is extremely important to reducing corruption and “1” meaning it is not important at all to reducing corruption.

Among opinion leaders, the strongest method to reduce corruption is to have public officials disclose their assets before and after they serve in government. Sixty-three percent of opinion leaders (and 60 percent of the public) give this a 10 on our scale. Most Nepalese may not be aware that officials are already required to do this; the government and the parties need to make their disclosures more public, for example by publishing their forms in newspapers or other publications.

Political parties can also help combat the perception that they are corrupt by placing more women in prominent roles within the parties. A remarkable 80 percent of Nepalese think men are more corrupt than women. [Figure 19.] Only 2 percent think the opposite. It is not uncommon for people to believe that women are less corrupt though this extreme result may be due to the fact that few women are in politics in Nepal in the first place.

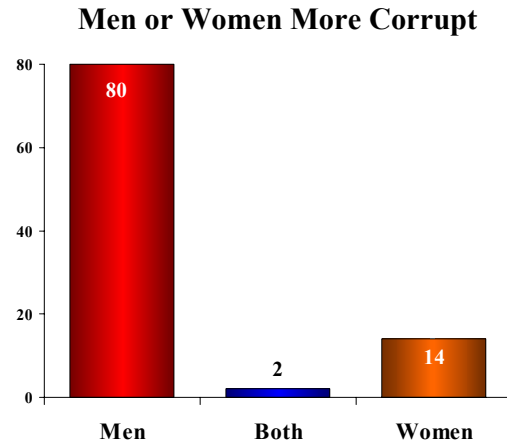


Figure 19

### Economic Message Must Focus on Jobs

The other issue that parties need to focus on is the economy. As we noted in our last report, the profound dissatisfaction with conditions in the country – 95 percent say the country is going in the wrong direction -- is driven mainly by concerns about the economy. About 9 in 10 Nepalese see the economy heading in the wrong direction. If anything, worries about the economy seem to be growing, with 55 percent, 10 points higher than in June, citing unemployment as one of their top two concerns. [Figure 20.]

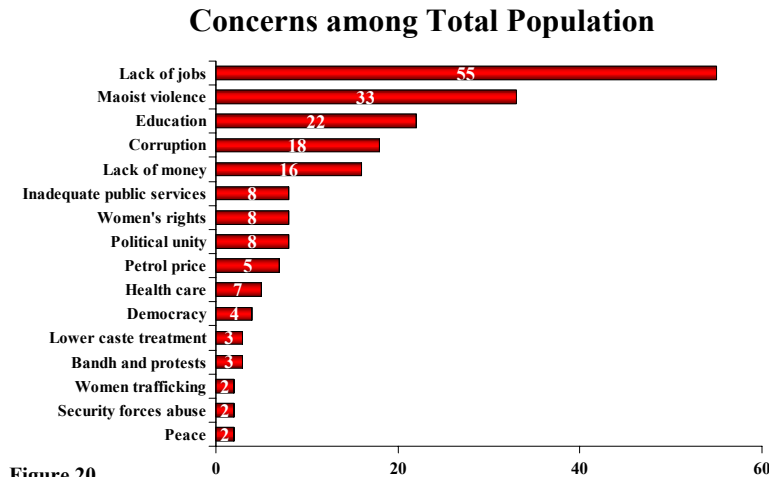


Figure 20

To be sure, economic revival will depend to a large degree on achieving peace. But the research also indicates that political parties can appeal to the public by focusing

on the economy and job creation in particular. The survey suggests three ways to frame the issue.

Politically, the most important economic focus must be agriculture. One in three Nepalese describe themselves as farmers. But an even larger share identifies with the need to develop the agricultural sector. Forty-five percent say they would be much more likely to vote for a party that pledged to “further develop agricultural production and distribution so no Nepalese has to go hungry,” making it the most popular proposal of the 11 we test in the survey.

Another important way to frame economic proposals is to appeal to the public’s concern about the many Nepalese who are leaving the country to seek better economic opportunities. Forty-one percent would be much more likely to support a party that developed a “jobs program to increase employment opportunities so Nepalese don’t have to go overseas.” This figure may be inflated since our survey fielded after the Nepalese hostages in Iraq were executed so the issue of Nepalese going abroad for work was fresh in respondents’ minds.

A third way for parties to frame their economic agenda is to propose educational initiatives for disadvantaged Nepalese as a means to create job opportunities for them. Thirty-eight percent of the public would be much more likely to support a party that “gives more educational scholarships to women and the lower castes so they will have more job opportunities.”

Some of the political parties are pursuing privatization of state-run companies as a means to boost the economy. Privatization is a dangerous issue politically in many countries, because of perceptions that it leads to jobs loss and an increase in rates for services. In Nepal, however, views are so far mixed about privatization. Thirty-seven percent think privately run companies are better run, while an equal share believes state-run companies are better run. Significantly, about one in four Nepalese (27 percent) are unable to state which is better. Opinion leaders are also split on the issue, breaking 44 to 40 percent in favor of state-run companies.

It is worth noting the least popular proposal for both the public and opinion leaders that we test: providing incentives for foreign companies to bring their factories to Nepal. It is not clear what accounts for this reaction. Leading investors like the United States and India have low, but not awful, ratings (34 and 38 degrees, respectively). In many developing countries where we have conducted research, there is a great deal of support for foreign investment. Nepalese, however, are looking for homegrown solutions to their economic crisis.

### **Support for Anti-Discrimination Measures**

Efforts by the government and political parties to end the Maoist conflict and promote reconciliation and equitable development should include attempts to end

discrimination. As we noted in our last report, most of the public backs abolishing the caste system. It may be too much for parties to credibly urge abolishing the caste system – it is well entrenched in society and favored by many, as we noted in our last report – but the parties can probably take other steps to fight discrimination.

Official discrimination in Nepal, according to the survey, is widespread. Thirty percent say they have suffered discrimination frequently or occasionally by the government, including a majority of Tharus (57 percent) and Dalits (51 percent). [Figure 21.]

Based on the attacks that occurred last September against Muslim-run companies and mosques, it is not surprising that most (52 percent) Muslims say they have been discriminated against by government officials frequently (34 percent) or occasionally (18 percent).

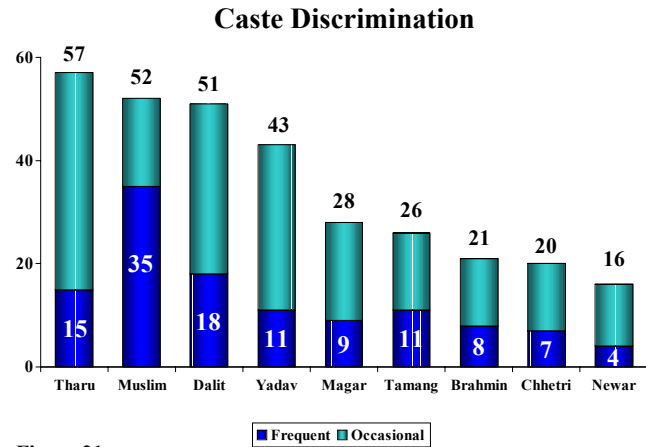


Figure 21

There is public support for actions to assist groups that are targets of discrimination. For example, an overwhelming 87 percent support adopting a reservation system in civil service, government and the military to ensure representation of disadvantaged groups.

As noted above, there is also strong support for giving more educational scholarships to women and lower castes. That is the strongest proposal in the survey among women, Brahmins, Tharus and Yadavs.

### Political Party Messages Need Strengthening

As the survey results suggest, the parties need to center their public appeals on the key issues of peace and reconciliation, jobs, and corruption. So far, the UML is the closest to speaking substantively and stylistically in a way that resonates most with the public.

The strongest message that we tested is a variation of what the UML has been saying:

*The CPN UML is prepared to sit down at any time and anywhere with the Maoists, the government, the monarchy and other political parties to negotiate an end to the conflict and bring peace and security to Nepal. With peace will come prosperity and the opportunity to extend to every village the “Make your own village” program, which we introduced*

*during our government and brought electricity and drinking water, among other things, to so many villages.*

A majority of respondents (53 percent) say they would be much more (23 percent) or somewhat (30 percent) more likely to vote for the UML after hearing the message. The statement was a clear favorite of undecided voters among the 12 messages that we tested.

Based on the research from the first and present waves, we would revise the message to sharpen the appeal for national unity, focus more explicitly on jobs, and incorporate a pledge to combat corruption and promote anti-discrimination:

*Now is the time for the Maoists, the King and all the political parties to sit down to resolve the conflict so that we can live in peace and build our country together. We call on all the parties to put aside our differences and develop a National Plan for Peace and Reconstruction. Under the plan, the parties will pledge to support farmers so that they can feed their families and the rest of the country; to create more jobs in Nepal so that our loved ones do not have to leave the country for a better life; to punish senior officials caught stealing from the people; and to give special scholarships and jobs to women and lower castes so that no one is denied an opportunity to support his family and develop our country.*