Nepal: Growth of a Nation
Preface

I have frequently shared with new arrivals in Nepal the themes developed in Nepal: Growth of a Nation. During question periods, someone invariably asked that I recommend a book in which these themes could be studied at greater leisure. I was obliged to admit that no such book existed. The book you have in your hands is my attempt to fill that need. Nepal: Growth of a Nation is a survey history stressing the themes I think are significant to understanding the development of Nepal.

Nepal: Growth of a Nation does not attempt to answer every question that those in my audience asked. Even if this were possible, I doubt that it would help. We have adequate detail to understand most of the problems. What we lack is the historical framework we need if we would question the present effectively.

This deserves an explanation. The questions most frequently asked of me arise from dissatisfaction with the performance of Nepal's bureaucracy since 1951 or dissatisfaction with the way post 1951 political systems have mobilized the nation for development. Some questions have focused on the events between April, 1948, and December 16, 1960. A great many more rise from frustration with the demands of the Decentralization Act and the bureaucracy's apparent inability to function according to those demands. These questions were asked in a sincere effort to gain information. Unfortunately, most could not understand that information when it was supplied because they failed to see that the activities they criticized were part of a much larger problem. Without understanding the problem, we rarely have much success in evaluating the solutions bureaucrats or politicians propose.

In these pages I have asked the reader to focus for a time on problems rather than solutions. This is bold of me, but I have written this book for those who work in Nepal and are sincerely concerned with root causes of the problems they encounter. I have no illusions that Nepal: Growth of a Nation will clarify to everyone's satisfaction the roots of our development problems, nor do I expect a reading of these pages to counteract the frustration many experience in trying to cope with a system that is unique in its geographic and political setting. At best, I hope that my readers will learn to question Nepal's history more wisely.

The themes I have chosen for discussion are broad: land and man, vision and leadership, politics for profit, control and centralization. Sketching
these themes through two hundred years of Nepalese history is challenging. It is even more challenging to appreciate the way the factors discussed in the development of each theme interact to form a strong web that limits individual freedom of choice and action.

Appreciating and evaluating decisions made under these constraints is beyond the scope of Nepal: Growth of a Nation. This book is only an invitation to those who work in Nepal to consider the complex socio-economic and political heritage that is the real ‘hidden hand’ active in the choices Nepalese bureaucrats and citizens must make.

These pages will provide no precise formulas for the future. At best they will indicate that through a turbulent political history the people of Nepal have not remained as passive as many would have us believe. In his wisdom, Prithvi Narayan Shah recognized the strength of Nepal’s villagers and saw his own welfare in theirs. Is this the time, in the push and pull of ‘source and force’, the struggle for social mobility, and the steady erosion of our economic independence, to consider the wisdom Prithvi Narayan Shah left us in his Dibya Upadesh?

The events described in Nepal: Growth of a Nation are based on sound documents. I have chosen not to footnote each event treated, lest I weary the reader. I have used footnotes only to provide additional information or to comment. I have, however, indicated my major sources in the hope that some readers will choose to look further into the issues I have raised.

Although I have discussed the interpretation of events presented in Nepal: Growth of a Nation with many Nepalese friends, I accept full responsibility for the ideas I have presented. Many of my friends will be surprised at my use of ‘Nepalese’ in place of the more familiar ‘Nepalis’. I ask their indulgence. The less usual spelling suited my purpose and my audience more than the more familiar one.

I would like to thank the staff of the Indian National Archives in New Delhi and the staff of the India Office Library in London. Without their assistance I could not possibly have located the records used both for my background research and in the actual writing of this book. It was a joy to work with people who were invariably patient with my requests.

To Mahesh Chandra Regmi, the dean of Nepalese historians, I owe special thanks. Without his challenge, I would not have begun to write, and without his insight and penetrating comment, I would not have realized the implications of many events I have described. I regret not being able to make better use of the materials he called to my attention.

Although I have written Nepal: Growth of a Nation for foreigners working in Nepal, I hope my Nepalese friends will find justification in these pages for our long hours of discussion and argument. Nothing will
adequately reward their patience with me as I struggled to shape my thoughts, but perhaps the ideas I have expressed will compensate their effort to educate me.

My greatest thanks are due to the villagers of Nepal. They inspired me continually with their steadfast approach to life, their wit, their kindness, and the religious roots they have sunk so deep. They have been companions on my journey of questioning the past and comrades on trails in the Hills and in the Tarai. No book will ever do justice to them. But I have tried.

Kathmandu, Nepal
August 15, 1993
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Chapter One
Land and People

The Nepalese nation was born against improbable odds. In the most difficult terrain imaginable, the Nepalese achieved unity and then withstood the British threat to rule all South Asia. Today, landlocked and hedged in by great powers, the Nepalese still proudly assert their independence in the family of nations. At home, their chief concern is development. Internationally, though Nepalese troops are everywhere respected, the Nepalese stand for nonalignment and peace. In fact, few have attained the peace the Nepalese enjoy.\(^1\)

The story of Nepal's growth as a nation spans the years from 1744 to 1951. The locale is a giant slice of the Himalayas measuring five hundred miles from east to west and ranging from 100 to 150 miles north to south. This land in which the Nepalese have built their nation is a rugged rectangle, tip-tilted slightly to the northwest and balanced precariously between the great plateau of Central Asia and the Indian subcontinent.

Beautiful beyond belief, Nepal is the joy of mountaineer, wanderer and trekker alike. The land enfolds almost every type of terrain and climate known to man. It sweeps up in great natural steps from the subtropical lowlands to icy peaks that crown the roof of the world. Yet all is not scenic beauty. The mountains and hills that make up eighty-four per cent of Nepal's surface area almost defy unity, and their stony soils yield crops grudgingly. Chapter by chapter, the story of Nepal's growth as a nation describes the Nepalese struggle to overcome the burdens the mountains have placed on them. Since the sweep and shape of the land have molded Nepal and the Nepalese, we must consider these mountains carefully.

The mountains of Nepal are the youngest of the earth's great fold mountains. They were formed by the steady northward pressure of the Indian subcontinent against the Central Asian plateau. Viewed from the air they seem an endless maze of ridges and peaks, without any discernible pattern other than the steady build-up from the lower ridges in the south to the high Himalaya in the north. There is a pattern, however, and that pattern is the beginning of our story.

Moving northward from the Nepal-India border, we see first a continuation of the Gangetic plain, called the Nepal Tarai. The Tarai is twenty to thirty miles in width and stretches east to west along most of Nepal's southern border.

In times past, the Tarai was heavily forested and known to local people as the home of a virulent strain of malaria, called *Aul* fever, or simply *Aul.*
Villagers feared it as a killer. Until modern pesticides controlled the malarial mosquitoes, only the Tharus, an aboriginal people who seemed immune to Aul, dwelt year-round in the Tarai. Nepalese landowners, military personnel and administrators, in prudent fear of Aul fever, spent the monsoon months in the Hills. There they stayed until the dry, cooling breezes of October invited their return.

The monsoon months were dangerous times to travel in the Tarai. People did not know what caused Aul. Some thought it was caused by vapors rising from the damp earth. Travellers forced to spend a night in the Tarai took shelter in caves. Experienced mail runners avoided the night and the Aul by fortifying themselves with local pain killer and crossing the Tarai by day. Forests, Aul fever, and the Tarai soil, glutinous during the monsoon, protected the Hills against encroachment from the south.

The Chure range provided a second line of defense. Rising to heights of two to four thousand feet, the Chure are hogback ridges with steep slopes falling to the north and south. At one time the south-facing scarp slopes were heavily forested. Much of this forest cover has been cut back. Water is scarce along the ridges of the Chure. Human habitation is sparse, leaving the Chure to stand as stark sentinels of Nepal's southern border.

North of the Chure range lies the Inner Tarai. This strip of land, about ten miles wide, resembles the flat plains of the Tarai proper. Its soils are less fertile. Inner Tarai soils have been built up mostly from sediment dropped over the course of centuries by mountain rivers. For the most part, the sediment consists of rock and gravel, over which finer soil has been silted.

The Inner Tarai ends with the steep ascents of the Mahabharat Lekh. Like the Chure range, the Mahabharat Lekh stretches from east to west across the whole length of Nepal. There the similarity ends. The ridges of the Mahabharat are higher. Some peaks reach elevations of nine thousand feet, but, as a rule, the general elevation along the main axis is lower and remarkably regular. North of the Mahabharat Lekh lies a topographic depression stretching perhaps fifty miles north to south. To the Nepalese and to trekkers, the ridges that divide this depression are the Hills, the heartland of Nepal. The density of population is high, and farming is the way of life. Not all the Hills can be cultivated, but the broader river valleys called chahar, are intensively farmed and the hillsides are terraced higher than one would believe possible or practical. The fertility of the valleys and the scarcity of good farm land dictated the living pattern. The valleys were farmed. Homes were on the ridge.

The villages we see sitting astride the ridges, with terraced fields reaching down the slope to the valley below, tell a story. As the population
grew, the valley bottoms no longer produced enough food. Terraces were cut into the hillsides to create new fields. Then more terraces, and more, until irrigation was no longer possible. On these higher, drier terraces, millet and eventually maize became the major crops, both coarser than rice and harder to digest, but still foods to feed a family to survive.

This constant search for farmland has led Nepal to near disaster. When Nepal’s population was five million, the pressure on the land was not serious. Traditional ways were adequate. The annual cycle of religious festivals and Jatras, marriages and even death brought people together to eat and drink, to sing and dance, and to enjoy the fruits of their labors. They had little, but it was enough. As the population grew, the pressure on the land intensified. New fields had to be found, and forests were steadily cut back to secure them. As a result, forest cover has almost disappeared and many water sources have dried up.

The population is now over eighteen million. In many places, water can hardly be found in the dry months of February and March. In these months, women and girls make the long trek down the mountain to a stream and climb slowly back, water-jars on hip or carried on their backs, up and up and up, day in and day out. And water is not the only problem. Firewood, tree-fodder for the dry months and pasturage are disappearing. No one knows the fate of these Hill villages. Their future lies in the hands of Nepal’s new generation, the educated Nepalese. Sadly, nothing has prepared the Nepalese to use their education to tackle the problem of an ecology in revolt against relentless human pressure. It is not fair, of course, to place the future of so many in the hands of the educated few. But life in the Hills has never been fair. Always there has been a struggle to survive on the land, and always the land dictated the terms of survival.

As we move through the Hills towards the north, we move from the poverty of the Hills to the still greater poverty of the high Himalayan region. At first the sheer beauty of the scene captivates the eye. The Great Himalaya loom ever larger, ever more majestic, the crown of Nepal. Over 240 peaks stand above 20,000 feet, with some peaks reaching 27,000 feet and beyond. In the crystal clear air of October, we see the Great Himalayan Range stretching for hundreds of miles to the east and west. Trekkers see the Himalaya as the dynamic centerpiece of their walk: power, challenge and beauty against a thin blue sky. The Nepalese see them as a backdrop to their labor, providing peace, friendship and a home for the gods. Whether seen as power or peace, the mountains underscore the poverty of human settlement. Above altitudes of 6,000 feet and on up to 13,000 feet, small villages nestle in mountain pockets to find warmth. The diet of those hardy enough to live at these higher altitudes is limited to potatoes, millet, Yak-
NEPAL RIVERS

Scale 1:2,534,400

Karnali Basin

Gandaki Basin

Kathmandu Basin

Darjeeling

Tharlamewa

Mothara

Gorakhpur

Fyzabad

Baglung

Salyana
butter tea, curds, an occasional taste of meat and, in the long evenings, millet beer to cheer the heart and chase the cold. Elevations higher than these are suited only to grazing. There are no villages, no convenient places to stay. Above the Himalayan snowline at 17,000 feet nothing grows.

North of the Great Himalaya and west of the Kali Gandaki River lie the Tibetan marginal mountains. Averaging 19,000 feet, these mountains almost blend into the Great Himalayan range. Beyond them lies Tibet.

These four ranges: the Chure, the Mahabharat Lekh, the Great Himalaya and the Tibetan marginal mountains, are often described as being roughly parallel. This leads us to expect three long east-west ‘corridors’ lying between parallel mountain ranges. In fact, the same folding of the earth’s crust that created the Himalayas has also crumpled these ranges into north-south ridges that chop Nepal into countless tiny valleys.

The folding process that created Nepal took long periods of time. As the Himalayas grew, rain washed down the mountain slopes and drained off to the sea. Rivers were born, whose tributaries threaded from valley to valley and slowly grew into the great river systems of Nepal: the Kosi to the east, the Gandaki in central Nepal and the Karnali in the far west. These mountain rivers are both Nepal’s greatest economic promise and its gravest threat. Controlled, the rivers could provide hydroelectric power in abundance. Uncontrolled, they deliver torrents of floodwater that with heartrending regularity destroy the small gains the peoples of the lowlands make in their effort to survive. Centuries ago, these same rivers offered life to the men and women who peopled the valleys and put their hand to the soil.

Although wandering families surely fished these streams and prowled the mountains for food, the first recorded use of the land was agriculture. The origins of the Nepalese nation were humble. Farming communities sprang up in many small, fertile valleys throughout the Hills. We know little of the origins of these people. We assume that Aryans moved into the Hills from the south, while the north was peopled by migrants from Central Asia, but we do not know. Studies into the origins of the Hill peoples have yet to produce a convincing theory.

Our own story is concerned with the evolution of these early farming communities. Recall the kind of land Nepal was and is. See it for a moment not as a land of mountains but as a land of valleys watered by rivers that fought their way from the Great Himalaya southward to the Ganges and the sea. These valleys provided all that agricultural communities required. The rich valley floor provided fertile soil. The rivers provided water for life and crops. Mountain walls protected each community. The mountains also divided one community from another and made communication difficult. Yet no community was locked in on itself. People traveled. They contracted
marriage ties with neighboring communities. They went on pilgrimage. And the more daring ventured out of their valleys for trade or simply to see the world. Their travel was not easy. The mountains were not made for horses or the wheel. Men and women walked, and where the slopes were dangerously steep they built long flights of rock stairs. They carried on their backs anything they had to transport.

Most of these small communities produced the same crops. Trade, even barter, was limited. Each family in the community was almost self-sufficient. This suited the primitive communications system and molded an independent people. There is much that we do not know. Tibetan salt was an item for which people bartered grain. How this trade between the Tibetan salt mines and the villages of Nepal originated we do not know. Maize became a staple crop in the hills. We can tentatively place the introduction of maize in the early 18th century, but we do not actually know when maize was introduced, who introduced it, or how it spread. Money is another item of which we know little. We know villagers had money and used it. But apart from the area around Jumla, taxes were not assessed in money, and money appears to have been a rare commodity for which the self-sufficient householder had little real need.

Land was the central value in these communities. The whole of society was organized around land, not money. Land was productive. Money was not. To own or control land gave far greater status within the community than money-wealth. This explains the Nepalese hunger for land. It also explains in part the emergence of small principalities or mini-states.

At some point in the past, small states began to emerge in the Hills. We do not know how this happened. We know that many states existed in the Hills. We also know that although new states emerged and old ones disappeared, the people who had originally banded together to form a state tended to stay together and hold the same territory. Whether this resulted from the ethnic mix or some special geographic factor, we cannot say. Each of these mini-states included a cluster of farming communities with relatively easy access to one another and centering on a single capital town.

Villagers probably entered into political union to protect their land. The constant desire of farmers in the Hills to improve their landholdings led naturally to land disputes and the need for an authority to settle them. Local leaders emerged, and, as larger political units developed, local leaders became kings. Some of these kings were dynamic leaders.

Even a mini-state required a revenue system. Since money was rarely used, each householder was assessed a share of his crop to pay the cost of administration. Eventually the State's demands on each householder amounted to fifty per cent of the rice crop. Over a long period of time,
distinctions became blurred. From the king's right to allocate new land and decide land disputes, it followed logically and easily for the people – and the king – to consider all land as the king's land. Taxes, paid in grain, were the king's share of the crop. And those who farmed the land became tenants, holding their land as long as they paid the necessary rents, or taxes.

A class structure based on service also evolved. As the king's duties increased, he shared his burden with men he trusted. To reward them, the king assigned to each a share of the revenues. This he did in the simplest way possible. He assigned each of them one or more villages from which they collected the rents at harvest time. In effect, they became landlords. They held their positions entirely at the whim of the king, but the positions they held were status-rich, close to the king, and free from manual labor.

This right of a landlord to collect rents or taxes from land that he did not farm with his own hands became the wedge that distinguished the rich from the poor. A tenant's wealth was limited to the produce of the fields which he and his family farmed. No matter how much agricultural land was available, the tenant was limited to what his physical strength permitted him to do. The landlord suffered no such limitations. He could add as many new fields to his holdings as he wished and draw wealth from each of them. The only limit to his wealth was the availability of land and the king's willingness to assign it to him. Those who served the king saw clearly what this implied. Their wealth and status depended on their usefulness – and their loyalty – to the king.

A king could exercise almost complete control over his nobles by assigning or withholding land. Even so, his powers were restricted by the traditions that evolved in the state and by the revenue he could appropriate from the limited area of land farmed in his principality. A king who wanted to increase his revenues was obliged either to increase the area farmed or to bring new villages or states under his rule. Just as his nobles jostled with each other to win the king's favor, so the king was under steady pressure to acquire more land. This domestic pressure often led the king into conflict with his neighbors and to war.

Though a king often had reasons to expand his territories, the terrain did not always permit this. Nepal, as we have seen, is uncommonly fragmented by mountains, ridges and rivers. To expand his territories and to rule a larger state, the king had not only to conquer all or part of a neighboring state, but to control the passes and dominant hills that guarded his lines of communication as well. This was not easy, nor was it done once for all. Keeping such fragile lines of communication open to administer larger territories was a daily struggle. It was, in fact, much easier to acquire new territories than to keep them. In larger states, geography dictated that the
king use provincial governors. But this was dangerous. Any king who wished to bind his local governors to himself and hold his kingdom intact needed great strength of character, insight and leadership. None of these qualities is hereditary. Weak sons or grandson often succeeded strong kings on the throne. And when the king was weak, any governor ruling a remote area of the kingdom could, with sufficient local support, declare his independence and rule in his own name. It happened often. Kingdoms that grew by conquest tended to fall back to their original, easily defended borders. It seemed that Nepal was destined to remain as fragmented politically as it was geographically.

No one knows how many principalities there were in Nepal three hundred years ago. History has given us two names: the Baise Rajya (or Twenty-two Kingdoms) of the Karnali River basin in far-western Nepal and the Chaubise Rajya (the Twenty-four Kingdoms) of the Gandaki River basin in West Nepal.9 History has also given us lists of these kingdoms, but the lists are contradictory. The kingdoms named on these lists may not even have been contemporary. Perhaps Baise Rajya and Chaubise Rajya were generic names, indicating only that there were many kingdoms in the west and far west. Whatever the actual number of states, available accounts assure us that wars were common and that kings often succeeded in uniting several neighboring principalities into one larger kingdom.

Three times in the history of Nepal, a single principality grew into a sizable state and promised to provide some degree of unity. The first to do so were the Malla kings of Jumla in the far west.10 We find them mentioned as early as the tenth century. The western Mallas achieved their golden age in the third quarter of the fourteenth century, when they ruled parts of western Tibet, southern Kumaun and the whole of Nepal westward from Pokhara and south to Dullu. The collapse of the western Malla kingdom in the fourteenth century restored over thirty petty states to their former independence.11

Shortly after the decline of the western Mallas, the Sen kingdom grew in importance. The original Sen capital seems to have been at Makwanpur in central Nepal.12 When they reached their zenith in the first half of the fifteenth century, their kingdom extended along the southern slopes of the Mahabharat Lekh one hundred and fifty miles east and eighty miles west of Makwanpur. King Mukunda Sen, who established his capital at Palpa, also ended the Sen period of strength. After him the kingdom fragmented into six petty states. These in turn splintered into a dozen independent kingdoms. Even Makwanpur, the old nucleus, broke into three separate principalities.

While the Mallas of West Nepal were still growing in power, new vigor
stirred in the tired cities of Kathmandu Valley. Kings whom historians refer to simply as the Mallas – not related to the western Mallas – appeared on the Kathmandu scene. Nothing is known of their origins, which is remarkable because their kingdoms were destined to become the most famous of all Nepal’s mini-kingdoms.\(^\text{13}\)

The story of the Malla kings is at once noble and petty, proud and progressive. They are known less for their political and military skills than for the works of art they left behind in the great Darbar squares in Bhaktapur, Patan and Kathmandu. The intricate detail of the Lohan Chowk in the old Kathmandu Darbar, the startling statement made by the Golden Door of the Bhaktapur Darbar, the delicacy of the tracery in Patan’s Krishna Mandir and the finely carved window grilles found in ordinary houses in all three cities suggest a culture richer by far than anything known before in Nepal. This was the culture that produced A-ni-ko, the thirteenth century Nepalese who carried into Tibet the skills of his craft as both artist in bronze and architect. From Tibet A-ni-ko’s fame spread eastwards. Eventually he received an imperial summons to Peking to create works of art for the Emperor.

By the middle of the fifteenth century the Malla kingdom extended northward to the present border of Tibet and beyond. From east to west it measured perhaps forty or fifty miles. On the south, Malla Nepal marched with the borders of the Sen kingdom of Makwanpur. Actual administration of the kingdom lay in the hands of a strong nobility enjoying hereditary posts. Yaksha Malla was the last to rule the whole of this territory. After his death in 1482, nominal rule devolved on his sons as a group, since he either failed or refused to designate any one of them as his successor. For a few years these sons ruled Kathmandu, Patan and Bhaktapur jointly, but their effective power did not extend beyond the limits of Bhaktapur town. The administration of both Kathmandu and Patan continued to lie in the hands of nobles who ruled without concern for Yaksha Malla’s sons. In time, the most venturesome of Yaksha’s sons overpowered the nobles of Kathmandu and seized that principality as his personal fief. The split of the kingdom soon followed, and by the early seventeenth century there were three independent and rival kingdoms in Kathmandu Valley.

Surprisingly, the great achievements in art and architecture of the Malla period were still to come. If anything, the cultural vigor of the Malla kingdoms was enhanced by political division. Perhaps rivalry between the kings encouraged the great public expenditures that produced the magnificent temples we see in these cities today. This cultural vigor continued for another 150 years and produced not only beautiful public buildings but elaborate schemes to deliver safe drinking water to the cities, a rich
agricultural economy and a modest but important trade with Tibet. This achievement speaks as much for the skills and industry of the Newar people as it does for the dynasties that ruled them. But beyond doubt the Malla kings as a group fostered the arts and trade, literature and law, poetry and agriculture.¹⁴

Unfortunately the genius that produced this great society failed to inspire the Malla kings to meet the challenge of the world beyond their borders. They failed to protect their kingdoms when protection was needed. For over two hundred years the Malla kings struggled among themselves for control of the trade routes between Kathmandu Valley and Tibet. Their wars were brief fire-fights that left little lasting impression on the economy or the Newar way of life. The Malla kings had no fear of outside intervention. They knew, of course, that the Chaubise Rajyas lay to the west of the Valley, but they also knew that each of the Valley kingdoms was stronger by far than any of the Chaubise Rajyas. What they failed to see was the rapid change taking place among the Chaubise Rajyas. Rajput kings had begun to reign in West Nepal, and they were growing increasingly restive.

The Rajput kings of West Nepal are new to our story. To understand them we must go back several hundred years to the Hindu kingdom of Chittor in the Indian state of Rajputana. Chittor was staunchly Hindu and the courage of its warriors legendary. Their story, told and retold, has many variations.¹⁵ One tradition has it that a daughter of the king of Chittor, celebrated for her beauty, caught the eye of the Muslim king of Delhi. He asked for her in marriage, but she refused. In 1306 the spurned king lashed out in fury at Chittor, destroying king and capital. When the city fell, the women committed suicide to avoid disgrace. The surviving warriors lost all. In the years following their defeat small groups of Rajput warriors drifted across north India into Kumaun and Nepal in search of a secure refuge and a new home. Many settled in the kingdoms of the Chaubise Rajyas in West Nepal where they were welcomed and respected because of their Hindu faith and their fighting skills. Some intermarried with local women. A few secured trusted positions and rose in time to high rank in the service of their adopted states. As best they could, they provided for their Rajput followers and waited their opportunity. Sooner or later the royal line produced an ineffective heir to the throne. The Rajputs then usurped part or even the whole of the kingdom. To prevent kings they had dispossessed from regaining control, the self-appointed Rajput kings pushed aside the native nobility and gave pride of place and land grants to their own trusted Rajput companions. The task of winning the villagers' support was normally not difficult. Life scarcely changed for the common man under his new king. He farmed his land as before, and he paid his taxes as before. The
change in leadership, however, introduced a new ferment in the Hills. In the way of kings throughout history, the Rajput kings began to jostle and push for more living room, for better land, for a forest that provided timber, for control of a trade route or for a hillock that dominated the surrounding countryside.

Despite their restlessness, these Rajput kings saw danger in the constant shifting of forces. They had not succeeded in appropriating all the kingdoms of the Chaubise, and their survival depended on a delicate balance of power. To preserve that balance they developed a whole network of defensive alliances that successfully prevented any one state in the region from dominating the others.

Perhaps the most restless of the mini-states in the Gandaki Basin was Gorkha, which lay sandwiched between the Chaubise and the Malla kingdoms of Kathmandu. Gorkha was restless because it was among the poorest of the western kingdoms. Repeatedly the kings of Gorkha tried to improve their position, but the Rajput defensive alliances were strong. Gorkha's growth was limited to bits and pieces nibbled from the territories of neighboring states. In any case, it was pointless for the Gorkhalis to expand westward among the Chaubise. There was little wealth in the Western Hills. Real wealth lay to the east. The kingdoms of Kathmandu Valley were rich in fields and prosperous from trade. So to the east Gorkha turned. Despite its own narrow resource base, Gorkha thrust out towards the Valley of Kathmandu in a series of campaigns that changed the face of Nepal for all time, leaving no room for the petty quarrels of Mallas and Sens. and creating the new Nepalese nation.
Notes to Chapter One


1. Visitors to Nepal sometimes interpret this to mean there is no violence in Nepal and are shocked to find that individual Nepalese can be quite aggressive. As a nation, however, the Nepalese are peaceful, their respect for human life and values deep and abiding. There is violence in Nepal today, concentrated mostly in the cities or near them. Political instability has allowed young Nepalese to vent their resentment against a social system that seems to exclude them from the benefits they see as their right and their frustration at the slow pace of development. It is worrying, because the level of violence has escalated over the last thirty years. Despite this violence, the statement stands. Few countries enjoy the level of peace that Nepalese enjoy.

2. This low range of mountains is known by various names: the Siwalik Hills, the Chure Range, and, in Central Nepal, the Dundwa Range. The name Chure is used throughout for the sake of simplicity, regardless of local usage.

3. The reader will realize that this description of the evolution of living patterns in Hill communities is based on speculation. All the theories advanced are based on the time when rice and millet were introduced into Nepal. I assume that the growth of stable communities followed the spread of rice cultivation.

4. The self-sufficiency of these agricultural communities offers a great lesson to us today. We assume so often that rural society in Nepal is highly organized along traditional lines. This is true of individual communities, but between communities there are few linkages. Even within a single community each family prizes its independence and self-sufficiency. A family wants its own fields, its own draught animals, milk, curd and ghee from its own cows, its own homestead (with plenty of space between neighbors), and its own way of life within the social framework of the community. Agricultural extension services that do not recognize the need to bring people out of their strong individualism and draw them together into a community of purpose are in trouble. The same is true of rural development programs. Villages have their traditional ways of helping one another. Although there is much kindness in this service, there is a careful balance of help given and help received. In any new situation the family withdraws to consider the benefits and costs. Development often requires some new form of cooperation, and this demands some loss of individual freedom. Unless the villager is helped to understand the value to his family of this cooperation, his traditional urge to self-sufficiency will prompt him to take what he can from the project and go his individual way. Development, like the trees in the forests of Nepal, is sacrificed to the needs, large or small, of the individual.

5. The capitals were themselves only villages. Many of them are to this day only small farming communities. We find it difficult to imagine that once they were the homes of kings.
6. These states were remarkably stable in that they preserved their identities despite a constant shifting of power and boundaries. The aggressiveness came as much from Hindu tradition as from the desire for land. Hindu kings were expected to conquer the four directions, *Digvijaya*. This meant that, as far as strength and skill permitted, they should expand their territories. No one can say how greatly these petty kings of the Hills were influenced by this tradition. But the tradition was there and the constant shifting of boundaries was there. It seems there was some influence.

7. These were the *Bharadars*, those who shared the king's burden.

8. This assignment of land was called a *Jagir*. The government servant to whom it was assigned was called a *Jagirdar*.

9. In the literature, the area around Kathmandu Valley is always called central Nepal. The area around Pokhara is Western Nepal. West of Pokhara is the far west.

10. The conflicting versions of the Sen genealogy make it difficult to trace the rise of the Sen kings. Makwanpur seems to be the original seat of Sen power in Nepal. Some historians prefer to place it at Palpa, because Mukunda Sen built his palace there. Without more data than we have at the present, one choice is as valid as the other.

11. The Western Mallas had no known relationship with the Mallas of Kathmandu Valley.

12. We do not know precisely what caused the decline of the Western Mallas. Perhaps it was linked to the migration of the Rajputs into Nepal. See page 11.

13. From the end of the eighth century until the advent of the Malla kings of Kathmandu Valley in the thirteenth century almost nothing is known of the history of Kathmandu Valley.

14. The Newars are the major ethnic group in Kathmandu Valley. Over the centuries they have proved gifted in commerce. Wherever commercial opportunities have developed in Nepal, Newars have been quick to exploit them. Nothing is known of the Newars' origins as an ethnic group. In recent years some scholars have speculated that the Newars were not a distinct ethnic group. They suggest that in earlier times, when society in Kathmandu was far more open, *Newar* was a generic name for all the inhabitants of Kathmandu Valley, who blended over time into a unique society. Whatever the value of this discussion, the Newars are certainly a unique group now, with social and cultural attainments unmatched by any other group in Nepal.

15. Chittor was the fortified capital of the Ranas of Mewar. Its strength was renowned throughout Rajputana, and its fortifications enabled the Ranas to hold back Mohammadan invaders for centuries. It fell to Alauddin Khalji in 1306 and was recovered in 1311. It fell again in 1534 and again in 1568. Every time Chittor fell, the women, including the queens and their ladies in attendance, threw themselves into a huge fire-pit which was enkindled within the fortress, and thus immolated themselves, to their own great honor and to the disgrace of their menfolk. See S. Bhattacharya, *A Dictionary of Indian History*. 
Chapter Two
The Founder

The king of Gorkha who conquered Kathmandu Valley was Prithvi Narayan Shah. He became king of Gorkha in 1742, and two years later, at the age of twenty-four, he began the military campaigns that united Nepal. It took him twenty-five years to achieve his first objective, the conquest of Kathmandu Valley. During the next six years he conquered eastern Nepal as far as the Arun River and laid the foundations of modern Nepal so firmly that to this day he is revered as the founder of the nation.

Some foreign critics have found fault with Nepalese pride in Prithvi Narayan Shah’s conquests. They mourn the violence of the unification and the lost simplicity of the petty Hill states. They do not understand. The Nepalese, more than most, know that society without peace is meaningless. But they have also learned that peace has its own price, and those who would have it must be willing to pay. Nepalese pride in Prithvi Narayan Shah is based on their belief that he saved the Hills of Nepal from the violence of eighteenth century India.

At that time, the slow decay of the Moghul empire in India unleashed violent forces. Maintaining even the semblance of law and order became a daily struggle. The Mahrattas, from their Pune stronghold on the western ghats, swept across the plains of India. The whip-lash of their raids touched villages as far east as Arcot and Bengal and as far north as the outskirts of Delhi. The Mahrattas held princes to ransom, and their Chauth skimmed off the savings of the poor. The Moghuls had no strength to stop them. Then, from Afghanistan, Nadir Shah and Ahmad Shah swept down to take and sack Delhi. When they had finished, only the name of empire remained. Moghul governors in Hyderabad, Bengal, and Avadh became virtually autonomous. They also became targets for intrigue, conspiracy, attacks from their neighbors, and the continuing Mahratta raids.

This was the world of chaos that Clive and the East India Company mastered to become rulers of India. Clive was a boy of seventeen when Prithvi Narayan Shah became king, nineteen when Prithvi Narayan began his campaign, and came into prominence in 1751, seven years after Prithvi Narayan began the unification of Nepal. Though Clive’s story differs from ours, the two stories touch. When Prithvi Narayan Shah began his campaign, the East India Company was not yet the driving power in the subcontinent it would become. Even so, the campaign to unite Nepal seemed almost a race against time. While the Gorkhalis united the Hills,
EXPLANATION

Chief Kingdoms of the 17th Century
1. Kathmandu
2. Patan
3. Bhadgaon
4. Gorkha

Territorial extent of the Gorkhali Kingdom about 1769.

Maximum extent of Kingdom of Gorkha

Territories lost to the British as a result of the Anglo-Nepal War 1814-16

Based on Pradyumna Karen
the East India Company brought province after province in North India under their sway. Whether Clive posed a threat to Nepal or not, the Nepalese have always believed he did and that only Prithvi Narayan saved Nepal from the Company's steady encroachment.

Many Nepalese also believe that Prithvi Narayan Shah dreamed of a united Nepal from the first moment of his campaign. Historical records suggest that this was not the case. At the beginning of the campaign his intentions were more mercenary. Gorkha was poor, and Kathmandu Valley was rich. Gorkha's population was much larger than that of other Hill states, but Gorkha's farmland was of poor quality, and Gorkha had little trade. By contrast, Kathmandu Valley had the best farm land in the Hills, and the Tibet trade brought a steady flow of Tibetan silver into the treasuries of the Malla kings. In comparison with Gorkha, Kathmandu Valley was wealthy, as the splendors of the Valley still testify. This wealth was the lure that started Prithvi Narayan Shah on the road that led eventually to the unification of Nepal. He was a man of action, neither guided by — nor deceived by — a vague vision of the future. He built the future block by block with the materials at hand. In the beginning he was a king on the march, and Kathmandu was his only desire. At some point on his journey, however, he realized the importance of uniting the Hills, and by the end of his life he spoke of a unified Nepal as his 'garden of many flowers'. The thought grew as the kingdom grew, and the kingdom was painfully gained.

The real story of Prithvi Narayan Shah's campaign can easily be lost in the description of battles fought and won. In fact, the battles were far less important than the two decisions that shaped Prithvi Narayan Shah's kingdom and made it more lasting than that of the Western Mallas, that of the Sens, or that of the Mallas of Kathmandu Valley. Prithvi Narayan's first decision gave strength and motivation to his army, and this led eventually to the unification of Nepal. His second decision established a system flexible enough to govern territories as widely disparate as those of the Hills and the Tarai.

Prithvi Narayan's first decision was based on his own experience of the value Nepalese placed on land. As we saw in the first chapter of our story: Land was life. Land was security. Land was wealth and prestige. In Nepal, from time untold, the farmer worked the soil as tenant. The only alternative was a land assignment, which conferred whatever wealth and prestige the land could give. To have a land assignment, to control land, not work it — to have a Jagir — was the dream of every tenant. And this dream Prithvi Narayan fulfilled for everyone who helped in his campaign. To every man who served in his army, no matter how low his rank, he assigned a Jagir. Most assignments were small. But small or not they conferred instant
status. They also opened the door to a total reorganization of Nepalese society.

Prithvi Narayan promised *Jagirs* to his men, but he had no unassigned lands to give them. He could only point to the green fields of Kathmandu Valley and assure his men that once those lands belonged to Gorkha, the *Jagirs* would be theirs. To keep our perspective, it is useful to remember that in the Hindu world of the eighteenth century, war and the right to bear arms was a matter of caste and status. Prithvi Narayan’s campaign was against a military class, and the defeated lost their *Jagirs*. War rarely touched the farmers themselves. For the most part, these tenant farmers remained secure in their fields and in their homes. They lived as they had always done, sometimes inconvenienced by the movement of armies, sometimes burdened with the support of troops they might have wished elsewhere, yet always secure in the land. Prithvi Narayan Shah’s victory did not even change their tax burden. For the right to till the land, farmers continued to pay, as they had always done, one-half of their main crop.

It could have been no other way. The farmers’ security was based on the facts of economic life. The land was wealth, but without farmers, the land was sterile and without meaning. In these simple agricultural societies, the basic truth always returns. By and large the wealth of any Hill state depended on the harvest. There was little else. Even the simple weapons of the day were paid for by the produce of the fields. All depended on the farmer. He could be burdened with taxes, up to a point. He could be given extra labor to perform, up to a point. He could be pressed into temporary service, up to a point. But none of these could be permitted to hinder his work in the fields. War might sweep across the land, but it would leave the village farmers almost untouched. Only the armies fought, and the armies of the Hill kings were surprisingly small. We read with wonder tales in Indian history of enormous hordes led into battle. Not in Nepal. In the Hills an army of a thousand men was large. Those directly affected by war were relatively few. The nobility, the landed gentry, were affected most. They fought for what they possessed, because they possessed all.

Prithvi Narayan’s campaign began slowly and picked up momentum as the Gorkhali army developed into a fighting unit. The campaign to take Kathmandu Valley had three distinct phases.

The first phase lasted from 1744 to 1754. During these ten years, Prithvi Narayan cut the Valley’s trade links with Tibet. This deprived the Malla kings of their profit on the Tibet coinage trade and of customs duties on the Lhasa trade. In Bhaktapur and Patan the loss was not critical. New construction on public buildings was blocked for lack of funds. That is all. The effects were more serious in Kathmandu. Kathmandu was much the
Kathmandu Valley

Prithvi Narayan Shah’s Attack Route November 1745

To Kyrong

Nuwakot

Lamudanda

Dahachowk

Kirtipur

Patan

Sankhu

Bhaktapur

Pokhari

Bagmati River

0

10

Scale of Miles

N
most powerful of the three kingdoms. Leadership was good, and the army strong. On paper Kathmandu was more than a match for Gorkha. But Kathmandu depended on mercenary troops. Without the income from the Lhasa trade the king was forced to take money from the temple treasuries to pay his troops. The public reacted strongly to this, and the king was deposed. While Kathmandu floundered without leadership, Prithvi Narayan consolidated his military position and occupied the Malla lands north of Kathmandu Valley. With these lands, Prithvi Narayan provided Jagirs to those who fought for him and lured new recruits to strengthen his army.

In the second phase, the ten years from 1754 to 1764, Prithvi Narayan subjected the Valley to a tight economic blockade. His strategy was simple. Since the Gorkhalis were not effective against walled towns, and all the Valley's major towns were walled, Prithvi Narayan attacked the source of their strength, their trade with India. He reached around the Valley to the southeast and southwest to anchor his position in the mountains, then struck southward against the Sen kingdom of Makwanpur. The great fort of Makwanpur sat astride the main trade route from India with smaller forts at Sindhuli and Hariharpur dominating the remaining routes. The Gorkhalis took Makwanpur in August, 1762, and Sindhuli and Hariharpur later that year.

At this point the destinies of Nepal and North India became entangled. Mir Kasim, the Nawab of Bengal, was a close friend of the king of Makwanpur. Mir Kasim had bought his title from the East India Company, but the British gave him little power and no freedom. To fight for his independence, Mir Kasim had recruited an army. When Makwanpur called for aid, he decided to use his new army against the Gorkhalis to help his friend and test his army. The battle that followed had repercussions far beyond anything Mir Kasim expected. The Gorkhalis thrashed the Nawab's troops, drove them off and seized several hundred muskets.

These muskets were a great prize for the Gorkhalis. Though there were not nearly enough to equip the whole Gorkhali army, they gave the Gorkhalis an advantage against any Hill state. Until that time war in the Hills had been largely hand-to-hand combat. The bow and arrow had served as the common long-range weapon. The Gorkhalis' new muskets gave them the fire power they needed to strike effectively at walled towns. They still could not storm a town's walls effectively, but with their muskets the Gorkhalis could tighten their blockades and harass defenders on the walls. They tested their new weapons at the town of Kirtipur.

Kirtipur, sited on a low hill southwest of Kathmandu, had driven off the first Gorkhali attack in 1757 and the second in 1766. In the third attack in the autumn of 1766, the Gorkhalis used their new muskets to enforce a strict
blockade on the town. The siege dragged on until some of the defenders, discouraged by the tight blockade and Gorkhali sharpshooting, opened the town’s gates in the middle of the night and admitted the Gorkhalis.

The fall of Kirtipur panicked the Malla kings. They sent secretly to India to request aid from the East India Company. Since the Mallas were trading partners and the Gorkhalis were not, the British agreed to help. The Company’s officers, almost totally ignorant of Nepal, thought an army of a thousand men could make a quick dash to the Valley to save the Mallas. Incredibly, in 1767 this force crossed the Tarai during the malarial monsoon. They traveled without a supply train, expecting their Malla allies to provide them rations. In the face of the Gorkhali blockade of the Valley, the Mallas could do no such thing. The Gorkhalis had also stripped the villages along the British line of march, leaving the invaders nothing to forage. Sadly short of food, the Company’s troops struggled up the steep slopes of the Mahabharat range. There the Gorkhalis hit them with such force that barely a third of the expedition could be assembled when the survivors returned to India. Left on the field were almost 500 muskets which the Gorkhalis happily retrieved.6

The British attempt to intervene failed, and Prithvi Narayan was free to complete his conquest of the Valley. The tight Gorkhali economic blockade left the three cities of the Valley with no hope of outside help. Kathmandu fell almost without a fight in September, 1768. Patan surrendered a few weeks later. Prithvi Narayan paused briefly to organize the government of the two cities, then turned to Bhaktapur in November, 1769. Three days of sharp fighting took that city, and the long Gorkhali campaign to conquer the Valley ended.

During the twenty-five years of his campaign, Prithvi Narayan achieved far more than the conquest of the few hundred square miles of Kathmandu Valley. His troops had developed into a well-disciplined fighting unit, tough and well-equipped. The officers were good and their leadership accepted. The Gorkhali military machine was ready to move, fueled by the Hill man’s desire for land and the seemingly endless stretches that lie waiting. The army moved effortlessly eastwards, and by 1774 had extended Gorkhali rule to the eastern Hills and the eastern Tarai.

While the army fought in eastern Nepal, Prithvi Narayan concentrated on governing the conquered territories. He based his administration on four principles:

1. The power of the king to assign Jagirs was linked tightly with the power of the pajani:7
2. Each Jagir assignment was based on merit.
3. All administration was conducted by military officers.
4. Responsible officers were provided general guide lines for the conduct of government business and trusted to use their intelligence and common sense in applying these guide lines. Officers who failed to do so were removed from office at the pajani.

This system of government worked, but it required a strong monarch, sensitive to the needs of the people and prepared to use his strength to provide them good government.

Prithvi Narayan governed according to these principles and he governed well. His administration proved sufficiently flexible to accommodate peoples as diverse in culture and tradition as the Newars and the Tharus, the Sherpas and Brahmans, the people of the Hills and the people of the Tarai. The system provided a basis for union, not uniformity. To ensure harmony in this union and to make it possible, Prithvi Narayan demanded impartial justice in his courts, a life-style suited to Nepal’s economy, and a monetary system based on pure coins, whose fiduciary value was based on the silver they contained, not on the inscription and mark of the sovereign who issued them.

In foreign affairs Prithvi Narayan believed in peaceful and friendly relations with China and the East India Company, Nepal’s powerful neighbors. Friendliness did not include open borders. Prithvi Narayan closed Nepal to all foreign merchants. In religion, he was tolerant of all, but Hinduism was the religion of the State. As a Hindu king he recognized as his duty the promotion of law and order, justice in the courts and peace in the land. Most important of all, Prithvi Narayan considered his villagers, the farmers of Nepal, to be one of the two great supports of the nation, equal in importance to the army itself. A prosperous peasantry was for him a king’s greatest treasure.

Prithvi Narayan learned from experience that a king could only lead if he had the confidence of his officers. They had to see their king as impartial and just. Even more, the officers had to understand and believe in the king’s own vision of the State.

Enlarging the State’s boundaries alone could not build a nation. A nation required cultural, social and economic growth. The people of all the territories of the State had to be integrated into government and society. Merely siphoning off revenues from the conquered territories could not achieve this. Unless Prithvi Narayan offered them something more than the Jagir system, the people would live as they had always lived, and their world would remain as narrow as their isolated valleys. There would be no growth and no unity.

In place of the flabby and selfish belief that the State was a personal fief, a kingly possession to be disposed of at will, a new concept of State was
required. Such a concept had to reach beyond government as people had known it, even as the new boundaries of Nepal reached beyond the experience of anyone in the Hills – and certainly beyond the experience of tiny Gorkha.

When Prithvi Narayan first set foot on the road to Kathmandu, his men followed him because he promised Jagirs. They soon learned that Prithvi Narayan fulfilled his promises. From that day they were committed.

During the long years of the campaign, Prithvi Narayan’s vision outgrew this sharing of land in Jagirs. In 1746 Prithvi Narayan began to speak of the state as a rock; something apart from himself; something strong enough to build on. It was typical of Prithvi Narayan to use a strong, concrete term to express his vision. He spoke of it often and communicated it to his followers. Nothing can more clearly illustrate what this concept meant to Prithvi Narayan than his response in the 1770s to the demand of his own brothers for personal honors and provinces to rule in the newly won territories. Although earlier kings in Nepal had freely given such favors to sons and relatives, Prithvi Narayan absolutely refused. To him, a rock was not a rock when it was split. Men served the State to strengthen it, not smash it to fragments for personal gain. Still later, Prithvi Narayan’s vision grew, and he saw the State as more than a rock. In 1774 he spoke of Nepal as a garden in which all castes and groups and peoples lived together in harmony and peace. This was the ideal he worked to achieve.

Through his system of administration, Prithvi Narayan Shah began this integration of the people of Nepal into a nation. His was not a system in the normal sense of the word. He accepted, respected and worked with the regional cultural, social and fiscal institutions he found, no matter how disparate they seemed. He expected those he posted as district governors to do the same. They did so, because they believed in him and because they trusted him to treat them fairly and impartially in the pajani. This mutual confidence forged a link between the Center and the newly won territories that made a united Nepal possible.

When Prithvi Narayan Shah died in January 1775, the administration he had set in place was functioning and functioning well. Forty years later, during the Anglo-Nepal war, Nepal suffered its greatest single military setback at Almora in Kumaun. The British force that won this key battle comprised a handful of British officers and several thousand irregular troops recruited in Kumaun itself. Many of these Kumaoni troops had formerly served as irregulars with the Nepalese army. They had deserted the Nepalese and gone over to the British because Nepalese military administrators and Jagir holders in Kumaun had been unjust. They sold into slavery tenants who could not pay their taxes, and they imposed judicial
fines for frivolous offenses to increase the income from their *Jagirs*. This was the way Gorkhali rulers treated the very farmers whom Prithvi Narayan had called the king's storehouse. What had happened in Nepal?

Much of the answer lies in this simple chronology:

1775, January 10  Prithvi Narayan Shah died, succeeded on the throne by his eldest son, Pratap Singh Shah.

1775, July 22  King Pratap Singh Shah’s son Rana Bahadur Shah was born.


1794, April  King Rana Bahadur began to rule in his own name.

1797, October 1  King Rana Bahadur’s son Girban Yuddha was born.

1799, March 8  King Rana Bahadur Shah abdicated the throne in favor of his son Girban Yuddha, who was crowned this date *at the age of eighteen months*.

1816, November 20  King Girban Yuddha died of smallpox, *aged 19 years*. Succeeded on the throne by *his infant son* Rajendra Bikram.

An administrative system that drew its strength from a strong and resourceful king was ruled during thirty-two out of forty years by a minor. Rana Bahadur, the only king to reach his majority and rule directly during this period, abdicated abruptly at the age of twenty-three in favor of his own infant son.

During these formative years, when a king was needed who shared Prithvi Narayan’s strength and vision, Nepal was ruled by regents and a chief minister. Each in his or her own way was brilliant, but not one of them was a king. As monarch in a Hindu state, a king commanded the complete
respect and loyalty of his subjects. In Nepal, the king’s control over the land and the pajani gave him absolute power. A king could rule impartially, without obligation to anyone. Regents had no such stature. In order to govern, they required allies, and this dependence weakened the system. They were incapable of the impartiality that Prithvi Narayan Shah’s system demanded.
Notes to Chapter Two


1. Nadir Shah, the Emperor of Persia, took Delhi on March 20, 1739. After his troops suffered several attacks from the citizens of Delhi, Nadir Shah gave Delhi up to plunder till about eight in the evening. By that time 30,000 citizens of Delhi had been massacred and a great part of the city burned. He left Delhi on May 16, 1739, carrying with him the Kohinoor diamond, the famed Peacock throne and loot so rich that he remitted all taxes throughout Persia for three years. After the assassination of Nadir Shah in 1747, Ahmad Shah Abdali occupied the throne of Afghanistan. Between then and 1773 he invaded India eight times and crushed the Mahrattas in the Third Battle of Panipat in 1761.

2. Although not all the people of Nepal were Hindu, most of their rulers were.

3. This taking of money from the temple treasuries need not be interpreted badly. In an age where banks did not exist, the only places in Nepal that had large quantities of gold and silver besides the royal treasury were the temple treasuries. Though not a common practice, taking funds, or borrowing funds, from the temples was done in Nepal.

4. Taking Makwanpur was a point of honor for Prithvi Narayan, as well as a strategic military objective. He had a long-standing grudge against Digbandan Sen, the King of Makwanpur, dating from the time of his marriage to Digbandan Sen’s sister. The surest sign that Prithvi Narayan followed a definite strategy in his campaign to take the Valley was his long delay in settling with Makwanpur.

5. Sindhuli Garhi and Hariharpur Garhi.

6. The later consequences of the British raid were not so happy. On his retreat the leader of the Company’s expedition seized several districts in the Nepal Tarai which had belonged to Makwanpur and which Gorkha, the conqueror of Makwanpur, claimed. Warren Hastings sided with the Gorkhalis as long as he remained Governor General of the East India Company, but the grounds for dispute remained. In later years this last swipe by the Company’s 1767 expedition would provide the Company the excuse it sought for war with Nepal.

7. The pajani was an annual review of the performance of all government officials. On the basis of this review, officials were reassigned, promoted, transferred, or dismissed from office.

8. That Prithvi Narayan Shah had some animus against Christians has been a popular myth in Nepal, but a myth that cannot stand up to historical criticism. Despite a tight economic blockade, which was his solution to the final capture of Kathmandu, Patan and Bhaktapur, Prithvi Narayan provided the Capuchin Fathers
with special passes to come and go as they pleased through the blockade lines and to bring into the Valley with them whatever supplies they needed.

9. 'By the time that Lieutenant-Colonel Gardner was fairly established in the hills the greater part of the natives of Kumaon in the service of Nepal had deserted, and this loss it was quite impossible [for Nepal] to supply by new levies. The greatest source of weakness to the Gorkhali cause was the universal disaffection of the people of the country. Nothing could exceed the hatred which the tyranny and exactions of twenty-five years past had created, and no sooner had the British forces entered the hills than the inhabitants began to join our camp and bring in supplies of provisions for the troops. The same causes made it easy for us to obtain information regarding every movement of the enemy and gave us every facility for obtaining a knowledge of the localities of this country – a knowledge which in mountain warfare such as this, and in the absence of all trustworthy maps, was almost essential to success.' Edwin T. Atkinson, *The Himalayan Gazetteer* (Reprint), Cosmo Publications (Delhi, 1973), ii, part 2, p. 654.
Chapter Three
The Spoils of War

Prithvi Narayan Shah died in January, 1775. His eldest son and successor, Pratap Singh Shah, died on November 17, 1777, after ruling less than three years. Pratap Singh’s son, Rana Bahadur Shah, succeeded to the throne at the age of sixteen months. A system that depended on a strong king fell into the hands of an infant and was ruled for years by regents.

Unfortunately, the regency itself was strongly contested. The young Queen Mother, Rajendra Laxmi, and Prithvi Narayan’s equally young second son, Bahadur Shah, both claimed the regency. Both were competent, and both were decisive. They were also totally incompatible. They struggled for power, having none by right, and they sought support from every ally they could find. Their struggle lasted only nineteen months, but it split Nepal’s elite into factions and severely weakened the State.

Rajendra Laxmi became Regent first. Bahadur Shah was to assist her. Within six months the two had fallen out. Bahadur Shah insisted on continuing the Gorkhali military campaign. Rajendra Laxmi refused. Bahadur Shah then seized power, placed the Queen Mother in confinement, and sent the army towards the west. When his troops ran into trouble in 1779, Bahadur Shah had to leave the capital to assist them. Rajendra Laxmi then regained the regency and promptly exiled Bahadur Shah.

Her days as a prisoner had taught Rajendra Laxmi several lessons. She realized that, to hold onto power, she must satisfy Nepal’s military commanders and they wanted military campaigns. She also learned to distrust her commanders. During her regency, commanders of exceptional skill and merit went into exile or were recalled as she needed them. She won few friends but held onto power. In her short rule, she consolidated the Gorkhali conquest east of Kathmandu in both the Hills and the Tarai and then pressed west of Kathmandu to the Gandaki River. She died young, in July 1785, and Bahadur Shah was recalled from exile. As Regent, Bahadur Shah acted as had Rajendra Laxmi. He held no trust for her men and refused to work with them. Regardless of their competence, those who had been loyal to Rajendra Laxmi had to go.

Step by step, loyalty to a person replaced mutual confidence between ruler and administrators. Favoritism replaced impartiality. This was unfortunate, but not surprising. No Regent could claim the loyalty Nepalese traditionally paid to the Crown. Rajendra Laxmi and Bahadur Shah would have been foolhardy to employ officers they did not trust. Rewarding those who served them well seemed the surest way to secure loyalty. This was a
situation Prithvi Narayan Shah had not foreseen. His system had worked well because he could rely on loyalty and reward competence. Unfortunately, he could not guarantee that his successors would come to the throne as mature men who would enjoy the same relations with their officers that he had enjoyed.

Rajendra Laxmi and Bahadur Shah did the best they could. In an ideal world, both would have placed Nepal's welfare above personal considerations. Also, in an ideal world, both would have been more mature, not twenty-year old contestants for absolute power. Given the facts: that neither was king, that they were terribly young, and that they were unable to work together, the struggle for power was inevitable. The results were equally inevitable. As a stone thrown into a pond sends ripples to the end of the water's reach, so this conflict sent ripples right through Nepalese society. In Nepalese society, where family ties are close and joint families large, ripples became waves. Factions grew, and factions once born would not easily die.

Despite the cancer of factionalism that grew in the vitals of the State, the unification of the Hills under Gorkhali rule continued. Tenacious Chaubise defensive alliances had blocked Rajendra Laxmi when she attacked the Chaubise Rajyas west of Gorkha. Bahadur Shah was not so easily stopped. His years of exile had taught him the strengths and weaknesses of these alliances, and he had strong ideas for penetrating them. In 1786 he broke through the Chaubise line and then swept westwards to the Mahakali River and then beyond the Mahakali to Kumaun and Garhwal. By 1791 Nepal measured 600 miles from east to west, covered the whole of the Hills and much of the Tarai, and was still growing. Bahadur Shah needed every bit of this success. To gain the confidence of the Court, he had to assign Jagirs, grant promotions, and award Birtas, and for this he needed victories.

Bahadur Shah won his victories. Not even Prithvi Narayan Shah won more. He made promotions and created new posts in an army that grew from 3,000 to over 10,000 troops. He assigned Jagirs. And to some commanders he also granted Birta lands.

This way of winning the Court's support cost Bahadur Shah more than he could afford. The number and size of Jagirs and Birtas increased, but government revenues stagnated. Many territories newly united to Nepal paid practically nothing to the central treasury or to support the Nepalese army. Petty kings who had accepted Gorkha's sovereignty were allowed to continue to rule, provided they paid a few hundred rupees in annual tribute, assisted in the movement of supplies, and gave military support when requested. Two-thirds of the twenty-two kings in the Baise Rajyas had taken this course. They continued to rule and kept their land, while Bahadur Shah received only token payments.
Even the land annexed earlier produced little revenue. The Hills had been parcelled out in Jagirs, and large tracts of the Tarai had been assigned in Birta. It seemed impossible to Bahadur Shah, but his exhilarating campaign had contributed little to his resources. The lion's share of all revenues was required to support an army of 10,000 men: fifty percent of the main crop from almost the whole country, plus homestead taxes and other levies.

Bahadur Shah was obliged to search for funds. As early as 1787 he began to examine Birta land grants. He wanted to know who held Birta land, how much they held, and who had granted it. He found that many held land illegally. Some Birta owners occupied more land than their grants warranted. Others held land granted by defeated petty kings even after they had lost jurisdiction and had no right to make land grants. Bahadur Shah's financial position demanded tighter control over Birta land, but the offenders were men Bahadur Shah dared not alienate. To avoid domestic strife, Bahadur Shah prudently allowed the matter to rest.

Problems in revenue administration aggravated this weak financial position. District officers, uncertain of their future in a system that depended on personal loyalty rather than merit, had begun to manipulate accounts to provide for themselves. Once corruption entered the system, only superior communications and close supervision could uproot it. In Nepal's difficult terrain neither was possible.

To reduce tax leakage, Bahadur Shah replaced government paid tax collectors in the eastern Tarai with tax contractors (Ijaradars). Although Prithvi Narayan Shah had insisted that the injustices in such a system outweighed any possible advantage, Bahadur Shah gradually extended the experiment throughout the Tarai and into the Hills.

The Ijara system was bad economics and bad politics, but it appeared to offer many advantages. It was a straight contract system. A private individual received a contract to collect the revenue from a fixed area. In return, he guaranteed to pay to the government the amount specified in his contract. He earned a profit on his contract by collecting more from the tenants than he paid the government. The arrangement seemed satisfactory. The government got its revenues. The tax contractor earned a profit. And people paid their taxes. Two things conspired to turn this simple system into real exploitation of the farmers: the government's need for revenues, and the contractor's control of the district assigned to him. Over the next twenty years, the Ijara system developed the very characteristics that Prithvi Narayan Shah had warned against.

The Center tried to secure the highest possible financial return from each tax contract. In some areas the Center actually allowed contractors to bid against one another to secure tax collecting rights. That the winning
bid was often almost equal to the estimated revenue was a sign that contractors made their profit by squeezing more from the people than was legally authorized. It was also a sign that substantial profits were being made. The Center turned a blind eye. Revenue was needed and revenue was collected regardless of the cost to the farmers.

The Center aggravated the problem by placing financial demands on the contractor that went beyond the terms of his contract. For instance, the Center expected advance payment of a substantial part of the contracted sum. The contractor was also expected to pay the administrative costs of the revenue district. In some instances, the Center used tax contractors like government bankers by ordering them to pay bills or to disburse money. From the Center’s point of view, this seemed logical. In a day when money meant silver rupees and payment meant physically transporting the silver from one place to another, it was more convenient to send a letter and have payment made from resources on the spot. From the contractor’s point of view, these were unreasonable demands that had to be paid in advance from his own pocket. Tax collection took place at harvest time, not when the contract was awarded or when it suited the Darbar to pay a bill.

Inevitably, the tax contractor used his position to ensure a profit on his contract. His powers were broad. The contractor was entitled to the entire revenue from the area, except levies intended for the Darbar and judicial fines imposed for major offenses. He also had exclusive authority to appoint or dismiss any government official in the district. The Center consulted him before issuing any order that directly affected his district. His right to collect taxes in his district was absolute. The Center could not assign the right to collect even a new levy to any other party. No one in the district administration outranked him. Such was the tax contractor’s power, that the farmers had no one they might approach to protest excessive demands.

Bahadur Shah had reasons, of course, for demanding higher revenues. New additions were being made to the palace Prithvi Narayan had built in Kathmandu, and King Rana Bahadur’s personal expectations had to be satisfied. The King was growing up and his tastes were becoming more expensive. He was increasingly annoyed with the ‘pittance’ Bahadur Shah allowed him.

Bahadur Shah’s search for new resources led him eventually to re-examine the Tibetan coinage question. This was a complex question involving sovereignty and exchange rates. The Tibetans had no coins of their own. For more than 200 years they had used Malla coins, to the mutual advantage of Tibet and the Malla kingdoms. Though the coins were made of an alloy with a low silver content, they were well made and
everywhere in Tibet. After the conquest of Kathmandu Valley, Prithvi Narayan had introduced his own coins with the same face value as the Malla coins. The Tibetans accepted them and delighted in the purity of Prithvi Narayan's coins, but they continued to use Malla coins. This created an exchange problem. In real value Malla coins differed from Prithvi Narayan's coins by a ratio of two to one. Such a difference made trade difficult.

Obviously, an official exchange rate based on the value of the silver in the coins was needed. As early as 1774 Prithvi Narayan had tried to negotiate an acceptable exchange rate with Tibet. When he died, the issue remained unsolved. His son and successor, Pratap Singh, continued the negotiations. In September, 1775, a compromise treaty was signed that guaranteed the exclusive use of Nepalese coins in Tibet but avoided the question of an official exchange rate. The Nepalese accepted this as the best arrangement they could make at the time, but this did not solve the problem. Nepal's trade with Tibet continued to suffer, as did the government's revenues from export duties.

To solve the Tibetan coinage problem, Bahadur Shah suggested an exchange rate of two Malla coins for one Nepalese coin. This was the exchange rate he applied in Nepal. The Tibetans were reluctant to accept a fifty per cent devaluation of their coinage. Imports of metalware and other goods from Nepal would become twice as dear. They sidestepped the issue by insisting that Malla coins and Nepalese coins originated in Nepal, not Tibet. It was Nepal's responsibility to remove impure coins from circulation.

In 1788 Bahadur Shah abandoned negotiations and took direct action. His army invaded Tibet, and he secured, through the intervention of Chinese officers posted there, the exchange rate he wanted. He also demanded an annual tribute of 50,000 rupees, a sum which he suggested might be reduced later. The Tibetans agreed, paid the tribute the first year, and then asked for a reduction. Bahadur Shah rejected their request. The Dalai Lama then refused to pay anything. In retaliation, the Nepalese, sure of their military superiority and totally unimpressed with the Tibetan troops they had met, invaded Tibet again. They sacked Shigatse and the monastery at Tashilunpo, but there they were stopped. Steady pressure from the Tibetans forced the Nepalese to withdraw from Tibet. They crossed the Himalayas via Syartangpo with great hardship and returned through eastern Nepal to Kathmandu. There is no record of what happened to their loot.

The Chinese Emperor was outraged by this Nepalese invasion of Tibet. A strong Tibetan and Chinese army was assembled under excellent Chinese
leadership. During the monsoon season of 1792, this army drove through Kyrong and down the Trisuli valley towards Nuwakot and Kathmandu. Nepalese troops fought tenaciously, but the Chinese force pressed south, almost to Nuwakot. There the Nepalese defenses stiffened, and the Chinese advance stopped. Nature saved the day. The Nepalese held Nuwakot hill, where they were safe from the anopheles mosquito. The Chinese in the Trisuli valley below were forced to endure the mosquitoes. Ravaged by malaria, they agreed to discuss terms. Negotiations broke down when the Nepalese refused to allow the Chinese to move to higher, healthier ground during the negotiations. In desperation, the Chinese tried one more attack. They crossed the Betravati River on a narrow footbridge and swarmed up the northern slopes of Nuwakot hill. Nepalese troops let them come. When the Chinese attack was fully committed, the Nepalese struck. Logs and rocks were the weapons at hand, and the Nepalese sent them careening down the slope. The logs tore great holes in the Chinese line, and the rocks smashed everything and everyone in their path. The Chinese broke for cover. Columns of Nepalese troops lying in ambush then slashed into their flanks, and the retreat became a rout. Nepalese Khukuris took revenge for all the humiliations of a disheartening war. Nepalese troops drove the Chinese onto the bridge across the Betravati, but the bridge was too narrow to funnel them safely across. Many fell into the monsoon-swollen river and were swept away. Chinese officers, enraged and frustrated, slashed blindly at the fleeing troops to force them to turn and fight, but there was no fight left in them. The day was done, and the war ended on this dramatic note. The final treaty terms were still harsh for the Nepalese, but at least they had protected their capital and their pride.

The war taught many lessons. The Chinese learned the cost of fighting a trans-Himalayan war and never again threatened Nepal. The Nepalese learned not to aggravate the Chinese. Unfortunately, the Nepalese failed to learn a basic lesson of the war. The real drive of the Chinese army had come from Tibetan troops, not the Chinese. The Tibetans were far tougher and far more resilient than the Nepalese believed. Although they were a peaceful people and not inclined to war, the Tibetans were as stout an enemy as the Nepalese met anywhere. Failure to learn that lesson would cost the Nepalese dearly in later conflicts with Tibet.

In economic terms, the Tibet campaign cost the Nepalese more than the nation could afford to pay. The diplomatic complications were even more damaging. Bahadur Shah accepted an obligation to send a tribute mission to the Emperor of China every five years. In itself this meant little. All countries bordering on China sent tribute missions to China and did so happily. Tribute missions carried official gifts for the Emperor but were also
permitted to carry trade goods. The Chinese paid all expenses and transportation costs, even for trade goods. It was good business and, for many, the only way to gain access to the Beijing market. Later observers, however, focused on the symbolism of the tribute mission, which seemed to indicate political servitude. Only many years of serious research convinced the British that Nepal remained independent despite the quinquennial tribute mission. 

For Bahadur Shah, the Nepal-China war bore personal consequences. King Rana Bahadur had reached his majority. Shortly after the war, he set Bahadur Shah aside and began to rule directly. Though the King had long resented the personal control the Regent exercised over him, he would not have acted so decisively had the war turned out favorably. But Nepal had performed poorly, and Bahadur Shah's enemies in the Court strongly urged the young King to set the Regent aside. Not only had he led the nation into a dangerous war but at one point had even asked the East India Company for assistance. Any friendliness towards the British excited one faction in the Court beyond reason. In 1794 Bahadur Shah was removed from power. In February, 1797, he was imprisoned. He died in prison six months later, his death unexplained.

It was unfortunate for the people of Nepal that Bahadur Shah was removed from power just at that time. In the 1780s, Bahadur Shah had begun using tax contractors to collect taxes. In 1793 he reversed his decision and introduced a new and extremely important revenue settlement. The regulations he issued to govern this settlement:

1. Provided for the payment of the land tax in installments and prohibited collections above the prescribed rates;
2. Provided for the construction of irrigation facilities at government expense to extend the cultivated area;
3. Simplified the land tax assessment system by abolishing several additional levies;
4. Deputed officials to explain the new policy to Zamindars and tenants; and
5. Suspended the collection of arrears in revenue so that tenants might not face difficulties in cultivating their lands.

These regulations prescribed precisely what Nepal needed, a totally new approach to revenue collection. The timing was also excellent. Bahadur Shah's directive followed the British announcement of the Permanent Settlement in India. Though strongly criticized, the British Permanent Settlement provided tenants on the land far greater security than tenants had previously enjoyed in either India or Nepal. This became an important factor in the tug-of-war for tenants which Nepalese landowners and Indian
zamindars continually waged. The growth of agriculture in the Tarai (and most of the Center’s revenues) had depended on Nepal’s ability to attract tenants from India. Indian villagers had responded to Nepal’s attractive conditions of labor and had come to settle in the Nepal Tarai. By the 1790s, however, tax contractors had made their lives difficult. After the Permanent Settlement of 1793 in India, many were tempted to abandon Nepal and take advantage of the improved tenancy rights in India. Bahadur Shah’s reforms tried to counter that attraction. They could have done much more, if Bahadur Shah had been permitted to follow up his initiative.

Had King Rana Bahadur felt comfortable with Bahadur Shah, an interesting partnership might have developed, much to the benefit of Nepal. The King did not, and his complaints against Bahadur Shah were many. Since his real reasons for dismissing the Regent were personal, the two could never have worked together. Nepal was poorer for this, but factionalism had created unpleasant situations for all.

King Rana Bahadur ruled only a few years. He abdicated in 1799, and the confusion that followed his abdication hammered deeper into the rock of Prithvi Narayan’s State the crack that Rajendra Laxmi and Bahadur Shah had begun.
Notes to Chapter Three


1. Both Kumaun and Garhwal are now part of modern India.

2. Both *Jagirs* and *Birtas* were grants of land. A *Jagir* was granted to an individual for services still being rendered to the state. A *Birta* was given to an individual in recognition of past service to the state. Unlike *Jagirs*, which were linked with continued employment by the state, *Birta* grants were usually inheritable. They were also tax-free. *Birta* grants were given in reward for all sorts of service. The most significant *Birta* grantees were successful military commanders.

3. Many kings in the former mini-states had fled at the approach of the Gorkhalis. The Gorkhalis annexed their territories and considered that they had abdicated. Some still claimed legitimate jurisdiction.

4. ‘District’ as used in this chapter is not a technical term. It refers to any administrative offices outside Kathmandu.

5. Called the *Panch Kat*, a generic name for crimes whose punishment entailed the loss of life or limb or the confiscation of one's total property. See Stiller, ‘Hodgson on Justice,’ Regmi Research Series, October, 1984 to January, 1985.

6. On occasion Bahadur Shah’s government assigned a single contract to a single individual for the collection of one specific tax throughout the kingdom.

7. The King complained bitterly of this and used it as partial justification when he removed Bahadur Shah from power.

8. By contrast, the coins minted by Ranjit Malla, the last Malla king of Bhaktapur, were 58% silver, 42% base metal. The profit lay in the quantity of base metal in the alloy, since minted coins were exchanged for Tibetan silver on a weight-for-weight basis. One might wonder why Bahadur Shah did not mint debased coins for Tibet. When this was tried, the Tibetans objected. They wanted no more debased coins, but they would not agree to devalue the debased coins in circulation.

9. The Dalai Lama was justified in this refusal. His representative at the Treaty negotiations had signed the other clauses of the Treaty but refused to sign this tribute clause.

10. The Betravati is a tributary of the Trisuli River.

11. See Chapter Seven, pp. 89-90.

12. The most interesting study was that commissioned in 1912 by the India Office in London, ‘An Historical Note on Relations between Nepal and China,’ IOL, L/P&S/10/223.
13. When the Chinese seemed determined to invade Nepal, Bahadur Shah asked the Governor General for military assistance. The Chinese also wrote to the Governor General asking for assistance and requesting that no aid be given to Nepal. In keeping with British policy at the time, the Governor General stayed out of the conflict but offered to send a mediator. The war was over before he could send Captain Kirkpatrick. Bahadur Shah informed the Governor General that mediator was no longer required, but the Governor General replied that Kirkpatrick had completed his preparations and asked that he be allowed to come to Nepal. Kirkpatrick was in Nepal about six weeks and spent half of this time in the Hills. Since the Nepalese had tried to prevent the British from learning anything about the Hills, Kirkpatrick's visit was not popular. His report, later published, proves he was an excellent observer.
Chapter Four
Growth in Pain

When King Rana Bahadur dismissed Bahadur Shah and began to rule Nepal directly he was nineteen years old. The Court, as we have seen, was deeply divided by factions. The situation demanded an experienced leader, but King Rana Bahadur was still untried. As had Prithvi Narayan Shah before him, Rana Bahadur would have to win the confidence of his nobles. This would not be easy in a Court so divided. Certainly mere accession to power would not achieve it.

When he took power into his own hands, King Rana Bahadur found the treasury nearly empty. Revenue returns had been low for years, and the war with China had been expensive. An empty treasury was not a serious threat. Government employees were still being paid, their salaries derived entirely from assignments of Jagir land. The administration could function, and as long as the administration functioned, Nepal would be governed. Compared to Rana Bahadur’s need to balance factions and unite the Court under his leadership, an empty treasury was of small concern. But Rana Bahadur was not mature enough to realize this. He chose, as history has recorded, the immediate goal of increasing revenues, and this set the stage for the political drama of the next ten years.

To replenish his treasury, Rana Bahadur had two options. He could increase the rate of taxation, or he could re-possess land previously assigned to private individuals. Increasing taxes was not practical. The land from which Rana Bahadur derived revenue was located in the Tarai, where tenants were already restless. Rana Bahadur chose instead to re-possess land already assigned. But here again he had to choose. Large tracts of land in the Hills had been assigned in Jagirs. Other large tracts in the Tarai had been assigned as Birtas. Then there were smaller areas of good farmland called Bandha lands that previous governments had mortgaged to raise funds.¹

Jagir land supported the army and the administration. No reduction in these assignments was possible without a major change in Nepal’s fiscal system. Reducing Birta assignments was equally unattractive. Most Birta land was assigned to leading members of the Court, whose support Rana Bahadur needed. That left the land which the state had mortgaged. Rana Bahadur ordered the reappraisal of all Bandha land. When it was reported that Bandha land had tripled in value, Rana Bahadur appropriated two-thirds of most Bandha holdings, arguing that the land’s current value justified his action.
Rana Bahadur alienated many leading citizens by this expropriation of their Bandha land. At the time it was difficult to know whether this was a calculated statement of the way Rana Bahadur intended to rule or mere insensitivity to the political situation in the capital. Certainly the ease of the expropriation led him to underestimate his opposition. He made enemies at a time when he needed friends.

Rana Bahadur also ignored the reform of taxation schedules that Bahadur Shah had planned. The situation in the Tarai then became critical. Many Tarai farmers, wearied with excessive taxes, packed their few belongings and migrated to India, where tenancy conditions were more attractive. Rana Bahadur was dismayed. Tarai agriculture depended on these farmers, and his revenues came mostly from the Tarai. If these farmers abandoned the Tarai, their fields would lie fallow. In the sub-tropical Tarai, the jungle could reassert itself in a few years. He would lose revenue, and Tarai lands cleared with great difficulty would revert to jungle. To stem the tide of emigration, Rana Bahadur immediately did away with tax contractors in Morang, the key area of the Tarai. This was not enough. A system was needed that levied taxes at an acceptable level and encouraged the development of the local economy. Unless the system itself were reformed, the contract system would return. The sureness of revenues under the contract system blinded the administration to the fact that improved revenues depended on economic growth, not exploitative taxation. The needed reforms were already on paper, but Rana Bahadur ignored them and lost a golden opportunity to improve his own and the nation’s finances.

But Rana Bahadur suddenly lost interest in Nepal’s economic growth. Once his immediate financial needs were satisfied, he gave his total attention to more personal pursuits. Shortly after his Bandha reform, Rana Bahadur fell in love with a Brahman beauty, a widow named Kantavati. Although twice married, Ram Bahadur courted Kantavati openly and ardently. But Kantavati refused to marry Rana Bahadur, unless he promised to make their son, should she bear him one, king of Nepal. Rana Bahadur accepted this condition and married Kantavati.

Kantavati gave birth to a son, Girban Yuddha, on October 1, 1797. Shortly afterwards she fell desperately ill. Rana Bahadur tried all means in his power to restore her to health, but she continued to weaken. Close to death, she fretted that the king would forget his promise. To reassure her, on March 8, 1799, Rana Bahadur abdicated in favor of Girban Yuddha. His abdication was complete. He obliged every member of the Court to sign an oath to support King Girban Yuddha and sent formal notice of his own abdication and Girban Yuddha’s enthronement to the emperor of China and to the Governor General of the East India Company. Rana Bahadur then
devoted his full attention to Kantavati. When she died six months later, Rana Bahadur’s dream world came crashing down. This twenty-four year old ex-king had sacrificed everything for his beloved and had nothing to show for it but his own frustration.

Had affairs remained this way, all might yet have been well. But they did not. Rana Bahadur raged at men, Brahmans, and gods for taking his queen. His extravagant denunciation of the gods frightened the peaceful people of the city, and the cabinet took the infant king to Nuwakot for their own safety and for his. As the ex-king tried to rally support to himself, the cabinet determined that Rana Bahadur must be blocked at whatever cost from returning to power. Three separate centers of power then emerged in Nepal: the infant king and his cabinet at Nuwakot, Regent Queen Rajrajeshwari in Kathmandu, and ex-king Rana Bahadur in Patan. The Regent eventually joined Rana Bahadur, but the military remained loyal to King Girban Yuddha, whom they had sworn to obey. As more and more troops rallied to Girban Yuddha’s side (and the cabinet’s), Rana Bahadur abandoned Nepal and fled to Banaras. The Regent Queen accompanied him. The regency was left, almost as a bauble, to Rana Bahadur’s second queen, Subarna Prabha.

The story of the next few months is one of intrigue, confused patriotism, and unalloyed self-seeking. The British in India schemed to take the greatest possible advantage of Rana Bahadur’s exile. In Kathmandu, with a totally incompetent Regent in nominal control, the factions had at each other. At stake was the power of the pajani, the right to determine who would hold office and who would be assigned jagirs. There was violence in Kathmandu. Violence bred suspicion and unrest, and several members of the Court were murdered. Rumors in the capital branded Damodar Pandey, an outstanding personality, a member of the cabinet and a man of character, as the guilty party. He immediately resigned his post as senior minister until his name was cleared. The royal preceptor was more devious and also more active. He appeared in Banaras one day during this period to discuss a treaty with Captain Knox, the Governor General’s agent assigned to monitor ex-king Rana Bahadur’s actions and to try to convince him to support the British cause. When this more promising offer was made, neither Knox nor the Governor General stood on principles. Rana Bahadur was fobbed off with promises, while Knox went off to the Nepal border to negotiate a treaty with ex-king Rana Bahadur’s enemies.

The royal preceptor brought to the negotiations sheets of blank paper already signed with the royal seal. The intentions of the Court were clear. The controlling group of nobles in Kathmandu felt that Nepal would be far safer if the ex-king remained in Banaras. Kathmandu was too small to
accommodate at once an infant king, an inexperienced Regent, and a former, highly disgruntled king. In exchange for the British keeping Rana Bahadur in Banaras, they were willing to pay the ex-king an annual stipend of 60,000 rupees and to accept a British Resident in Kathmandu. The British were delighted. The Treaty of Friendship signed on October 1, 1801, promised a new era of cooperation between Nepal and the East India Company. But the high hopes of the Nepalese nobles and the British were misplaced. The treaty proved an absolute disaster.

Knox was appointed the first British Resident to Nepal. He was to be met at the Nepal border and escorted to Kathmandu by a Nepalese delegation. On the assigned day he went to the Nepal border, but intense politicking in Kathmandu had delayed the Nepalese delegates. When they finally arrived at the border, they treated Knox to a taste of politics Nepalese style. Clearly they had brought Kathmandu politics with them. In Knox’s presence they continued their animated negotiations over the distribution of power and patronage in Nepal. Among them was Damodar Pandey, still out of office but exonerated by this time from all blame in the political murders and apparently once again one of the most respected and powerful members of the Court.

The long delay at the border disturbed Knox. He was perceptive enough to realize that the delegates were using his presence to suggest that their negotiations had the support and approval of the East India Company, but short of abandoning his mission, he could do nothing to stop them.

In the midst of this politicking, Rajrajeshwari Devi also arrived on the border. She asked the Nepalese delegation to take her with them when they returned to Kathmandu. Her request proved far more political than anything they were discussing. Legally she was still Regent, but after her departure for Banaras, Rana Bahadur’s second wife, Subarna Prabha, had acted as Regent. Subarna Prabha was totally incompetent. The delegates knew they could easily manipulate her. They were not so sure about Rajrajeshwari. She was simple and determined. Perhaps she was also beyond manipulation. Were she to return to Kathmandu, the whole equation of power would need recalculating. She also represented risk. Coming from Rana Bahadur’s side, what forces did she really represent? The delegates refused to take the risk. They advised Rajrajeshwari to remain safely in India and then turned back to their negotiations. Damodar Pandey, who saw Rajrajeshwari’s plight as a human problem rather than a political maneuver, softened her disappointment as much as he could, but did not help her.

The delegation finally escorted Knox to Kathmandu, leaving Rajrajeshwari on the border. In Kathmandu, Knox presented his credentials and then
sat back to see what might happen. What happened was beyond his expectations. Ignoring all advice, Rajrajeshwari left the border and set out with her few attendants for Kathmandu. The acting Regent sent troops to stop her and to strip her tiny entourage of all male attendants. Apparently Subarna Prabha expected Rajrajeshwari to flounder helplessly where she was. But Rajrajeshwari continued on her way with a simple courage that touched the hearts of many. Subarna Prabha then sent more troops to block her passage and even asked Resident Knox to offer her a pension if she would return to India. Unable to move forward because of the troops blocking her way, Rajrajeshwari refused to yield an inch. The troops grew restless and uneasy. They were simple mountain men, shocked at this harsh treatment of a noble woman and unhappy with the duty given them. As the days wore on, the quiet courage of Rajrajeshwari completely won them over. They threw aside their orders, hoisted her sedan chair on their own shoulders, and carried her over the mountains into Kathmandu Valley.

When Rajrajeshwari reached the Valley, a distraught Subarna Prabha sent more troops, this time to block Rajrajeshwari’s entrance into the capital. To no avail. The troops promptly joined Rajrajeshwari. Subarna Prabha then fled from the palace, taking the young king to asylum in the temple of Pashupati Nath. Rajrajeshwari formally entered the palace and took her rightful place as Regent. Negotiations brought King Girban Yuddha back to the palace. And so matters stood. King Girban Yuddha reigned in Kathmandu. Rajrajeshwari ruled as Regent. Rana Bahadur remained in his Banaras exile. The situation had totally changed, and Captain Knox, the British Resident in the Court of Nepal, had to manage as best he could.

Knox was ill-chosen as a pioneer Resident. Stuffy and a bit taken by his own importance, Knox was unable to cope with petty frustrations. His reports suggest total isolation at Court. He evaluated poorly the little real information he received and reported hearsay, speculation, and gossip with equal emphasis. The one matter he sank his teeth into was the matter of Rana Bahadur’s stipend, and this proved his undoing.

By treaty, the Nepalese government had agreed to pay Rana Bahadur a monthly stipend of Rs. 5,000. To simplify this transaction, the Governor General advanced this amount to Rana Bahadur. Knox was to collect the Nepalese government’s payment in Kathmandu and use it to pay the costs of his Residency. When no payments were made by the end of the first year, Knox became insistent. Rajrajeshwari promptly promised a partial payment. The naive Knox accepted this promise at face value and believed his insistence had decided the issue. In fact, Rajrajeshwari could not even make a token payment. The Nepalese government could not raise that much cash.
Rs. 60,000 represented the total annual revenues of Nepal’s richest Tarai districts. Frustrated, angry, and feeling slightly foolish because he had already reported his success to the Governor General, Knox delivered an ultimatum. Unless paid by a fixed date, he would leave Nepal!

Knox’s threat struck a note of alarm in the Nepalese Court. If the Resident left, Rana Bahadur would return to Kathmandu, endangering all those who had agreed to the Treaty of Friendship. New and fervent promises to pay the stipend were made, but Knox felt bound to honor his own ultimatum. He left Nepal, despite all efforts to deter him, and submitted a discouraging report. The Governor General was so frustrated that he abrogated the treaty and informed Rana Bahadur he would be free after one month to proceed to Nepal if he wished.

Rana Bahadur returned to Kathmandu in March, 1804. He brought with him his debts to a Banaras merchant, a determination to rid himself of all those who had secured his detention in Banaras, and a new advisor, Bhim Sen Thapa. Damodar Pandey was one of the first to be put to death for plotting to keep Rana Bahadur in Banaras. The Pandey family then became the most embittered faction in Nepal. Rajrjeshwari Devi was packed off in disgrace to Helambu. Rana Bahadur himself, ex-king though he was, served as mentor to his seven-year-old son, King Girban Yuddha.

So ended Nepal’s first brief period of close connection with the British Raj. Many in the Court breathed a sigh of relief. Suspicion of the British lay deep, and Knox had done nothing to allay Nepalese fears. If anything, his imperious manner had deepened suspicion and fear of British motives. But now Knox was gone. The treaty abrogated. The parties that had supported it were dead. And Nepal could turn once again to westward expansion.

After a ten year hiatus, Nepal’s westward expansion was renewed in October, 1804. At that time Nepal’s western boundary lay along the Pindar River. To the west of the Pindar lay most of Garhwal, the Athara Thakurai, the Barha Thakurai, and Kangra, the great fortress that guarded the road north to Kashmir. This new western campaign created an immediate demand for more troops, and more troops required more Jagir land. To secure that land, Rana Bahadur and Bhim Sen Thapa resorted once again to the scrutiny of land grant documents. They found a rich harvest. There were invalid Birta grants, grants that covered only a fraction of the land actually claimed, and grants illegally held by descendants of the original grantees. They confiscated all the Birta land held invalidly or illegally. Those affected included some of the most influential men in the nation. They were outraged, but Rana Bahadur and Bhim Sen Thapa were not deterred.
The farmers were the ones who suffered. As always, the nobles who had lost a part of their land did not simplify their life-style. Increasingly, tenants were obliged to provide their landlords free meat, milk, firewood, and ghee or risk losing their tenancy rights. When the administration insisted that this exploitation of the villagers stop, landholders countered by demanding freedom to charge higher legal rents. They argued that the land could produce much more than it did and that restricting rents to half of the main crop only encouraged the tenants' idleness. They insisted that the tenants pay what the land was worth. Already under attack for appropriating Birta lands, the government yielded. Landholders were permitted to demand of their tenants a fixed annual rent, to be paid as the first charge against the crop. Tenants who refused to accept such a contract could be turned out in favor of those who would. Tenants had no choice but to agree to the higher rents. The land was their life. Rents went up, and the tenants paid more for the dubious privilege of eking out an even more precarious living.

For the first two years after his return from Banaras, possibly on the advice of Bhim Sen Thapa, Rana Bahadur's behavior was good. The year 1806 ended that. In the spring of that year Rana Bahadur, impatient with the fiction that he was merely his son's advisor, took the title of Mukhtiyar or chief minister. This set off alarm bells in the minds of those who had not forgotten or forgiven Rana Bahadur's past excesses. No one would ever know the ex-king's motive for taking the title Mukhtiyar. Within weeks he was assassinated, cut down by his half-brother Sher Bahadur. After the assassination, Bhim Sen Thapa seized control of the government and immediately put to death all his major opponents on the charge of conspiracy against the Crown. The charge was never substantiated, nor is there any record of a trial or the confessions required by Nepalese law. Sher Bahadur, who might have offered some information, had been killed on the spot. If there was a conspiracy, one wonders what its object might have been, how broad its net was intended to be, and who the leader was. Bhim Sen Thapa himself seems to have been the only one who profited. He installed Rana Bahadur's fifth wife, his own blood relative, as Regent for the nine-year old king, and he himself became chief minister. The Bhim Sen Thapa era began ominously in blood, foretelling, perhaps, the nature of its ending thirty-one years later.

By 1795 the conversion of Nepal's elite was complete. Whatever their motives during Prithvi Narayan Shah's time, they were now interested in prosperity for themselves and their families. Army Jagirs had provided a ladder for social and economic mobility. Now, since the days of the regents, politics had become a strong base for economic advance. Inevitably this led to conflict. Unless agriculture production increased, government revenues,
land rents, and all other perquisites based on agriculture would remain limited. In an agricultural society, the only way to increase the wealth of the elite was, ironically, to encourage farmers to increase their own wealth. A more rational system of rents and taxation was badly needed.

The reforms Bahadur Shah proposed in 1793 suggest that he had finally come to grips with the financial problem, but those reforms were never implemented. Once King Rana Bahadur took control of the State, nothing more was heard of them.
Notes to Chapter Four


1. Today governments issue bonds or sell treasury bills. In those days land was the enduring value. Government land was mortgaged to raise money. Although the government always maintained the fiction that it would redeem the mortgage, Bandha land remained with private owners, the closest thing to private landownership in Nepal at that time.

2. Traill did precisely this in Kumaun in 1816, and in a few years the economy there improved, as did State revenues. Unlike his Nepalese counterparts, Traill saw the efficient working of the revenue system as the whole purpose of administration. See Chapter Five, Note 14.


4. This sounds strange to us, but it seems to have been a common practice in Nepal. We can only assume the Royal Preceptor was indeed an envoy plenipotentiary.

5. The agreement that the British were to keep Rana Bahadur in Banaras, and the Nepal Government was to pay Rs. 60,000 annually for the ex-king’s maintenance was not actually included in the Treaty but incorporated in a clause appended to the Treaty.

6. The British had exotic ideas about the wealth that might be found in Nepal. Of the gold and silver they sought there was little, but the timber of the Nepal Tarai was almost equally sought for resin, pitch, and masts for ships, all invaluable to a merchant company whose ships had to sail the seas to India and return.

7. In Banaras, Rana Bahadur had treated Rajrajeshwari outrageously. She left him and set off for Nepal. Her determined journey back to Kathmandu in the face of all obstacles made her the catalyst in a process that destroyed the Treaty, returned Rana Bahadur to Kathmandu, roused the Governor General’s ire, and set in train events that led to war between Nepal and the Company. Quite an achievement for a woman considered quiet and reserved. This has suggested to many that the Queen actually carried Rana Bahadur’s colors, that since he was himself under British surveillance and could not go, he sent the Queen to fight for him. No evidence has ever been adduced to support this theory. The documents suggest that Rana Bahadur ill-treated his Queen and sold her jewels to reward a dancing girl and that Rajrajeshwari, acting on her own instincts, simply left him.

8. By contrast, the surgeon who accompanied Knox as a member of his team proved to be one of the finest observers ever to visit Nepal. He wrote originally
under his own name, Buchanan, and later under his mother’s maiden name, Hamilton. He is often referred to today as Buchanan-Hamilton.

9. Rana Bahadur called this a ‘trifling amount.’ But this trifling amount equalled half the Nepal Government’s revenues from the three most prosperous Tarai districts. Since most of the land in the Hills had been assigned in Jagir, this stipend was a costly trifle for Nepal to pay.

10. Bhim Sen Thapa was a middle-rank Nepal army officer who had accompanied Rana Bahadur to Banaras as commander of his bodyguard.

11. The end of the Knox mission actually hurt Nepal. The failure of the mission after so much planning soured the Governor General’s attitude towards Nepal. On the whole, Nepal’s relations with the Company had been good. Since the time of Prithvi Narayan Shah, Nepal had held large tracts in the Tarai for which they paid the British a nominal annual rent of a few elephants. In 1801, in the euphoria of the Treaty, the British had waived their rights to this annual rent. However, the Tarai remained unmapped and largely unknown to the Governor General as well as to the Court of Nepal, even though both parties laid claim to parts of it. Until 1801 this dangerous situation had been concealed by the legal fiction that Nepal rented the Tarai from the Company. In 1801, this fiction was set aside. Nepal now owned outright the lands it had rented at a nominal cost. The unresolved question was the actual extent of those lands. Granted goodwill on both sides, this could easily have been resolved. The failure of the Knox mission, however, planted in the Governor General’s mind deep suspicions of Nepal’s sincerity. As Nepal’s Army renewed their sweep westward through the Hills, the Governor General became increasingly aware of Nepal’s military power, and his suspicions turned into a determination to block Nepal’s growth.

12. Rana Bahadur’s personal extravagance added to the difficulty. Within months of his return, he had taken two more wives. This was understandable. Rana Bahadur was, after all, only 34 years old. Of his three previous wives, one was dead and another, Rajrajeshwari, had been exiled from the capital. Marriages of members of the royal family, however, were expensive. A special tax was levied on the whole population (Gaddi Mubarak) to help defray the costs.

13. Many Birta grants were valid only during the lifetime of the original grantee and were not inheritable.

14. Some classes of society have to this day not forgiven Bhim Sen Thapa for his part in this ‘infamous land-grab.’

15. Under the former Adhiya system, tenants divided their crop equally with their landlords, regardless of the size of the crop. Bad weather, landslides or erosion might damage crops or fields. Tenant and landlord shared equally in the loss, just as they shared equally in the fruits of a good year. Under the new system, landlords were assured of their rents in full, regardless of the tenant’s success or failures. Contracted rents also tended to be higher. The contracted rent was fixed for each field on the basis of the highest yield for that field during the previous three years. Where no records existed, the average yield of neighboring fields was taken as a basis for calculating the new contract rent.
16. Rana Bahadur Shah was assassinated on April 26, 1806, by Sher Bahadur Shahi, his half-brother. The assassination took place late at night, during Sher Bahadur’s trial for acts he had supposedly committed against the State while Rana Bahadur was in exile. After a particularly dangerous accusation, Sher Bahadur asked permission to drink tea because his throat was dry. Rana Bahadur taunted him about this but permitted it. Just then the attention of those present was distracted by the call of a jackal outside the house. At that moment Sher Bahadur drew his sword and cut the ex-king down.

17. Few official documents dealing with this conspiracy charge have come to light. Considering the wealth of available material dealing with contemporary events, one would have expected more. Perhaps scholars will yet discover documents that will clarify these issues. Until that day, the conspiracy charge raises more questions than it answers. Baburam Acharya has been merciless in his denunciation of Bhim Sen for this. See his *Samkshipta Vrittant*, pp. 119-26.
Chapter Five
The Anglo-Nepal War

On the day Bhim Sen Thapa seized control of Nepal, few could have realized the influence this man would have over the nation’s destiny. There was little by which to judge him, and what there was proved uninspiring. His background was mediocre. He had none of the experience expected of a leader, neither military nor administrative. He knew little of the economic conditions in village Nepal. Apart from an occasional visit to his home in Gorkha and his trip to Banaras with Rana Bahadur, he seems not to have traveled at all. No inspection tours are mentioned: no visits to the front. Unlike other great leaders in Nepal, he was neither a man of vision nor gifted with a sense of history. Uniquely among Nepal’s leaders, Bhim Sen Thapa was a political animal. More than most, he understood that in Nepal no man stands alone. Shrewd insight, patience, and cunning helped him sort out the tangled skeins of family ties and personal ambitions that united men and women in the pursuit of power. He played on hidden ambitions to manipulate whole coalitions and control the State. Few were pleased with him, but they seemed helpless to do more than whisper their displeasure in hidden corners.

Within weeks of Bhim Sen Thapa’s take-over, the Nepal army under the command of Kazi Amar Singh Thapa overran the Barha Thakurai west of Garhwal and clashed with Sansar Chand, the lord of Fort Kangra. This astonishing success silenced the mutterings of the Court. The Nepalese nobility suddenly saw dreams of military glory and national greatness. Beyond Kangra lay Kashmir. To strengthen his hold on the administration, Bhim Sen strained Nepal’s resources to the limit to support the campaign. Maintaining communications along the 500 mile supply line became a constant struggle. Mail runners and porters worked in relays around the clock to keep a steady stream of material and messages moving to the front. Small cannon, muskets, and gunpowder flowed from arsenals in Nepal to Kangra. Food supplies gathered from occupied areas closer to Kangra also passed from porter to porter along the Hulak trail. Not a Paisa was paid for all this labor. It was a labor tax all tenants paid in addition to the tax they paid in grain or cash. This drain on the energies of the people did not bother Bhim Sen Thapa at all. He exploited them without a qualm in pursuit of his goals.

For three long years Nepalese troops barricaded Sansar Chand in his great fort. Cut off from supplies and contact with the outside world and constantly harassed by Nepalese snipers, Sansar Chand finally agreed to
surrender but asked that his women first be allowed to leave in safety. Then, shamelessly disguised, Sansar Chand left the fort with the women under a flag of truce and went directly to ask Ranjit Singh of the Punjab for help. Ranjit Singh marched his troops into Fort Kangra on August 24, 1809, and made it his own. That ended Nepal’s westward expansion. Kazi Amar Singh Thapa fought and won several more minor battles, but Ranjit Singh was invincible in a fort such as Kangra.

Amar Singh then retraced his steps back across the Sutlej to the petty princedoms of the Barha Thakurai. During the long siege of Kangra, he had neglected this Cis-Sutlej area. He soon learned the cost of his neglect. The Barha Thakurai had grown restive. Though nominally under Nepalese rule, the more powerful princes had asked the East India Company for protection. Their request had been granted. British protection did not guarantee the British would defend the protected states, but it warned Kazi Amar Singh that the Company might intervene.

The Governor General had no desire to provoke a war with Nepal at this time, but he felt a warning was overdue. Nepal’s rapid expansion in the seven years since 1804 had marked Nepal as a state to be watched, and Nepal’s tight control of the trade routes between India and Tibet had irritated him. The Governor General’s advisers convinced him that the easiest way to curtail Nepal’s military power was to deny Nepal access to revenue from the rich farm land of the Tarai. Amar Singh’s efforts to bring the Cis-Sutlej princes back into line gave the Governor General a perfect opportunity to issue his warning. Nepal, he protested, had violated the Principle of Limitation.

No one had heard of the Principle of Limitation until the Governor General’s protest. It represented an arbitrary line the Governor General had drawn to delimit Nepal’s possessions. According to this principle, the Hills belonged to Nepal; the plains were British. Such a line of demarcation had no foundation. Nepal had a greater claim to most of the Tarai than the British, a claim the Governor General had sanctioned only ten years earlier. The British could claim validly only the Tarai region west of the Mahakali River, an area the Nepalese had never annexed and had not molested since 1794. To extend the Principle of Limitation to the whole sweep of the Himalayan plains was vintage British imperialism.

Bhim Sen understood the Governor General’s Principle of Limitation as the warning which it clearly was. Contemporary British authorities credited Bhim Sen as the only statesman in the subcontinent who truly understood the Company’s intentions and methods. Bhim Sen knew in fact that the British had built their position in India on the bold assertion of claims that gave them either a bargaining position or a pretext for later
military action. Forewarned, Bhim Sen began to prepare for the conflict he felt would surely come by patching together an alliance with the Mahrattas and the Sikhs. Both these Indian states had enough military strength to provide serious help against the British and were as alarmed as he by the Company’s record for money-grabbing, land-grabbing, and manipulation. In the way of the east, a strange alliance evolved. The Mahrattas agreed to join in the fray if the Nepalese resisted the British and a war followed. Ranjit Singh agreed to join the alliance provided the Mahrattas actually entered the war. It was a complicated arrangement, but if these three nations actually joined forces, they could reasonably challenge the Company.

Satisfied that this alliance was the best he could manage, Bhim Sen turned to a serious weakness inside Nepal. Tarai farmers were unhappy with high taxes and exploitation and might welcome the British. To give them some relief, Bhim Sen Thapa replaced the tax contractors in the Tarai with salaried government tax collectors. In the Hills, however, the revenue squeeze continued. By 1812 most tenants on Jagir lands paid rents under the contract system. They also spent more of their time in compulsory, unpaid labor. The production of arms and ammunition increased, and porters were enlisted to carry these supplies to Nepalese strong points throughout the whole reach of the country, from Ilam and Chainpur in the east to Almora, Dehra Dun, and Jaythak in the west.

The threat of war became real in 1812 when the Governor General tried to apply his Principle of Limitation to three dozen Tarai villages. Bhim Sen countered by proposing a joint border commission to decide the ownership of these villages on the spot. The Governor General accepted, and a commission was appointed. The commissioners had full powers to determine ownership of the villages, but they found no basis for a settlement. Both sides produced documents to prove their ownership of the disputed villages. When the commissioners examined the documents, however, they found them so confusing and contradictory that even local tradition could not clarify them. The situation clearly demanded compromise. Since Nepal’s concern was the continued right to farm the land, Bhim Sen offered to recognize the Company’s claim and pay a reasonable rent, provided Nepal could continue to farm the territory as zamindar.

The Governor General rejected Bhim Sen’s proposal precisely because he wanted to deny Nepal the revenues these villages produced. Instead, he chose to interpret Bhim Sen’s compromise as proof of the Company’s ownership. On his order, the Indian army took military possession of twenty-two Tarai villages in the spring of 1814. Police posts were established, and the way lay open to the complete British assimilation of the territory. Bhim Sen felt he had to act. To do nothing would amount to
Anglo-Nepal War 1814-16
British Forces Lines of Attack

TIBET

Nepal

Maximum extent of Nepal

Territories lost to British India in 1815

Based on Pradyumna Karen

Major General
Ochterlony
6000 men

Major General
Rollo Gillespie
4500 men
Detra Doon

Major General
John Sullivan Wood
5000 men

Major General
Marley
2000 men
Betwal

Major Letter
2000 men
to Kathmandu

East Kosi
accepting the British move as final. When the British withdrew their troops at the beginning of the monsoon, units of the Nepal army swept the Company’s police posts from the area. War was then inevitable, but the Governor General prudently waited for the monsoon to end before taking the field.\(^7\)

The Governor General spent the monsoon months evolving his strategy for the war. According to his final plan, the Company’s troops would launch simultaneous attacks at four key points along Nepal’s seven hundred mile southern border. To meet these attacks, he reasoned, the Nepalese would be forced to drain troops away from the Kathmandu sector. This would open the Bagmati valley and allow the main British force to strike directly at Kathmandu. The war would be over before the Nepalese could rally their defenses.\(^8\) It was a reasonable strategy, but one based on ignorance of Nepalese defensive tactics.

The Nepalese rarely moved troops from sector to sector. Their defense was almost static, based on small, interlocking hill forts manned by men and women who fought heroically by day and prowled the night like tigers. Bhim Sen Thapa knew that a defense of this sort would not beat off a determined British attack, but he expected it to slow the British long enough for the other members of his shaky anti-British alliance to enter the war. Bhim Sen waited in vain. Nothing came of his alliance. In the early months of the war, when the Nepalese were having it all their own way, neither Mahratta nor Sikh made a move. Ranjit Singh had agreed to join in the battle only if the Mahrattas joined, and the Mahrattas stayed safely at home.

For the first few months, the Nepalese forces indeed had it all their own way. The roll call of Nepalese successes matched almost point for point the British plan of battle.

Major General Rollo Gillespie led the British attack on the hastily built Nepalese defenses near Nala Pani in the hills above the town of Dehra. In the second attack on the first day of battle, October 31, 1814, a Nepalese marksman shot General Gillespie dead. That stopped the British offensive on this front until a new commander arrived. It took the British one month to snatch this tiny makeshift fort from the hands of a hundred or so Nepalese men and women. The British knew then they had a war on their hands such as they had not yet fought on the subcontinent.\(^9\)

Major General John Sullivan Wood’s attack on Butwal was even more dispiriting. The General hired a guide to lead his force through the jungle to the Nepalese fort. Mischievously the guide brought them out of the jungle right under the walls of the fort. Before the astonished General could react, Nepalese marksmen on the walls took a deadly toll of the British rank and file. The General panicked and ordered an immediate retreat. Though
heavily reinforced, he spent the rest of the war marching up and down the open Tarai, afraid to risk another incursion into the jungle.

The British finally captured Nala Pani on November 30, 1814. They then moved west through the Doon Valley to Nahan. Here, too, they found the town undefended. The Nepalese had set up their defenses on the heights north of Nahan. After the British occupied Nahan, they turned to the task of driving the Nepalese off the heights. To surprise the Nepalese, the first British units set out on the long climb up the slopes at midnight, December 25th. When the first troops crested the ridge at sunrise, they spotted a Nepalese patrol. They attacked immediately and ran directly into an ambush. Caught in a deadly cross fire, they fell reeling back towards their own lines with the Nepalese nipping at their heels. The British retreat became a rout, and the shattered first line came off the mountain and limped into camp before the last units had even set out for the attack. Many were not so lucky. They remained pinned down on the mountain throughout the day, and were saved only by the setting sun and blessed night.

The main British force, under the command of Major General Marley, was scheduled to thrust up the Bagmati valley towards Kathmandu. At dawn on January 1, 1815, Nepalese units surprised two of General Marley's outposts near Barhagarhi and left few survivors. General Marley was so distressed that he withdrew his forces and then deserted the camp without designating a commander or giving further orders.

Six weeks later, on February 17th, a column of 200 Nepalese reinforcements trekking to Jaythak were trapped by almost two thousand Indian irregulars serving under British officers. The Nepalese were ordered to throw down their weapons. As Hill men do, they discussed the matter, then erupted in an attack that smashed through the Indian lines and reached Jaythak safely. From that day, no Indian line of skirmishers would stand against a Nepalese charge.

By mid-February the Nepalese had done very well indeed. Of the four British commanders they had faced, Gillespie was dead, Marley had deserted, Wood was frightened into inactivity, and Martindell was practically incapacitated by over-cautiousness. In addition, the Nepalese had struck such terror into the Indian Sepoys that they were useless in battle unless accompanied by large numbers of European troops. The Nepalese had lost some ground, but they had also proved that the British could be beaten.

West of Nahan, Colonel, later Major General, Ochterlony, was matched against Kazi Amar Singh Thapa. Ochterlony had no illusions. No commander in the Nepal army was held in such respect as Amar Singh, and Ochterlony knew Amar Singh deserved that respect. But, if the Nepalese
believed Amar Singh invincible. Amar Singh’s defeat would totally demoralize them. That was what Ochterlony set out to achieve.

The Nepalese defense had bought time for Bhim Sen Thapa and tempted others to join the fray. Ranjit Singh began cautiously shifting his troops into position to the southwest of Nahan. Had he moved boldly, his force would have been tucked into position behind Ochterlony. But Ranjit was cautious. While he hesitated, Ochterlony broke through the Nepalese defense. Ranjit Singh then quietly withdrew, and the war was lost.

Ochterlony alone of all the British commanders had the wisdom to study the terrain, to respect the strength of even the simplest Nepalese fortifications, and to learn from the Nepalese. He saw that the Nepalese had based their defense on small forts that perfectly suited their purpose. Though the forts were small, they held the high ground and dominated the slopes. Each fort was supported by at least two other forts in an interlocking defense that defied an uphill attack. The secret of the Nepalese defense lay in the key forts that linked smaller outlying forts into the network. To break through this defense, Ochterlony had to rely on his superior numbers, the momentum of his attack, and his artillery. He used his strength superlatively. While his patrols denied the Nepalese access to fresh food supplies from the valley floor, his men occupied every bit of undefended land. Ochterlony then attacked one key fort at a time. He inched his cannon up mountain slopes until they reached a ridge overlooking the fort. A heavy cannonade forced the Nepalese to hug whatever cover they could find. After that, his men swept up the slopes to take the fort. For the British troops it was monotonous work. They spent days moving cannon up a ridge. Fired them for a few hours. Then began the process again. But they forged an ever-tightening circle of hammering cannon, against which the Nepalese had no defense.

While Ochterlony battered Kazi Amar Singh Thapa’s defenses, a tiny force of British irregulars two hundred miles to the east closed in on Almora. This British probe, not at all part of the original battle plan, found Nepal’s weakness: dissatisfied local leaders and dissatisfied tenant farmers. The burden of the Jagir system and military rule had fallen heavily on Kumaon. Judicial fines had been imposed for the most frivolous reasons to increase the Jagir holders’ income. Rents had been raised to the point where even subsistence farming was difficult. Tenants unable to pay their rents had been sold into slavery in India. Resentment led Kumaoni leaders like Harsha Dev Joshi to join the British probe. Tenants enlisted as irregular troops. And Kumaoni irregular troops serving the Nepalese quietly slipped away from their posts to join the British. Suddenly every trail and every secret of the Kumaon Hills was revealed. Nepalese reinforcements were turned back. Escape trails were blocked. The Nepalese fort at Almora was
isolated. After their long journey through the Kumaon Hills, British cannon came to rest at the gates of Almora, their muzzles trained at point-blank range. The helpless Nepalese surrendered on April 27, 1815.

The fall of Almora totally separated the far west from Nepal proper. Kathmandu could no longer reinforce or supply Garhwal, the Athara Thakurai, or the Barha Thakurai. In the Barha Thakurai Kazi Amar Singh Thapa was staring into the barrels of Ochterlony’s cannon. For days he had rejected with scorn Ochterlony’s demands that he surrender. He knew defense was no longer possible, but surrender meant a loss of face that he refused to accept. Ochterlony waited patiently. The menace of his cannon steadily eroded Amar Singh’s force, and each night he allowed more of Amar Singh’s men to slip quietly through his lines and disappear into the night. News of Almora’s surrender provided the excuse Amar Singh needed. Cut off from supplies, reinforcements, and even contact with Kathmandu, Kazi Amar Singh surrendered his last fort in Malaon on May 15, 1815. The war was over, and Nepal had lost. Only the extent of that loss remained to be determined.

Treaty negotiations began at the end of May and dragged on for half a year. The result was the Treaty of Sagauli. In a sense, the Treaty proved that the war had been an exercise in futility. The British fought the war to establish their right to the Nepal Tarai and so deprive Nepal of their Tarai revenues. Having established this by force of arms, the Governor General agreed in the Treaty to pay an annual stipend to the Nepalese officers who had lost their lands. The Treaty gave the British approximately one-third of Nepal’s total land area. Of this, the Governor General assigned the territory east of the Mechi River, Nepal’s present eastern boundary, to Sikkim. Nepal’s western Tarai he assigned to the Nawab of Avadh. The Cis-Sutlej states he returned to their native princes. The Company kept only Nepal’s central and eastern Tarai, Kumaon and Garhwal, not much to show for an expenditure of over twenty million rupees.

The Nepalese lost a great deal. They lost land they could not afford to lose. State finances had been tight before the war and now they would be even tighter. Nepalese pride also suffered. They had lost a war in their own Hills. They had always known that without cavalry they were vulnerable in the plains, but they had thought their Hills impregnable. Ochterlony had proved this was no longer true, and what Ochterlony had done other British officers could do as well. Given the Company’s superior resources, the British would always have an advantage over Nepal. This was a painful lesson, even as the 1792 China war had been, yet it had to be learned if Nepal was to remain independent. Whatever happened, Nepal must stand alone, without hope of assistance from Indian princes. Nepal’s experience had
shown what the British had long known: the Indian princes’ distrust of one another was far greater than their desire to drive the East India Company out of India. The lessons were clear for those willing to learn, but the struggle to master them would dominate Nepalese politics during the next thirty years.

The British also learned. At first hand they had experienced the incredible courage of the Nepalese. No force, British or Indian, had proved too great for the Nepalese to face. The Nepalese had not been able to stand against overwhelming artillery power, but against muskets or in hand-to-hand combat they could face anyone. Time after time the British had seen the Nepalese charge. They attacked with a fierce abandon against all odds, and they came incredibly fast, their Khukuries slashing at their foes. Few Indian troops dared stand against them. The Nepalese troops impressed the British more than any native troops the British had faced on the field of battle in India. Immediately after Amar Singh’s surrender at Malaon in 1815, the British began to enlist Nepalese into a force that became known as the British Gurkha Brigade. Some British officers thought so highly of their Gurkha troops that they considered the cost of the war a small price to pay for the birth of the Brigade.

The Nepalese elite failed to learn the lesson they most needed. They lost the war because they had stripped the farmers of Kumaon of even modest gains. In the years immediately after the war, the Company’s Commissioner in Kumaon and Garhwal demonstrated vividly what the Nepalese might have done. In a land ravaged by war, Commissioner Traill imposed modest taxes that farmers could comfortably afford to pay. As the vitality of the provinces returned, Traill gradually increased the tax burden. Economic life blossomed, and at the end of seven years tax revenues surpassed even the best years under Nepal’s military rule. A just tax carefully supervised worked economic wonders. In Nepal the lot of farmers deteriorated. While political leaders vied with one another for power and fortune, the poor became desperate. As they had borne the cost of the war, so they paid the price of peace and supported with their labors the politics of the elite. The meaning of Bharadar had indeed changed. The hers and tenants of Nepal were now the true Bharadars, those who carried the burden of the state.

This tale of exploitation is but half the story of the Nepali nation during these critical years. Another aspect of the story is positive, brief, and beautiful. Though the people of Kumaon had been oppressed during the fifteen years before the Anglo-Nepal war, their lot was no worse than that of farmers elsewhere in Nepal, nor were they by nature more restive or rebellious than the people of Jumla in western Nepal or Ilam in the east.
Between 1792 and 1816, life in Nepal proper had been every bit as hard as life in Kumaon. But when the full force of the East India Company's armies struck, there had been no defection in Nepal proper. Munitions were produced. Supplies were carried. And taxes and rents were paid. Not a single extant story speaks of a Nepalese betraying his fellow Nepalese by revealing to the British a secret path of access or point of vantage. Though the simple villagers understood little of the reasons for war, they knew their country was under attack, and they contributed magnificently. Without pay they manned the complete supply system that supported the front. They could have refused to work and returned to their farms. Who could have stopped them? But they did not. They shared in the common experience of hardship and danger. In the process these men and women of the Hills took their first hesitant steps as a nation. They also developed a lasting suspicion of India that Nepalese politicians from that day to this have learned to excite to arouse the people to their cause.
Notes to Chapter Five


1. Of all Nepalese leaders of the day, Bhim Sen Thapa was the most astute in foreign policy. In domestic politics he proved exceptionally nimble. Of economics he was totally ignorant. Bhim Sen’s clever manipulation of domestic politics combined with his ignorance of simple economics combined to bring the national economy almost to a halt.

2. From time immemorial, tenants in Nepal had been taxed up to a month’s labor each year. Traditionally this labor had been used during the off-periods of the agricultural year to construct public buildings, improve trails, and repair fortifications. During the Kangra campaign, and even more dramatically during the later war with the British, this labor was organized to produce and transport a continual flow of food and munitions to the front. This remarkable piece of organization and scheduling tantalizes Nepalese development planners today. Much is still done through popular participation and voluntary labor, but nothing compares in sustained effort or organization to this early 19th century achievement.

3. In 1801 the Governor General had waived the Company’s rights to rents traditionally paid by the Nepalese on substantial sections of Nepal’s central Tarai. That was at a time when the Company had great expectations from the *Treaty of Friendship* of 1801. After that treaty failed, the Governor General’s attitude changed, but a change in attitude could not change the facts.

4. Ranjit Singh had little love for Nepal’s most famous commander, Kazi Amar Singh Thapa, whom, as fate would have it, the Nepal Darbar chose as their agent to contact him. Ranjit’s concern over the rise of British power in India proved greater than his dislike of Amar Singh. Ranjit Singh reluctantly agreed.

5. Serving the government as unpaid porters was a standard service that tenant farmers were obliged to provide. Almost all the tasks connected with government arsenals were also performed by tenants as a part of their labor tax. The supply and transportation of saltpeter, firewood, charcoal, and metals could be done seasonally, but production work in the arsenals required a year-round scheduling of workers that imposed heavy demands on tenant farmers during the agricultural year.

6. Though the immediate question was the ownership of a handful of villages which Nepal could easily have yielded, any claim based on the *Principle of Limitation* argued for the legitimacy of the *Principle*, thus exposing the whole of the Tarai to British claim. Bhim Sen Thapa refused to consider this. Nepal could not survive as a nation without the Tarai. In an economy based on agriculture, the Tarai was the only truly surplus area in the country. The nation’s freely disposable
revenue, small as it was, came from there. In addition, many of the district governors in Nepal held land assignments in the Tarai. The loyalty of these men to the Center was the real bond of union in the Nepalese state, and their loyalty rested on the continued possession of their land assignments. The Tarai, then, was the glue that held the Nepalese state together, and to yield the Tarai was to surrender national unity. This Bhim Sen Thapa could not do. He rejected the *Principle of Limitation* and proposed instead a joint border commission to settle the dispute on the spot.

7. It was move and countermove, but the Nepalese had used violence, and the British dare not countenance violence from any native state, so tenuous was their hold on India at this time.

8. The five general areas selected for attack were: the Eastern Hills, the Sutlej area in the far west, the doon area below Garhwal, the Butwal area, and the Bagmati area.

9. After this battle, British troops set up a memorial at Kalanga in praise of Nepalese bravery.

10. Nepalese defenders had stacked rocks along the walls of their fortifications, to be hurled down on attackers climbing the slopes towards their fort. When cannon shot hit these rocks, bits and pieces of rock ricocheted around the fort like a deadly hail of shrapnel. Even the bravest hugged whatever cover he could find. There was no one to oppose the British troops when they finally stormed the fort.

11. The *Treaty of Sagauli* was signed on November 28, 1815, to be ratified by both governments within two weeks. Despite the assurance of the Nepalese negotiator that the Nepal Darbar would never agree, the British had insisted that the Treaty assign the whole Tarai to them. Whether the two-week time frame for Nepal’s ratification of the Treaty was unrealistically brief or, as Ochterlony thought, the Nepal Darbar deliberately delayed ratification until the monsoon made the Tarai unsuitable for military activity, Nepal did not meet the deadline. Ochterlony resumed the war in early February, 1816, moving up through the Chitawan Valley to Nepal’s vital fortress at Makwanpur. He learned on February 24th that the Nepal Government had ratified the Treaty, but he continued his operations in the belief that the Nepalese had to learn once for all that they had truly been defeated. A Nepalese error allowed Ochterlony to secure a foothold on the Makwanpur ridge February 28th, and by sheer military skill he held on against all Nepalese efforts to dislodge him. The morning of March 1st found Ochterlony’s guns dominating Makwanpur fort. On March 4th Ochterlony accepted the ratified *Treaty of Sagauli*, and the war was ended.

12. Within the year the Governor General cancelled the stipend and returned to Nepal the major part of the Tarai. The Governor General had finally realized that Nepal could not survive without the Tarai, and the border would never be secure if he tried to keep it. He was helped to this decision by some masterful statecraft from Bhim Sen Thapa, who realized only after the war that the Governor General actually wanted not more land but a secure border. In protracted negotiations, Bhim
Sen was able to assure the Governor General that in the future the border would be secure and, on this basis, an extensive area of the Tarai was returned to Nepal.

13. In the provinces of Garhwal and Kumaun the Nepalese had followed the usual policy of assigning *Jagirs*. Initially, military demands, both legal and illegal, were so great that many people fled the provinces. Many others who failed to pay their taxes were sold into slavery. Later, through the direct intervention of the Center, a more equitable assessment was made. Enforcing this assessment, however, proved beyond the powers of the Center, and it was quietly forgotten. Each officer tried to harvest the maximum from his *Jagir*. Each year there was less to be gleaned. Revenues fell off. The land and people were impoverished.

14. There were four elements that made economic growth possible in Kumaun and Garhwal. First, the British Commissioner had complete control over all aspects of revenue assessment and administration. Secondly, because he had control and because he was on the spot, he could grant immediate remissions in case of personal disaster or natural calamity. Thirdly, tax assessment was based on actual production, not on assumed productivity. Lastly, all petty impositions and taxes that hampered trade were removed. By contrast the Nepalese *Jagir* system deprived the Government of revenues it needed and, by giving the *Jagir* holder the right to appropriate most judicial fines and other taxes, encouraged him to multiply these exactions. The *Jagir* system had paid the costs of Nepal's unification, but by 1816 it had become more a burden than a help. The system had become so rooted, however, that it would be many a year before King or Prime Minister would dare to change it.
Chapter Six
Postwar Stagnation

Nepal lost the war of 1814-16 and had to pay heavily for challenging the British Lion. The Treaty of Sagauli destroyed in a few terse sentences a way of life many in Nepal had long accepted as their right. The army as an ever-expanding field of opportunity was a thing of the past. Those who had believed there were always new fields to conquer now faced a smaller, tighter world. British India hemmed them in to the south, the east, and the west. The Chinese held the north. For Nepal there were no new lands to conquer. No new regiments would be formed. No new Jagirs awarded.

After seventy years of growth, Nepal’s survival as a nation came into question. The unity of the nation had always been fragile. The Center had never encouraged the people of different regions to interact but had depended on the loyalty of provincial Governors to hold the nation together. Now, without their rich Jagirs in the Tarai, one could ask in good faith how long that loyalty would remain. Certainly Nepal’s elite asked that question, and they feared for Nepal’s survival.

True, the Governor General had promised in the treaty to pay stipends totaling 200,000 rupees a year to these administrators. This was far more cash than their Tarai lands had ever produced, but cash was not the question. The land would be lost, and by accepting the stipends the provincial Governors would become pensioners of the British Raj. This would never do. To his credit, Bhim Sen realized that this jerry-built arrangement was also unacceptable to the British. It was bad bookkeeping and bad foreign policy.

It took the Governor General less than three months to realize that he had not achieved what he most desired. The border was no more secure after the war than it had been before. Quite the contrary. The Nepalese argued that the loss of the Tarai forced them into an impossible position. If this proved true, the Nepalese might well resort to raiding into the plains of India, and stipends would not stop them. Though he might strike back and retaliate, the Governor General knew he could not patrol 700 miles of border. His stipends served no purpose, nor could he safely report to London an annual debit of two hundred thousand rupees in a vain effort to buy peace on the border. Three months after the ratified treaty was in his hands, the Governor General offered to return to Nepal a narrow strip of the Tarai so that Nepal could pay its own administrators and he could restore sanity to his bookkeeping.

The Governor General did not propose to restore enough land to satisfy
Nepal's needs, but Bhim Sen studied his offer carefully. He realized that what the Governor General really wanted was security, not land. Bhim Sen acted on this insight and won the lasting gratitude of all Nepalese. In his counter proposal, he promised the Governor General a secure border, but asked that the new border line be drawn much farther south than the Governor General had suggested. Bhim Sen's proposal gave the Governor General exactly what he wanted: a secure border, well demarcated. He accepted gladly. The cost was a few square miles of uncharted land. He never regretted the deal he made with Bhim Sen. Nor did Nepal. That land is today the most valuable agricultural land in Nepal.

Bhim Sen's diplomatic success in regaining much of the Tarai gave the Nepalese and their Minister a chance to adjust to their changed world. The history of the next 150 years in Nepal would largely be a story of that adjustment. Nepal's leaders would have to find something to replace the army as a means of social mobility, make the Tarai produce crops and revenue, and protect by diplomatic insight and flexibility the independence the Nepalese had preserved despite their loss in 1816.

Bhim Sen Thapa survived as Chief Minister because sheer stubbornness paralyzed his political enemies. They refused to admit the finality of defeat and wasted their energies searching for the means to renew the war. But the Tarai negotiations had forced Bhim Sen to act decisively and committed him to safeguard the border.

To preempt the loyalties of the army from irresponsible warmongers, Bhim Sen made the most critical decision of his career. The army had been a favored class in the past. Despite Nepal's loss of land and resources, they would continue to be a favored class. His new platform was simple: Use every resource to build up army morale. Encourage men and officers to beat their drums against the British. But let not a single soldier cross the border.

Bhim Sen was consistent. The army's main complaint was the level of Jagir rents. In 1812 contract rents had replaced fixed-share tenancy on Jagir lands. The army got its share off the top, regardless of natural disasters, poor rainfall, or crop failure. Jagir holders had believed they could increase rents by encouraging villagers to bid against each other for tenancy contracts. Their tenants, however, proved more clever than they. In many places villagers simply refused to bid against one another. Since land could traditionally be given on tenure only to members of the village where the land was found, Jagir holders were stymied. The 1812 ruling that landlords could give the land to those who agreed to higher rents and evict tenants who refused had no meaning in the face of village solidarity. In December, 1816, Bhim Sen ruled that members of any village who acted in
concert to hold rents down would no longer have first claim on the land. *Jagir* holders could then freely allot land to tenants from other villages.

While he pushed through higher rents in the Hills, Bhim Sen faced a totally different problem in the Tarai. The British had disrupted Tarai tax collection. When they withdrew in December, 1816, many local tax collectors (*Chaudharies*) chose to go with them and took along their tax records. Without these records, the Nepalese government had no way of knowing who had paid taxes, how much had been paid, or who held tenancy rights on individual holdings. In that confusion no contractor cared to bid for tax contracts. New revenue surveys had to be made, and until they were completed the administration relied on government-paid tax collectors. Demarcation of the Nepal-India border was not completed until February, 1818. The assessment surveys were completed two years later. In 1820 Tarai tax collection was once again given on contract as it had been before the war. Although the tax contract system encouraged exploitation, Bhim Sen preferred it. Revenues were more secure, and he thought routine investigations could control the tax contractors.

Bhim Sen Thapa’s determination to provide for the army was not limited to maintaining the level of *Jagir* incomes. He continued to manufacture rifles and gunpowder in Nepal’s arsenals as if the war had not ended. He also wanted to build a proper military barracks in Kathmandu. At that time the Kathmandu garrison were obliged to find shelter for themselves. Bhim Sen thought a barracks would restore army morale and also rebuild army discipline. In 1821 he began to acquire land at *Mala Tar* in Chhauni. Almost immediately he experienced difficulty. The land at *Mala Tar* was private land, legally purchased and conveniently located for those who owned it. Bhim Sen offered to compensate landowners by assigning them new lands elsewhere, but resistance forced him to shelve his project.

Bhim Sen was not blind to the problems a peacetime army presented. Financially, the army was dead weight. Inactivity also took the edge off the troops’ military skills. To solve both problems, he needed a war or any good substitute for war. In 1824, when the Anglo-Burmese war broke out, Bhim Sen immediately offered the British military support. Many Nepalese officers strongly disagreed. To them, the British were still the enemy, and Bhim Sen’s offer smacked of collaboration. When the British attack in Rangoon stalled, they insisted the time was ripe to cross into India to regain the lands Nepal had lost.

Even military pressure could not convince Bhim Sen to change his determination to guarantee the Governor General a secure border. He feared only that local commanders might act independently. Palpa, well manned and close to the Indian border, was a case in point. The Governor
and military commander there, Uzzir Singh Thapa, was Bhim Sen’s brother. Uzzir Singh was outspoken, adventuresome and popular, an excellent commander, and a strong leader who believed the time had come to stop beating drums and actually strike at the British. Bhim Sen replaced him. When the army reacted strongly to this transfer, Bhim Sen immediately resumed the Chhauni barracks project. Luckily for Bhim Sen, the ploy worked. Military opposition softened. It died altogether when the British gained the upper hand in Burma. No Nepalese troops crossed the border into India.

When the Resident complained in 1825 of Nepalese civilian incursions into the Indian border areas of Saran, Tirhut, and Bettiah, Bhim Sen Thapa decreed that any Nepalese who crossed the border to settle personally a real or imagined wrong would suffer confiscation of his goods and imprisonment. The following year he appointed special border inspectors to prevent any encroachment on British Indian territories. In appreciation, the Governor General withdrew the superintendents he had maintained on the border since its demarcation. The border had at last been desensitized, and Bhim Sen’s credit with the Governor General was firmly established. In years to come, British Residents would find it difficult to convince the Governor General that Nepal had military intentions towards India.

The support that Bhim Sen gave the army was expensive, and Nepal’s tenants paid the bill. So oppressed were tenant farmers throughout Nepal that many chose to abandon their fields. Bhim Sen ruled that land could not be abandoned. Tenants must pay the rents due on their fields whether they farmed them or not. By a single stroke he made the system more feudal, binding the farmer firmly to his village and to his fields. Bhim Sen justified all this by his belief that unity was achieved by binding the elite together at the top. The elite then, each through his own network of family, social, and political contacts, bound those below into a pyramid of national unity. The result, unfortunately, was economic stagnation, and a potentially prosperous agricultural nation was reduced to poverty.

Too much attention was being given to the elite. The concept of Jagirs, which had been so liberating in Prithvi Narayan Shah’s time, had become a trap. In fact, this preoccupancy with Jagirs had distracted the administration from developing a revenue system. One could understand the rationale of accepting the tax arrangements already existing in each mini-state in the heat of the unification campaign. Government officers had time only to accept the tax payments made by traditional tax collectors and see to it that the totals did not decline. There was no concern for actual productivity. Tax records were practically non-existent. Tax contractors kept personal records of payments received and the amounts due from each
tenant, but government records reflected only the amounts tax contractors paid the government.

The problem was a lack of new ideas and fresh approaches at the top. By 1824 Bhim Sen Thapa had been the Chief Minister of the country for eighteen uninterrupted years. During that time not one man in his immediate circle of advisers had been changed. Nowhere was this inertia more apparent than in revenue administration. While Bhim Sen Thapa fenced with the British Resident and the army chafed at the curbs the Minister put on them, revenue administration plodded its weary way. More imaginative policies in Kumaon had by this time restored vigor to Kumaon's economic life. In Nepal the story of one year was a dreary re-run of previous years. The administration authorized repeated increases in rents (and taxes), while the villagers in their time-honored fashion delayed, complained, and put off their tax collectors with partial payments. Arrears in tax payments built up steadily, a sure sign that the system needed overhaul.5

The first glimmer of change came in the Tarai in 1828. Whole districts in the Tarai had been made over to tax contractors for administration as well as tax collection. The contractors relied on sub-contractors (Chaudharies) to make the actual collections. They held their Chaudharies on a short leash: granting them only one-year subcontracts; replacing them on short notice (at times even before they had regained their investment) and increasing the rates Chaudharies paid for contracts without regard for either farm production or productivity. By 1828, the Chaudharies had had enough. They asked the Center to appoint them directly for five-year periods. If their petition were granted, they promised to raise more money for the state at less cost to the farmers. Bhim Sen accepted their offer and made the appointments. By 1830, within two years, the experiment had proved so successful that district tax contracts became a thing of the past. Contracts with local Chaudharies were renewed almost automatically in 1833. This revolt of the petty tax collectors was a minor, almost sordid, thing. As a symptom, it has value for our story.

The demise of district tax contractors brought the administration a simpler tax structure and a problem. The contractors had been strong, influential men, a special breed. Their initiative had developed much of the Tarai. They had also exercised more complete control over their districts than anyone in government. Eliminating them revealed the weakness of district administration. District officials had no function other than the maintenance of law and order.

In return for their taxes, villagers received practically no services from the government. For the administration of justice, the state employed only
two judges (*Bicharis*) for the Hills east of Kathmandu and two more for the western Hills, four men for the whole Hill region of Nepal. At the local level, on Jagir lands justice was in the hands of the *Jagir* holder or his representative. In other areas the tax collector administered justice. In theory, the people had the right of appeal, but the difficulties involved and costs made an appeal impractical. Courts kept few written records. Appeal meant that witnesses and principals had to travel to a regional judge or to Kathmandu to try their case. Even more discouraging was the plight of the courts themselves. Hindu law, the basic law of the land, drew its strength from an intelligent combination of Hindu principles and local tradition. Justice under Hindu law presumed the presence in court of men learned in the *Shastras* and able to interpret them in local conditions. At that time in Nepal, with the sole exception of the highest courts of the land, those who administered justice knew little of either. Tax collectors and *Jagir* holders administered justice, not because they knew the right and wrong of the law, but because judicial fines were a form of revenue to which they were entitled.

The revolt of the *Tarai Chaudharies* brought government closer to the people. The central administration began to issue revenue contracts in the Hills to the headmen of villages, called *Mukhiyas*, rather than to tax contractors responsible for large areas. *Jagir* holders often followed suit. The practice had surprising consequences. Some villages actually offered to pay higher taxes or rents if the village revenue contract were given to their headman and not to an outsider. There were also instances where the administration overruled *Jagir* holders in the appointment of *Mukhiyas*, showing its concern for traditional local leadership.

The move to smaller units did not mean the Center had softened its demand for revenues. Guidelines were issued to bring newly reclaimed land under taxation and to ensure against losses in revenue owing to natural disasters or poor harvests. Bhim Sen's perspective of the economy remained narrow. People farmed and reaped their harvests, and the government or its assignees skimmed off the *cream*. Often the cream amounted to sixty or seventy percent of the crop.

The reaction of Nepal's farmers to this surprises us. The villagers were pressed to the limit, yet there was no revolt nor any report of great unrest. As they had for centuries, the villagers found ways to avoid paying unreasonable taxes and rents, and the government could do little about it. The Center's need to repeat and repeat again its authorization for landholders to increase rents was a sign of the effectiveness of village tactics. The Center could not force the payment of taxes.

Had Bhim Sen Thapa made an effort to understand conditions in Nepal's villages, he would have learned much. The people were impatient
with a revenue administration so wasteful that it relied on a tax collector’s ability to extort unjust payments for its efficiency. They wanted greater flexibility in tax collection. The amount demanded from them ought not be more than they could pay. To get this flexibility, they wanted their local leaders associated more closely with this key government function. Simply by refusing to be subdued or browbeaten out of their livelihood, the villagers were clearly signaling the need for change twenty years before the event. Individual farmers suffered impoverishment, bondage, and even slavery. But as a group, the villagers of Nepal showed the same independent spirit of survival that had seen their ancestors through years of politics, war, and famine.

The year 1831 marked a watershed in Bhim Sen Thapa’s long rule. That year King Rajendra Bikram came of age and a whole series of new actors took the stage. The King and his Queens, of course, took a central position. Clinging to the Senior Queen were the sons of Damodar Pandey. They still strove to regain their position in the Darbar and their confiscated lands, and they remembered bitterly Bhim Sen Thapa’s hand in their father’s death. Finally, there was Brian Hodgson, who became Resident that year. Hodgson knew Nepal as few Residents did. He had come to Nepal at the age of twenty to serve as Assistant Resident and had spent most of his career studying Nepal’s culture, its politics, and its personalities. He resented the restraints Bhim Sen Thapa imposed on him and quite willingly meddled in Nepalese politics to achieve his goals.

For a time, the Queen Grandmother continued to rule as Regent. After her death on March 26, 1832, Bhim Sen relied heavily on the support of relatives placed in key positions. One brother served as Governor of Palpa and Commander of the large military force there. Another brother, Ranbir Singh, served as his eyes and ears in the palace. A nephew, Mathbar Singh, commanded the Sri Nath regiment, the most important military force in Kathmandu Valley.

In 1832 Bhim Sen’s grip on these sensitive posts weakened. First, the Governor of Palpa died. Then Ranbir Singh was discovered currying favor with the Senior Queen. Bhim Sen nipped this in the bud by removing him. The King then showed his displeasure by delaying Bhim Sen’s reappointment as Chief Minister for two weeks in February 1833 pajani. To regain favor Bhim Sen promoted Ranbir Singh to Lieutenant General and gave him the Palpa command. This infuriated Mathbar Singh, who had already been appointed to that position. So angry was this ambitious and proud young man at being replaced by a palace lackey that he resigned his commission and refused to accept a new appointment even at the King’s request. Not until November, 1834, was Bhim Sen able to persuade Mathbar Singh to
accept command of a new regiment, the Singh Nath. Under Mathbar’s command the new regiment took shape quickly and became an elite corps, but even this turned against Bhim Sen. The people promptly labeled the Singh Nath regiment ‘Bhim Sen Thapa’s bodyguard’ and saw in the emphasis given it a sure sign that Bhim Sen’s influence was waning.

For a time Bhim Sen retained control. The shake-up at the Center even inspired some new ideas. Mathbar Singh startled the Darbar by arguing that land grants were a Brahman prerogative, and therefore all land grants made to non-Brahmans should be canceled. The suggestion had merit. Jagir and Birta grants denied tenants direct access to government and sharply reduced government revenues. Canceling them would be a step in the right direction. But Birta and Jagir grants were too dear to the ruling elite. Bhim Sen dared not abolish them even had he wished. Instead, he tried to improve revenues by tightening revenue collection.

The problem, as Bhim Sen saw it, was one of collecting arrears in tax payments. If the villagers paid their taxes as assessed, there would be no revenue problem. In fact, there were always arrears, and the problem had become more acute since village Mukhiyas had become tax collectors. Mukhiyas tended to be more lenient than outsiders in accepting the villagers’ excuses for not paying their taxes in full, and the Center had no way of intervening. Only the district administrator had direct contact with the Mukhiyas, and he was not authorized to check their accounts. The Mukhiyas paid him the tax money they collected, and he transmitted it to the Center. To discipline the Mukhiyas, Bhim Sen appointed special revenue officers in some Hill districts to supervise revenue collection and to dismiss Mukhiyas who failed to collect and pay the assessed revenue. His effort was wasted. Revenue arrears were a reality that would remain as long as the tax rate remained exorbitant.

As his power weakened at home, Bhim Sen showed more flexibility towards the East India Company. With the consent of the Governor General, he repudiated the nagging Anglo-Nepal commercial treaty of 1792 and negotiated with Resident Hodgson the terms of a new commercial treaty. Hodgson was delighted. For years he had tried to soften Nepal’s hostile attitude towards the Company by encouraging trade between the two states. This new treaty would simplify the import of Indian goods into Nepal. To Hodgson’s disgust, however, the India:: customs office found fault with the proposed treaty, and the Governor General rejected it. The Governor General then unilaterally removed customs duties on all Nepalese goods imported into India. For Hodgson this was a double blow. The Governor General had neither recognized Hodgson’s efforts to secure the new treaty nor understood his strategy. Under the new arrangement, Nepal
had no incentive to import Indian goods and every reason to promote Nepalese exports. Despite the Hodgson's complaints, Bhim Sen Thapa was elated. The Governor General's concessions seemed to justify his policies towards the East India Company and proved again his diplomatic skills.

In fact, however, the tide had turned against Bhim Sen. In 1836 King Rajendra appointed a commission under Ranganath Pandit to investigate military fringe benefits. Ranganath cut an estimated 1.4 million from the military budget. Bhim Sen's military supporters were shocked to learn that Bhim Sen could not protect their perquisites. Bhim Sen was shocked himself when he saw the use the King made of this money. King Rajendra invested almost the whole sum in a new regiment, the Hanuman Dal, to be his bodyguard as opposed to Bhim Sen's Singh Nath. In a land where royal favor was the strongest support a Chief Minister could have, this was a clear sign that the King was tiring of his Chief Minister.

Perhaps it was poetic justice that the army, on whom Bhim Sen had spent so much, was the real cause of his decline. For years Bhim Sen had encouraged the troops to be ready at all times for war with India. At the same time he held them under tight control.

Resident Hodgson saw Bhim Sen's tight control of the army as a constant threat. One day, Hodgson knew, Bhim Sen would fall from power. The specter of all those troops with no firm hand in control frightened him. Hodgson feared they would go berserk. This fear prompted much of Hodgson's meddling in Nepalese politics. To defuse the situation, Hodgson had tried to improve trade between Nepal and India. He truly believed that trade would relax Nepalese suspicions of British intentions. But the new trade treaty he had negotiated was dismissed and even the old treaty, ineffectual though it was, had been repudiated. In 1835 Hodgson was frustrated. He was frustrated with the petty bureaucrats of his own government who had blocked a treaty that might have defused a dangerous situation. And he was frustrated with the Governor General for continuing to encourage Bhim Sen.

In 1836 the Governor General approved an official visit to Calcutta by Mathbar Singh. Bhim Sen quietly informed the Kathmandu Darbar that he also hoped to gain permission for Mathbar Singh to visit London. This was so outrageously bold that it captivated Kathmandu and seemed to restore Bhim Sen's old magic. Bhim Sen was once again the old fox who knew how to handle the British. This was too much for the frustrated Resident. Writing secretly to the Governor General, he confided that Bhim Sen's real intention was to by-pass the Resident and deal in the future directly with the Governor General or even with London. The Governor General's enthusiasm for Mathbar Singh's mission cooled immediately. Mathbar Singh
achieved nothing in Calcutta, and his mission became an embarrassment to Bhim Sen.

When Mathbar Singh was forced to return to Kathmandu empty handed, Bhim Sen Thapa’s string had clearly run out. In the 1837 pajani, King Rajendra appointed Ranjung Pandey to the rank of Kazi and gave him Mathbar Singh’s command in East Nepal. In July the King supplanted Bhim Sen as the army’s Commander-in-Chief. Ten days later Bhim Sen and all his family were removed from their posts and their lands confiscated. Bhim Sen himself was imprisoned, charged with permitting the palace doctors to administer medicine containing opium to Prince Debendra and so causing the young prince’s death.

Events moved swiftly. Hodgson had been exactly right. There was no one in Nepal capable of filling Bhim Sen’s shoes. The only certainty in an otherwise confused kingdom was that the Pandey brothers, with full support from the Senior Queen, were determined to have Bhim Sen’s life. The twenty-four year old King was himself bewildered and embittered. His fears of Bhim Sen’s military backing had proved unfounded. The army had not lifted a finger to maintain Bhim Sen in power. The King’s respect for Bhim Sen Thapa increased, but he could not save him. Those around the King badgered him and pressed him for action, giving him no time to determine his own course of action.

The King’s disillusionment became complete in 1839. That year, with the Senior Queen’s help, Ranjung Pandey succeeded in bringing Bhim Sen to trial before the full Darbar. The trial was a farce. The King and every man in the Darbar had to get through it, unable to deny that Bhim Sen had indeed done the things he was accused of doing, but convinced nonetheless that Bhim Sen had acted in the best interests of the Kingdom. Ranjung demanded the death penalty. The King procrastinated, unwilling to send Bhim Sen to death and too weak to release him. When Bhim Sen committed suicide in the most appalling circumstances, the King was shocked beyond telling. He withdrew then from direct involvement in politics. This added to the confusion. Hodgson’s experience was typical of the day. Hodgson’s access to the King was no longer blocked. He was free to see the King on any matter of moment. And he did. But it did him little good. The King agreed to anything Hodgson asked, and then did exactly as he pleased. Ranjung fared no better. After many delays, the King approved his appointment as Chief Minister in 1840, but denied him the power of the pajani, which alone gave the Chief Minister full power.

In the accepted manner, Ranjung bought off the elite by allowing them in 1840 to demand the payment of rents in cash rather than in grain. A few farmers close to major markets profited from this change, but the vast
majority of Nepal’s tenant farmers did not. Most villages still depended on barter. Coins were scarce, and the few available became increasingly dear. Farmers had to pay an added price in grain to get the coins needed to pay their rents. Paying rents in cash was one more hardship imposed on most farmers to support the struggle for political power in Kathmandu.

Ranjung’s great weakness was his refusal to accept the reality of British power. When the question of Nepal’s claim to land in the Indian Zamindari of Ramnagar arose, Ranjung ignored the established process for registering claims. Despite a twenty-five year tradition of a secure border, he sent Nepalese troops to occupy the Ramnagar lands. This confirmed Hodgson’s fears of the Nepalese army unrestrained by Bhim Sen’s strong hand. With the Governor General’s full support, Hodgson demanded that Ranjung withdraw his troops.

When Ranjung refused, Hodgson prompted the Governor General to move troops to the Nepal border and demand Ranjung’s dismissal.

The King was reluctant to become involved. His own Senior Queen tirelessly supported Ranjung and would not take his dismissal lightly. King Rajendra preferred to promise the Resident much, but do nothing. Better a frustrated Resident than an angry Queen. But Hodgson was a determined man. On his own initiative, he threatened the King with British re-occupation of the Nepal Tarai.\(^{16}\)

That threat the King understood. At the expense of a furious Queen, he fired Ranjung along with his whole faction and appointed a new Chief Minister from the Chautaria class. Hodgson then persuaded a majority of the nobles and military officers to form a pro-British party and sign a formal statement of support for Anglo-Nepal friendship.\(^{17}\)

Hodgson basked in this achievement. The new Chief Minister, Fatteh Jung Shah, showed promise. In April, 1841, he established an office in Kathmandu with jurisdiction over government land and land grants as a first step towards the development of land records. Hodgson even thought Fatteh Jung would recognize the high cost to the economy of continually catering to the army. But Fatteh Jung scarcely had a chance. The Senior Queen fought him tenaciously. She bullied the King and gave him no peace to consider the merits of Fatteh Jung’s program. Hodgson fought back with the same determination. To remind the King of Nepal’s vulnerability in the Tarai, he kept the British military force tightly up against Nepal’s southern border. In reply the Queen played shamelessly on the King’s affections to force him to support Ranjung Pandey. She over-played her hand when she fled to the Tarai on the pretext of leaving Nepal. She succeeded only in contracting \textit{Aul} fever, from which she died a few months later.

Hodgson had apparently won, but his victory gained him little. His
support of Fatteh Jung actually caused his own dismissal. After an especially direct confrontation with the King, Hodgson wrote to the Governor General complaining that the King had threatened the extraterritoriality of the residency. Governor General Canning responded with a sharp letter, not to the King but to the Chief Minister. In the most difficult decision of his career, Hodgson chose not to undermine the Chief Minister by delivering Canning’s letter. He substituted a milder letter and settled his misunderstanding with the King privately. Canning’s reaction was immediate. He notified Hodgson that he must retire from his post and ordered him to withdraw all residency support from the Chief Minister’s party. Both decisions were terrible blows. Withdrawal of support from the Chief Minister amounted to British desertion of the pro-British party in the Darbar. But Hodgson could only blame himself. His reports and analyses of events in Nepal had been alarmist. His long residence in Nepal made him a participant in events rather than the Governor General’s eyes and ears.

Despite Hodgson’s fears, Chief Minister Fatteh Jung did not fall from power immediately after he lost Hodgson’s support. He was finally dismissed for opposing the King’s policy. The King insisted on conducting official business through Crown Prince Surendra. Since the young Prince had alienated almost everyone in Kathmandu, the people and the army demanded that the King either rule directly or allow Queen Laxmi Devi to conduct the Darbar’s affairs. Fatteh Jung supported their demands, and King Rajendra yielded. On January 7, 1843, Queen Laxmi Devi assumed control of the government, with Fatteh Jung as her Chief Minister. But King Rajendra was not so easily defeated. Within a month he summoned Mathbar Singh Thapa from exile to help him regain control. By the end of April, 1843, shortly after Mathbar Singh returned, Fatteh Jung was dismissed, Bhim Sen Thapa was posthumously exonerated, and the Pandeys punished.

King Rajendra’s new administrative arrangements, however, effectively paralyzed the government. In theory, King Rajendra made policy, the Crown Prince mediated policy, and the Queen administered policy. In fact, each acted independently. No one knew who was in charge. To restore some credibility to his rule, King Rajendra cajoled Mathbar Singh into serving as Prime Minister and Commander-in-Chief. Mathbar Singh accepted in the belief that as the King’s man he might bring order into government. When he learned that he was merely the foil in the King’s continuing duel with the Queen, Mathbar Singh resigned in May, 1844.

In October that year, the King again urged Mathbar Singh to become Prime Minister, promising that in the future there would be only one ruler. Mathbar Singh accepted this promise and again became Prime Minister. But the King failed to keep his word. Thereupon Mathbar Singh and the
Crown Prince left for a Tarai hunting trip, accompanied by a large detachment of troops. While safely outside Kathmandu, they worked out the details of a coup d’état. In the new order, Crown Prince Surendra would publicly receive the King’s title, Maharajadhiraj. Mathbar Singh would rule as Prime Minister. King Rajendra would not be deposed, but neither would he rule. The entourage returned to Kathmandu triumphantly and in state. Publicly King Rajendra accepted the army’s decision to support the Crown Prince. Privately, he made other plans.

Mathbar Singh was well rewarded. His official salary was slightly over Rs.12,000 a year. Within one month he also received more than 42,000 acres in new grants of land. On January 20, 1845, he was declared Prime Minister for life and given a golden medallion engraved with the King’s guarantee of protection. Five months later, on the May 17, 1845, he was shot dead, at the King’s command.
Notes to Chapter Six


1. While some factions in the palace tried to rally support from the Indian princes, the defeated commander, Kazi Amar Singh Thapa, turned to the Chinese for assistance. Amar Singh died enroute to Tibet in the month of August, 1816.

2. The gesture was typically Nepalese. Even in Prithvi Narayan Shah's time, the Nepal Darbar had offered to assist the British in stopping illegal armed activity.

3. Reducing the burden on the villagers by reducing the size of the army would have made far more economic sense, but Bhim Sen's political position and his preferential option for the army ruled this out.

4. The *Jagir* system seems to have served admirably in small agricultural societies. It made sense to parcel out the State's revenues to those who served the State. The State's small size made it simple for the administration to understand local conditions, to see the results of fiscal policy, and to appreciate the monsoon's impact on crops. As Nepal grew in size, this was no longer possible. The problem of communications in the Hills increased the cost of securing information about local conditions. The *Jagir* system magnified this problem by removing the Center's obligation to ascertain local conditions and to observe the effects of fiscal policy.

5. If law and order is the first duty of a State, the collection of taxes is its first prerogative. Something is seriously wrong when a State consistently has trouble collecting taxes.

6. Crimes involving major punishments such as those touching on life or limb or the substance of a person's whole property had to be referred to Kathmandu for final judgement.

7. Contracts were given to a village headman either in his personal capacity or as the representative of the village. If the contract went to a *Mukhiya* as representative of the village, he divided the village tax burden equitably among the village tenants. If it went to him in his personal capacity, he became the tax contractor for the village and was entitled to any profits he made from the contract.

8. In Nepal, a debtor in bondage was a free man who was obliged to provide unpaid labor to his creditor until his loan was repaid. Slavery entailed a loss of freedom.
9. Palpa was the most important military post in Nepal. The commander of Palpa had direct command of the largest military force in Nepal. His authority also extended to the troops quartered in Kathmandu, giving him some authority and a great deal of prestige even in the capital.

10. Under Nepal’s pujani rules, even the Chief Minister was appointed for only one year at a time. Bhim Sen’s powerful position did not absolve him from this annual ritual. The delay in 1833 must have been a stunning warning to the Minister.

11. Nepal suffered a terrible earthquake in 1833. Human suffering and the problems of relief and reconstruction demanded the full cooperation of everyone. After this crisis, it was possible for Mathbar Singh to yield to Bhim Sen’s persuasion without losing face.

12. Jagir grants had begun as an economic instrument for paying the army. By this time, however, they had become part of the social fiber of Nepal. To be without a Jagir was to be no one, unless, of course, one were retired. For those retired from active service, a Birta grant was the sign of social and political prestige.

13. It is not clear that Bhim Sen definitely intended that Mathbar Singh should visit London. If so, it was a bold move indeed. Even Jung Bahadur Rana’s visit to London twenty years later was seen as a startling departure from Hindu custom.

14. In this year of confusion, tax contracts produced the highest rate of taxation on record in Nepal.

15. While he was in prison, Bhim Sen Thapa was told that his wife had been paraded through the streets of Kathmandu naked. In his shame, Bhim Sen Thapa committed suicide with a Khukuri (some say a piece of glass) left conveniently near him. He bled to death slowly. After his death, his body was shamefully desecrated, his limbs left for the dogs and kites to feast on.

16. The Tarai, Hodgson said, had been returned to Nepal on the promise of Nepal’s good behavior. If Nepalese troops were not removed from Ramnagar and Ranjung dismissed, the Governor General might have to reconsider the Tarai’s future status.

17. The formation of this pro-British party politicized pro-British sentiment in the Nepal Darbar. For the sake of clarity, many historians prefer to confine the use of the expression ‘pro-British faction’ to this party and to refer to individuals of other periods who were strongly sympathetic to the British as being ‘friendly’ to the British. It is purely arbitrary, but it avoids obscuring this brief period when a faction in the Darbar formally supported the British and vowed cooperation with them.

18. After the death of Bhim Sen Thapa, King Rajendra Bikram refused to engage directly in politics. He preferred to remain behind the scenes and to manipulate events from that vantage point. Though he often appeared to be outmaneuvered, he was extraordinarily skillful in getting what he wanted. He was also dangerous.

19. After his arrest and imprisonment in 1837 Bhim Sen Thapa had been released for a short time from prison and his family had been given a brief respite from persecution. During this period, Mathbar Singh Thapa, Bhim Sen’s nephew, had gone into voluntary exile.
20. This was a mad venture. Of the Crown Prince, still a young man and utterly spoiled, little more might be expected. Mathbar Singh’s involvement came as a surprise. Here was a mature man, of immense popularity, and at home in the highest levels of Nepalese society. He gambled everything in a lame little coup d’état that was at best a miserable compromise. To such an extremity were men driven in the conflicting loyalties of the Nepal Darbar.

21. This complex period is treated at length in the author’s *Letters from Kathmandu: The Kót Massacre*, a documentary history of this period published by The Center for Nepal and Asian Studies, Tribhuvan University: 1981.
By ordering the death of Mathbar Singh Thapa, King Rajendra destroyed the last vestige of trust the people placed in him. He had not surprised them by reacting strongly to their demands. He had a right to reassert his authority. But by having Mathbar Singh killed, after solemnly guaranteeing his safety, the King shocked the nation. From that day, fear and intrigue ruled men’s hearts, and the days of King Rajendra’s reign were numbered.1

Unaware or unconcerned with his terrible breach of confidence, King Rajendra appointed Fatteh Jung Shah as his next Prime Minister. In the prevailing atmosphere, Fatteh Jung found it difficult to form a Cabinet. After four months of negotiations, he managed to form a coalition with Kazi Abhiman Rana, Kazi Dalbhanjan Pandey, and Kazi Gagan Singh Khawas, the Queen’s paramour. Jung Bahadur Kunwar, who had been promoted to the rank of General for obeying the King’s order to slay Mathbar Singh, remained in the background. Within a week, however, he was recognized as the military member of the Cabinet. By then Gagan Singh had taken control. Fatteh Jung remained the Prime Minister in name. In meetings and discussions, Gagan Singh took the lowest place and spoke quietly. He never asserted his power and never forgot that his humble beginnings as a servant in the palace irritated the Court. But when decisions were made, Gagan Singh spoke for the Queen, and the others listened.

During the single year of its existence, the new Cabinet succeeded only in maintaining a tense calm. That year of quiet was precious to Jung Bahadur. Jung was a man on the rise and quick to learn. Each day he grew in political experience and awareness of the hidden levers of power. He maintained a discrete distance from the Queen and Gagan Singh, whom he found too controversial for safety, and used his opportunities well. In February, 1846, for instance, when Jung’s brother Bam Bahadur returned from serving as Nepalese representative to the Governor General in Calcutta, Jung slipped quietly out of Kathmandu to meet him in Hetaura. There Jung discussed with Bam Bahadur the political situation in Kathmandu and the implications of the Governor General’s expressed determination not to interfere in Nepalese politics.

Exactly what Jung planned we shall perhaps never know. Very likely he had nothing more in mind than to seize fate by the forelock. That seems to be what he did on the night of the Köt massacre, September 14, 1846.
The controversy over Jung’s role in the massacre is heated. With good reason. The massacre that night destroyed the fortunes of most of the elite families in Nepal and began a hundred years of Rana rule. Jung Bahadur and his brothers gained so much from the massacre that it is tempting to conclude that Jung cold-bloodedly planned the whole affair. But there are difficulties. The events of that night seem far too complex to have been wholly planned. It seems rather that in a situation of utter confusion, Jung reacted with remarkable presence of mind to grasp and hold power. Regardless of the historical arguments, the Kot massacre catapulted Jung to power and dictated the history of Nepal for generations to come.

The night began with the murder of Gagan Singh. In a town that thrives on rumor, as Kathmandu does, this news swept through the city. The Queen added to the thrill of that report by going immediately, even at night, to Gagan Singh’s house to mourn and to arrange personally for his funeral. By the time she left the house, fury had replaced her grief. She ordered that the whole Court be assembled immediately at Army Headquarters, the Kot.²

The officers who answered the Queen’s summons found the Kot surrounded by Jung Bahadur’s troops.³ This unexplained presence of armed troops and the uncertain light of flickering torches created an air of menace. The Queen’s mood was as dark as the night. Once the Court had gathered, the Queen made it clear that until they produced Gagan Singh’s murderer, she held them collectively responsible for his death. King Rajendra was hastily summoned, but by the time he arrived the Queen had already condemned one Minister to death on the suspicion of complicity in the crime. King Rajendra refused to ratify the sentence. Nepalese law, he said, required both a trial and a confession before a man could be sentenced to death. This seems to have exhausted the King’s defiance. He then left the Kot to the Queen and her yet unrequited anger.

After King Rajendra Bikram’s departure, the Queen informed the assembly that the King’s ruling was baseless. By the King’s own decree she alone was responsible for administering the country, which gave her power over life and death. When she repeated her order of execution, a deep silence settled over the assembly. This silent refusal to obey infuriated the Queen, and she shouted further threats. No one moved. until, from the depths of the assembly, someone shouted that Jung Bahadur had done the deed. The fears and frustration that had been bottled up for years then exploded in a sword-swinging fire-fight that brought Jung’s bodyguard storming into the Kot. With scarcely a pause, they fired their double-barreled guns into the melee. Heavy shot scythed across the courtyard, cutting down thirty-two of the nation’s elite. When silence returned to the Kot, the survivors stood in awe at the carnage and the miracle of their own survival.
Jung survived, and so did the Queen. While the thunderclap of that volley echoed and re-echoed through the Kot the two of them reached a decision that remains a mystery to this day. Did the Queen entrust Jung with some secret mission and pay for it with the Prime Minister’s title? Or did Jung indeed seize fate by the forelock by assuring the bewildered Queen of his support? Whatever was said or promised, the Queen that night appointed Jung Bahadur Prime Minister. In her haste to seal Jung’s letter of appointment, she blackened her palms with lampblack and pressed them to the paper.4

Thirty-two of Nepal’s leading nobles died in the Kot massacre. The hopes of their families died with them. Next day rumors throughout the city spoke of even more executions. These rumors remain unconfirmed. The records speak of no such deaths. They do speak, however, of other activity. The Queen ordered into exile the wives and children of the murdered nobles. The Queen had little to gain from this. We can assume, then, that the suggestion came from Jung. At one stroke, angry relatives of those who died in the massacre learned to fear Jung, as each began to calculate the cost of survival. Later, when the Queen ordered Jung to do away with the Crown Prince and his brother, Jung blocked her efforts. When the Queen and her followers plotted Jung’s death, Jung went directly to King Rajendra and convinced him that this plot was really aimed at the life of the Crown Prince. As Jung expected, the King ordered the death of the conspirators. Next, Jung secured the Crown Prince’s order that the Queen quit the Palace. Backed by these orders, Jung then smashed the plot, killing twenty. His final stroke was the Crown Prince’s order to the Queen that isolated the Tigress of the Kot and left her politically helpless. Within a month she set out for India to finish her days in exile. King Rajendra escorted her to Banaras.

After settling Queen Laxmi Devi safely in Banaras, King Rajendra retraced his steps towards Kathmandu. The King rode slowly, disturbed by the events that had thrust Jung Bahadur on him as an undesirably strong Prime Minister. Sensing the King’s unhappiness with Jung, expatriates begged permission to assassinate the new Prime Minister. They made it sound so simple, that the King consented. Had he not had Mathbar Singh removed the same way?

Unfortunately for King Rajendra. Kathmandu had changed dramatically during his long absence. Jung had shown a sense of direction and drive unseen in Kathmandu for years, and Kathmandu was his. Within weeks of taking office, Jung had conducted a thorough pajani of the army. He had gambled confidently, and successfully, that the army would accept his authority. His own three regiments had recognized him immediately and given their support. The rest trusted Jung’s record, for Jung was no
newcomer to the army. He came from a long line of famous Gorkhali officers and had spent his youth in a military camp. In the years of the Crown Prince’s folly, Jung’s flair in escaping unscathed the Crown Prince’s outrageous demands had delighted the troops. Even his confidence inspired trust. The army became his to a man. Jung had little to fear from expatriate attempts against his life.  

After intercepting three assassination teams, Jung washed his hands of King Rajendra. In a dramatic meeting on the Tundikhel parade ground, he read to the troops King Rajendra’s order that he be put to death. He offered himself to the troops in mock obedience to the royal command and then allowed the troops to persuade him to place Crown Prince Surendra on the throne. Kathmandu slept little that night as the troops retold and relived that moment of defiance when their cheers had ended an era of uncertainty and placed blind trust in a leader they called their own. Their cheers, as it proved, were premature. The Governor General adamantly refused to recognize Surendra as sovereign unless King Rajendra freely laid down his Crown, and Rajendra refused to quit. It was a stalemate, but a stalemate that could not last. Rajendra would soon learn that refusing to quit was not enough. The rules had changed since the massacre and Jung’s pajani. The administration was Jung’s. To break Jung’s hold, Rajendra had to act with vigor, not sit quietly on the Indian side of the border waiting for an army escort back to Kathmandu. In late July, Jung broke the stalemate by luring Rajendra back across the border to the Nepalese village of Alao. There a detachment of troops seized him on the night of July 28, 1847. The ex-King was then escorted politely but firmly back to Kathmandu, given a few moments to greet his friends and hustled off to confinement in the old Bhaktapur Darbar.

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**Jung Bahadur and his Brothers**  
Bal Narsingh

- JUNG BAHADUR
- Bam Bahadur
- Badri
- Krishna
- Ranodip
- Jagat
- Dhir
- Narsingh
- Bahadur
- Singh
- Shamsher
- Shamsher

Prime Minister from 1846
Surendra was King, and Jung Bahadur Prime Minister. Neither fact pleased the Governor General or the Resident, but the Governor General's own policy of non-interference demanded he recognize the change that the people of Kathmandu Valley had accepted without apparent demur. On September 3, 1847, the Governor General formally recognized Surendra as King of Nepal. He ignored at that time the legitimacy of Jung Bahadur's claim to the Prime Ministership. Though the Governor General's recognition was unnecessary, Jung felt uneasy without it. As events proved, he had to work ten long years to secure it.

In 1848 Jung undertook the pajani of district officers and other government employees. He also reorganized the government audit office (the Kumari Chowk). With over 150 employees, the audit office had become one of the strongest branches of the central administration. When Jung placed his brother General Badri Narsingh in charge of audit, he signaled clearly that fiscal accountability would lie at the heart of his administration. Jung repeated that message when he opened a new office later that year to maintain the records of government employees. Jung wanted regularly updated lists of existing government staff, monthly reports on payrolls, and annual reports on staff vacancies.

Towards the end of 1846 Jung initiated steps to establish in the Tarai a single revenue office to supervise revenue collection for the whole Tarai. That same winter he began his annual Tarai visits. Despite the Resident's suspicions, Jung took five thousand troops on these visits. He called these troops his bodyguard and escort, but he used them to remind Tarai landlords of his power. In 1849 Jung made his first serious effort at revenue reform. He notified Jagir owners that in the future they must collect their own Jagir rents and replaced the Tarai tax contractors with salaried tax collectors. While the Resident struggled to interpret the meaning of these reforms, Jung casually informed him that he wished to visit England. Then, without apparent concern for the Resident's response to this unprecedented request, Jung began his reform of the state communications network.

At that time state communications in Nepal depended entirely on the Hulak system. Runners working in relays carried official mail from Kathmandu to the districts and from the districts to Kathmandu. Ideally, if trails were passable, a letter once sent on its way never stopped until it reached its destination. This required organization. Relay teams had to be stationed all along the Hulak routes, and groups of families organized at each station to provide runners on twenty-four hour call. At the end of each relay, day or night, another runner was expected to take the letter through to the next relay station without delay. The terrain dictated the length of
each relay. The distance between relay stations had to be calculated so that
runners might maintain their speed from one station to the next.

The *Hulak* system required no financial outlay because it was tied to land
tenure. In addition to minor tax exemptions, each runner in the service also
received a guarantee that he would not be forced off the land he farmed. He
received no cash, no *Jagir* land, and no exemption from land taxes. When
the *Hulak* service was first introduced in the early nineteenth century, these
meager rewards attracted few runners. Then the government had forced
tenants to serve as *Hulak* carriers. By Jung’s time such force was no longer
needed. Rising rents and the outright eviction of those who failed to pay
these enhanced rents made guaranteed land tenure attractive to marginal
farmers. Jung felt the efficiency of the service required more. It did little
good to attract runners to the service, if their land allotment was too small
to feed their families.

In 1849-50, Jung Bahadur reapportioned *Hulak* lands. *Hulak* carriers
in any single locale received nearly equal allotments of land. Not only the
size of the allotment but the quality of the land was balanced off. The paper
work required by this reform was a burden in itself. Actual implementation
in the field was even more difficult. Without scientific surveys, but with the
cooperation of the villagers and a strong push from the Center, *Hulak*
holdings were locally evaluated and re-apportioned. At the same time a
whole new service for the transport of official packages and goods – freight
– was introduced. Porters were recruited and registered, relays mapped out,
and tenancy rights secured. The administration strained to do the task, but
the work was done.

We marvel today that Jung could produce such striking results with the
existing administrative system. Although he left for England within a few
months of launching his *Hulak* reform and was gone a full year, the
reorganization was completed. Jung’s brothers, all Generals, supervised
the administration, but blood relation could not guarantee either efficiency
or cooperation. Clearly, Jung’s style produced results. Some historians
attribute this to Jung’s handling of the *pajani*. By this time, most Nepalese
administrators knew from personal experience that they could expect
fairness from Jung at *pajani* time. A justly administered *pajani* put workers
on notice. Shoddy work led to dismissal. Quality work promised reappoint-
ment and possible promotion. Whether this was indeed the cause of Jung’s
success, the administration worked for Jung as it has rarely worked for other
Prime Ministers.9

Jung Bahadur’s 1850 trip to England proved an exhilarating affair.
Jung provided his own pageantry. He carried the exotic East into the
heartland of Victorian England, and his flair captivated those he met. Jung
enjoyed every minute of the pomp and circumstance, but he also learned. He seemed most impressed by the order in British society. Although Nepalese society was more structured, Jung saw in England the impact of law. The whole political system focused on Parliament, and Parliament’s task was simply to make law. All other government processes, all trade, industry, and human activity flowed along the channels marked out by law. Jung was Hindu through and through and accepted law as derived from eternal revelation. Laws democratically arrived at were a novelty for him, but he saw the power of law as a governing force, and it appealed to him.

Jung’s reputation as an oriental despot notorious for the lives he had snuffed out made him a spectacle of astonishment and wonder. Jung quickly tired of this. He wanted British society to accept him for his own human qualities, but he found the qualities this society appreciated were different from any he had known. Wit, tact, and sensitivity were more valued than battles waged or massacres survived. Power was respected, but not naked, raw power.

Perhaps most important was Jung’s insight that the key to understanding and coping with the British was their language. From time immemorial Nepalese had coped with language barriers. Nepal itself was rich in languages, and whenever Nepalese moved out of their own locality they had to cope – in Nepali, in Hindi, in Urdu, or even in Court Persian, which the East India Company still used for official correspondence. Learning languages to communicate was nothing new for any Nepalese. But Jung now realized that language was more than a means for making oneself understood. Everything he saw prompted question upon question. He got answers, but they were only bits of information. His mind demanded understanding, and this eluded him. He felt he could never understand the British unless he could enter their minds, and the key to this was their language. Nothing Jung had seen on the trip so stirred him as this compulsion. On his return to Nepal he had stories to tell of wonders seen and personalities met, but his mind was caught by the interplay of new ideas that challenged him and eventually led him to establish a school where his children and their Rana cousins would study English and enter the British mind.10

Within a year of his return Jung also assigned a commission to codify Nepalese law. Nepalese law was Hindu law, based on the Shastras. According to the principles of Hindu law, the administration of justice required that the legal principles of the Shastras be interpreted in the light of traditional local customs. In Nepal, where local customs differed widely, this had produced sharp divergence in the punishments given for the same types of crime. The commission’s first major task was to standardize these
punishments. The raw material for the commission’s work lay ready at hand. Judicial records in Kathmandu contained details of all legal decisions touching on the loss of life, limb, or the confiscation of property, since these decisions had to be referred to the Dittha in Kathmandu for approval and to the Raj Sabha (the Council) for ratification. Cases involving loss of caste were also referred to Kathmandu for the Dharmadhikar’s decision. Though these records were not as complete as the criminal records, the commission could rely on the sacred Shastras for guidance in these matters. The commission also had at its disposal the complete records of legal concessions made to particular ethnic groups. Traditionally, the central government granted these concessions only in response to a written appeal. The letter of concession included a summary of the original appeal, which stated the precise reasons for requesting this concession. Since all concessions included a tax-rider and therefore touched on national finance, a copy of this letter was preserved in the Lagat Phant. The task of the commission was not to make law but to gather existing records, put them into a basic order, and classify them. Only regarding Sati, bondage, and slavery were new laws written into the Code. But Jung had learned more from the British than the power of law. While in England he saw the enormous wealth the British had accumulated from their China trade and learned they had paid with opium for their Chinese tea and silks. Nepal had opium in plenty in the Tarai. To capitalize on this resource, Jung sent 200,000 rupees worth of opium with the 1852 quinquennial mission to China. He also allowed his brothers and other Sardars to send an additional 100,000 rupees worth. In Lhasa opium sold at six times the Kathmandu price. In China it sold more dearly. If Nepalese opium sold well in China and the money were invested in trade goods to be brought back to Kathmandu, Jung and his brothers stood to gain a fortune. If Tibetan chiefs or Chinese warlords came to know of the shipment, bribes would have to be paid, and the mission itself might be in danger. It was a gamble, but Jung thought the risks worth taking. It would take two years for the tribute mission to reach Peking and return. He would not know until then how his gamble fared.

In the meanwhile, the Prime Minister set about mending fences with the Royal Family. He had no illusions about achieving reconciliation. As long as he held the King’s powers, he would remain a target for attack. But while he held those powers, he used them boldly. He arranged the marriage of his son Jagat Jung to King Surendra’s daughter. The marriage made Jung no more welcome in royal circles, but it identified the fate of at least one member of the Royal Family with his own family’s fortunes. The marriage took place in May, 1853. On that occasion Jung also extended a peace
offering to the Chautarias by allowing the family of Fatteh Jung Chautaria to return to Nepal. Within a week of his son’s wedding, Jung married Fatteh Jung’s sister.

Towards the end of 1853, the legal commission completed its work on the new code of law. Jung promulgated the Code at the end of 1853 and enforced it on January 6, 1854. The laws contained in the Code were for the most part basic applications of traditional Hindu Law, with clauses added to accommodate ethnic practices that had by long use and prior sanction acquired the force of law. Initially the Code was called simply the Ain, the Law. In a short time it became commonly known as the Muluki Ain, the law of the land. The Code was far more important, however, than a compilation of existing laws might suggest. In the body of Hindu law it is unique, the only extant comprehensive application of Hindu legal principles to a whole nation.

The quasi constitutional structure of the Muluki Ain was significant. According to the Code, government officials were to exercise their office on the sole basis of law, independently of King, Prime Minister, or any other personality in the system. Jung apparently wanted to end the appalling administrative confusion that years of excessive patronage and high-level meddling had caused. This aspect of the Code showed strong British influence, but it was Jung the autocrat and administrator speaking, not British democracy. Jung reserved to himself the right to define each officer’s function, and he wanted that function performed without interference from anyone. Unfortunately, not even Jung could enforce such a law. The law might bind government officials, but who would bind members of the Rana family? Not even Jung himself succeeded in denying the elite their assumed right to interfere in the administrative process.

The commission had difficulty in dealing with non-Hindus. They solved the problem of fitting everyone into a hierarchically structured society by treating non-Hindus as Hindus and classifying them according to their habits of food and drink along with Hindu castes of similar habits. The commission simply ignored Hindu law’s basic tenet that legal principles should be interpreted in the light of traditional local practice. There were traditional religious and ethnic differences in Nepal that justified a wide variety of habits, and to ignore this was as blatantly unjust as ranking men and women socially according to the color of their skin or their place of birth.12

Despite this serious shortcoming, the Code made important advances. The Code recognized, for instance, that a tenant had a legal right to farm his land if he paid his rent and taxes. The Code did not enter the complex question of tenancy rights. It merely recognized the link between taxes (or
Chapter Seven: The Path to Power

In 1854 Jung reapportioned Rakam land allotments. Although Rakam workers provided only one month of non-paid labor each year, their work was scheduled so that the service continued without interruption. Arsenals and mints, for example, were manned for the most part by skilled Rakam workers. But Rakam workers, like Hulah-runners, had been hard hit by increased rents. Those whose land lay in river valleys could manage even when rents were high. They could irrigate their land, and the warmer climate of river valleys provided a longer agricultural season and bountiful harvests. Those farming the hill slopes were less fortunate. Irrigation was not possible and rainwater drained away quickly. Jung was concerned because this combination of higher rents and poor land threatened the continuity of essential services. To protect these services, Jung ordered that Rakam land in each locality be re-divided so that each Rakam allotment include some of the good land and some of the poorer land. As an immediate benefit, Rakam workers living on poorer land found it a little easier to manage. The long-term value lay in the records made of the lands allotted to Rakam workers.

The introduction of the Tirja system also improved land records. The Code ordered the government to issue to each Jagir holder a Tirja, an official letter authorizing him to collect rents. The purpose was purely administrative. Revenue records were in disarray, and Jagir records were among the most confused. Jung had no idea how much income Jagir holders derived from their holdings. Although Jagir lands were assigned in lieu of salaries, there was often no proportion between Jagir rents and the services the Jagir holder provided the state. Jagir records had only estimated the income the holding yielded. After rents had been enhanced arbitrarily, even these primitive records were out of date. In 1854 Jung abolished the right of Jagir holders either to increase rents or to evict a tenant if another farmer offered to pay higher rent. The Tirja was the instrument he used. It specified the name of the tenant, the area and location of the holding, and the form and rate of rent. The Jagir holder had to show his Tirja to the tenant at the time rent was collected. To make the Tirja system effective, the administration had to re-examine all Jagir rent contracts. The immediate benefit for tenants was a slight reduction in the hardships they faced, but the long-term value was a steady improvement in the quality of land records.

The stress we place on revenue reforms and land records is not misplaced. Traditionally, those who actually farmed the land were only tenants with no proof other than local tradition of their tenancy rights. Since improved land records named the tenant as well as the beneficiary, tenancy rights became a matter of record. This also paved the way for the emergence
of landownership rights. When we recall what landownership meant, and still means, to the Nepalese, these economic matters assume profound importance. Even those sections of the Code dealing with the audit of government funds were important, because they improved the quality of government records. As Rana administration became increasingly centralized, these records became more important than tradition in establishing the rights of Nepalese citizens.

In these early years of Jung's rule, Jagir holders felt the pinch almost as much as farm tenants. There was not enough land to accommodate all those who belonged to the traditional Jagir holding class. Although the number of Jagirs remained constant after 1816, the number seeking enlistment in the army or promotion steadily increased. After Bhim Sen Thapa introduced the roll, officers and men served in rotation, one year with pay followed by two years on call but without pay. There were rifles, shot and powder for 50,000 troops, but Jagirs for only one in three. The roll was efficient. A call to arms could triple the size the army in a few days. But officers and men were frustrated. A call to arms had not been heard for forty years. They yearned for battle and a few years of regular pay in place of endless parades and rotation.

Jung sympathized with the army's plight, but he was also a pragmatist. For forty years the army had not fought a battle. Amateurs like Resident Hodgson were impressed by Nepal's military might. Experienced military officers like Residents Lawrence and Ramsay less so. No one questioned Nepalese bravery, but the army's equipment was outmoded, their officers inexperienced and their fighting skills rusty.

Jung wanted a war to give his army experience and unite the country behind him. If there was hubris in this, it was understandable. Jung had succeeded amazingly well in whatever he had undertaken. In 1854 the north seemed to beckon. China was in turmoil. T'ai P'ing revolutionaries were sweeping the field, and the Emperor was in serious trouble. Jung saw several possibilities for intervention. He could help the Emperor keep the Tibetans in line; help the Tibetans throw out the Chinese; or attack the Tibetans without fear of Chinese intervention. With unusual candor Jung discussed each possibility with the Resident. He knew the Resident reported regularly to the Governor General, and he wanted the Resident's reports to contain a minimum of speculation. The Governor General was very sensitive about troop movements in Nepal.

As the days passed without word from the Quinquennial Mission that had carried his opium shipment to China, Jung convinced himself that the Tibetans had interfered with his shipment. When the Mission returned at the end of May, 1854, Jung had already decided to make Tibet his target.
In July he showed the Resident a copy of a letter he had sent to the *Amban*, the Chinese representative in Lhasa, complaining of Tibetan abusive conduct towards Nepalese. In August he discussed with the Resident a detailed plan for the movement of thirty-one thousand troops through the Nepal Tarai to eastern Nepal and north towards the Tibetan border. When Jung learned of Tibetan counter-preparations, he immediately scrapped these plans in favor of an attack through the Himalayan passes of Kuti and Kyrong in the spring.

Jung used the winter months to strengthen his relationship with the Governor General. In February, 1855, to show his spirit of cooperation, he gave the British the treaty of extradition they had sought for twenty-five years. He also strengthened his finances and increased revenues by reclassifying all reclaimed wasteland as government land (*Raikar*). This directly affected *Jagir* holders, who until that time had been allowed to increase their income by reclaiming wasteland. In fact, the administration had encouraged this by including some wasteland in most *Jagir* assignments. But Jung wanted all the revenue he could get. He feared the Tibet war was going to be costly even if it was a quick in-and-out operation.

There was great fanfare in Kathmandu when the first troops left for Tibet in March, 1855. The army soon learned that nostalgia for the good old days was no substitute for experience. The Tibetans were tough, and they were ready. The Nepalese military machine had rusted, and the scale of Jung's operation was almost self-defeating. Even in their heyday, the Nepalese had never massed such a large army. Logistic support was difficult, and Jung's jerry-built supply scheme proved inadequate. Jung had ordered each landholder to deliver one-third of his rental income, in grain, to depots close to the Tibet border. Military units were to buy the grain they needed at prices that covered transportation costs. The profit would accrue to the state. The scheme was a nightmare. Besides ignoring that an army marches on its stomach, Jung forgot that porters also eat. He had made no allowance for the porters' consumption on the trail. As a result, deliveries were random, the amount of grain received was much less than expected, and most of this arrived only after the war was over.

The Nepalese advance into Tibet was slow. Jung visited the front in May to find out why. He returned to Kathmandu in June, ready to quit. At the army's current pace, the winter snow would block the passes before they reached their objectives. Fortunately for Jung, the Chinese *Amban* in Lhasa was even less enthusiastic for the war. By the end of June he notified Jung that he accepted as valid eight of Jung's complaints. The Nepal Council of State then voted unanimously to end the war. The *Amban* 's representative came to Kathmandu for negotiations and took a Nepalese representative
back to Lhasa to iron out the few remaining details. All signs looked good, and peace with a modicum of honor seemed assured.

King Surendra did not agree. At a meeting of the Council in November he ordered the war continued and publicly exonerated Jung Bahadur from responsibility for any disaster that might occur.\(^{16}\) The King’s premonition seemed clairvoyant. Even while the Council met, Tibetan troops slipped past the Nepalese at Jonga Fort (Dzongkha Dzong) and cut off their communications. To the east, the Tibetans overran Kuti and controlled the pass. It was a body blow to Nepalese pride. After months of war, they were back where they had started on both fronts and their garrison at Jonga was surrounded.

News of the setback kindled the old Nepalese fighting spirit. Jung’s brother Dhir Shamsher and two of Nepal’s top commanders left Kathmandu at flank speed. They stormed into Kuti, burned the town, and then withdrew to the Nepal border. At Jonga the Nepalese relief column hit the Tibetans like a battering ram and relieved the garrison. There the war ended. The Tibetans had proved that the Chinese Amban dared not make peace without consulting them, and, though the Nepalese had won nothing, Jung seemed satisfied that the army’s old military spirit was still alive under the layers of rust. He settled for terms far less extravagant than those he had first proposed and had a ratified treaty in hand by July 1856.

The treaty gave Nepal only Rs. 10,000 a year in tribute.\(^{17}\) This was far less than Jung had originally demanded, but he insisted that he had wiped out the shame of the Nepal-China treaty of 1792.\(^ {18}\) The cost of reclaiming Nepal’s honor had been heavy. Once again, during the winter of 1855-56, all landholders had been obliged to pay a levy of one-third of their rental income to help finance the war. When the Resident pressed Jung to explain how he would pay Nepal’s war debts, Jung talked vaguely of other revenues. In fact, there were no war debts. All had been paid by levy. Jung’s real problem was the peace. He had turned the nation upside down and cut sharply into the earnings of the elite to wage a war which produced no apparent benefits. Jung’s pretended enthusiasm was window dressing. He had no intention of facing Nepal’s postwar political problems. Exactly twenty-five days after the ratified treaty was placed in his hands, Jung resigned from the Prime Minister’s post. Resident Ramsay speculated that Jung’s resignation was part of a larger scheme to gain the throne, but Ramsay was wrong. Jung’s resignation was merely a political ploy to avoid the criticism that would inevitably follow a war that had cost so much and produced so little.

Whether Jung had planned it or not, and Ramsay was absolutely certain he had, Jung profited immensely by his resignation. Within a week, at a
special Darbar, King Surendra named Jung Maharaja of Kaski and Lamjung, gave him lands providing an income of 200,000 rupees a year, and appointed him ombudsman, or super Minister, with the right to overrule even the King in all things political and diplomatic. Jung’s brother Bam Bahadur, who had served as acting Prime Minister during Jung’s journey to England, was appointed Prime Minister. Thus was born the Rana Roll, the official list of succession, with brother succeeding brother to the Prime Ministership. The King’s letter appointing Jung Maharaja of Kaski and Lamjung declared that the Maharaja’s title and lands were to be passed on to his sons and his sons’ sons, totally divorced from the Prime Ministership. Time would soon remarry the Maharaja’s title, and its attendant wealth, to the Prime Minister’s title, introducing a new tradition. The immediate family of each Rana Prime Minister would be enriched during the Prime Minister’s years of rule, while the Prime Minister’s brothers stood in an outer circle as paid employees of the state, waiting their turn, paid well, but not sharing in the immense wealth that steadily accumulated to the Prime Minister. The disparity was an open invitation to a violent assertion of rights. In July, 1856, however, it was Jung’s resignation, not his wealth, that caused concern. Jung, at the age of 39, although Maharaja of Kaski and Lamjung, was the ex-Prime Minister of Nepal. Whatever King Surendra and the Nepali nation made of his special role as super Minister. Resident Ramsay would have none of it. Jung was an ex-Prime Minister. Ramsay and the Governor General treated him as such.

1. Trust seems such a tiny, otherworldly thing on which to base an administration. But men who cannot believe in what they are doing cannot make the sacrifices honest administration demands.

2. The Kót was located near the Hanuman Dhoka palace.

3. This was likely done on Jung Bahadur’s own initiative. The nobles entered the Kót armed. Had Jung been acting under orders, he would have disarmed the nobles before admitting them to the Queen’s presence.

4. Official royal orders were called *Lal Mohars* and were sealed with the royal seal. More solemnly binding orders were called *Punji Patra* and were sealed with the sovereign’s palm prints, usually in red.

5. Those not in tune with Jung, whether officers or men of the line, were dropped from the military rolls. Only Jung’s brothers became generals. The remaining high level posts vacated by the massacre were filled by those the Rana brothers felt they could trust absolutely.

6. In 1845 Jung had been in charge of the *Kumari Chowk*. Apparently this experience gave him definite ideas about streamlining the work of the *Kumari Chowk*.

7. Tax contractors still exercised most administrative functions in the Tarai Districts.

8. Traditionally tenants in Nepal, but not the landless, paid a tax of approximately 30 days labor a year. The service of *Hulak* runners was one form of this tax.

9. We have no evidence that the *pajani* was the tool Jung used to get his administration moving. It seems significant that later Rana Prime Ministers stressed the *pajani* in their administrative reforms, and it is the one aspect of Rana rule that veterans in the administration recall with respect and a little awe. Not surprisingly, they chide administrators of today for not knowing how to work.

10. Jung also encountered opposition. Less than ten days after his return from England, a plot was hatched against his life. Had not General Bum Bahadur, who was privy to the plot, made a clean breast of the details to Jung, the plot might have
succeeded. The conspirators rallied around the claim that Jung had violated the rules of caste while in England and therefore was not fit to rule in a Hindu State. Forewarned, Jung apprehended all those involved. The Resident thought the conspirators' real motives were more mundane. The King's brother, who was involved, was obviously upset with Jung's usurpation of all power in the State. General Badri Narsingh, the director of the audit office, had taken a bribe of Rs. 12,000 to help restore to office a Tarai Subba who had been dismissed for peculation. Karbir Khattri had been accused of taking valuables from the Prime Minister's treasury. At their trial before the Council of State, the conspirators were declared deserving of death. Jung was too sensitive to possible British reaction to permit such a sentence. As a compromise, King Surendra requested that the key conspirators be confined in Allahabad jail for five years. The Governor General agreed. Jung subsequently kept such a close watch on the King that Resident Ramsay thought this, not sorrow at the death of his Queen, was the real reason for the desire to abdicate that the King expressed on July 25th 1852. On November 26 a second plot was discovered. Although none of those apprehended held significant rank, Jung assumed that someone influential was involved. He never discovered who it was.

11. *Sati* was the ritual immolation of the widow on her husband's funeral pyre. Bonded labor was indentured labor. Men and women engaged for themselves or their children to work for a creditor without pay until they could repay their loan.

12. By forcing legal uniformity on the nation, the *Code* sowed the seeds of disunity and created problems that to this day remain unsolved. Although legal discrimination has been removed by the 1963 *Muluki Ain* of King Mahendra, the social discrimination the *Code* fostered and justified will not yield to legislation alone.

13. Jung's precautions were well taken. The people of both Kumaon and Darjeeling were terribly upset by the reports of Nepalese war preparations and were convinced the Nepalese intended marching on them. Had the Governor General not been forewarned, the clamor from these districts would surely have alarmed him.

14. Opium sales did not produce the return that Jung had hoped for. The mission brought back only several hundred thousand rupees, which hardly covered Jung's investment. One wonders whether the *Amban*'s surveillance prevented the tribute mission from unloading the contraband at black market prices, and also how much the failure of Jung's opium transactions influenced his decision for war. Jung and his *Sardars* not only failed to make a financial *killing* on the deal, but they had no way of getting rid of the opium still on their hands. The Nepalese method of processing opium produced a product which was unacceptable to the Company's agents.


16. It is always difficult to know when the King spoke his own mind and when Jung used him to announce plans from which Jung himself benefited. The latter is sufficiently Machiavellian to suit the stereotype we have of Jung, but this image is
largely based on Resident Ramsay’s reports. Ramsay was certain he understood Jung, but his own reports give us reason to doubt his claim.

17. For the first year the Tibetans could pay nothing. They even asked for credit on the grain they purchased from the Nepalese stores that had reached the border too late for use by the Nepalese troops.

18. This seems to have been an afterthought. There was no talk of the 1792 war before Jung launched his invasion.

19. Before the unification of Nepal, Kaski and Lamjung had been independent principalities in the Chaubise Rajyas. Jung’s new title had no meaning in itself, but the income attached and the powers the King assigned to Jung gave it meaning and made Jung a unique figure in Nepal.
Jung Bahadur was out of office for less than one year. Thanks to Resident Ramsay, he found it frustrating. Ramsay followed to the letter the Governor General's order that he deal only with the Prime Minister. Despite the King's Lal Mohar giving Jung the right to oversee all foreign and domestic matters, the Resident politely ignored Jung. The Resident was convinced that Jung ambitioned the throne and refused to support such a scheme. Jung pretended not to care, but it rankled.

Two events conspired to bring Jung back into the mainstream of politics. On May 10, 1857, the Sepoys of the East India Company's army mutinied at Meerut. Two weeks later Prime Minister Bam Bahadur died. News of the Meerut mutiny reached Kathmandu just after the Prime Minister's death and forced onto the Kathmandu agenda the question that raged throughout North India: Had the time come to drive the British into the sea?

Kathmandu had been divided on the issue of the British from the time of Prithvi Narayan Shah, who had advised the Nepalese to remain friendly with the British but keep them out of Nepal. A strong party in Kathmandu opposed every new contact. Realists at the other end of the political spectrum felt that British India was too powerful a neighbor to alienate. Common sense dictated friendship and cooperation. After Damodar Pandey had been put to death for dealing with the British, anti-British sentiment dominated Kathmandu politics.

After the Anglo-Nepal war of 1814-16, Bhim Sen Thapa tried to strike a balance. At home he cold-shouldered the Resident but maintained good relations with the Governor General. Even this middle way did not satisfy all factions. After Bhim Sen had been swept from office, the anti-British faction had free rein. Chief Minister Ranjung Pandey even allowed Nepalese army units to encroach on Ramnagar. The Ramnagar incursion became a trial of strength between Ranjung and the Resident, which Ranjung lost miserably. From that time, each succeeding Chief Minister felt the need of the Resident's direct or indirect support and the goodwill of the Governor General. Not least of these was Jung Bahadur. Jung, still tainted by the Kot massacre, had not yet convinced British India of his sincerity and good will. It irked him, because he wanted to be accepted as a person and as a leader. Ramsay's rejections struck at his vanity and denied him a sense of personal fulfillment.

When he heard of the mutiny, Acting Prime Minister Krishna Rana made the Resident a pro forma offer of military assistance. Ramsay
accepted the offer as sincere and the next day requested 3,000 troops. His request went as a matter of course to the Council of State. The debate that followed was so heated that General Krishna was forced to ask Ramsay to present his request in writing. Ramsay knew the General was stalling, but he did not know why.

For Jung, the political posturing in the Council mattered not at all. Jung saw only opportunity. The Indian Sepoys were not going to throw the British out of India no matter how much help they had. It was a question of leadership and organization. He had seen the caliber of British organization. By comparison, Nepal’s 1814 experience of Indian organization and leadership had been bitterly disappointing. The British, Jung knew, were difficult to deal with and even more difficult to understand. In his experience, one had to understand what the British really wanted before trusting them, but once an agreement was reached, the British could be relied on. Jung thought the Indian leaders were dreamers of dreams and makers of words. Despite early Sepoy successes and continuing harassment of the British, the British would win. They would need help, but they would win. If Nepal sent troops to help—and Nepal had troops longing for action—the British would not forget. Ramsay did not realize it, but it was Jung who finally convinced the Council that Nepal’s only sane choice was to support the British in their time of crisis. Ramsay’s request was granted, and the first thousand troops set off for India.

Ramsay’s report of his achievement caught Calcutta off balance. The Governor General and his Council were confused. Their tidy Anglo-Indian world had been turned upside down, and they did not know whom to trust. If Sepoys who had eaten the Company’s salt had struck out violently at British rule, could the Nepalese be trusted? The Nepalese had never been overly friendly towards the British. If they came to India, they would certainly make an impact, but would they honor their commitment, or would they be swayed by Indian sentiment and fight against the British? The Council remained divided, so the Governor General took the politically safe course. He fired off a letter of reprimand to Ramsay for acting without prior authorization and ordered him to withdraw his request for Nepalese troops.

As the mutiny continued to spread, the Governor General reconsidered Nepal’s offer. Within ten days he asked Ramsay to renew his request. Ramsay discussed this with Jung and Acting Prime Minister Krishna Bahadur at the marriage of Jung’s daughter to Crown Prince Trailokya. Jung and Krishna agreed on the spot. Later that night they paraded the troops and informed them that the first contingent would leave Kathmandu a week later. Jung was like a warhorse on the eve of battle.

During that short interlude, the Darbar settled its major outstanding
business. On June 28, 1857, when official mourning for the late Prime Minister ended, King Surendra appointed Jung Bahadur Prime Minister for life and granted him full powers. The first six regiments of Nepalese troops marched off for India five days later.

These first six regiments performed superbly and worked well with their British liaison officers. The records show a hard-fighting unit. During the march on Lucknow, British military dispatches spelled out their achievements and cited outstanding performance. The reports were less enthusiastic when Jung led eight thousand Nepalese infantry to the plains in December that year. Jung created problems for the British high command. He refused to allow his command to be divided, but insisted that his troops fight as a unit. He refused to brigade his men according to Indian army practice. And he refused to be hurried. General Franks was unhappy with this, and his unhappiness colored much of the record of that campaign. Jung was no general, although he held that title and rank, nor was he a strategist. Despite this, the record of Jung’s contribution is clear. Jung knew his men, and he knew the impact his coming had on the revolutionaries. As a Maharaja fighting in support of the British, Jung was worth several regiments if he merely sat on his horse to watch the fighting. Many Indians had remained loyal to the British, but Nepal’s was the first intervention by a Hindu state on the side of the British. The sight of the Maharaja riding with his troops to the aid of the British had a propaganda effect measured only by the desperate attempts local princes made to buy him off. His flat refusals, no matter how suspicious British officers may have been, and his steady march on Lucknow proclaimed a belief in British victory that demoralized the enemy.

But Jung did more than sit on his horse and watch. At Phulpuri on the Gagara (Gogra), two thousand Indian troops with five pieces of artillery blocked passage of the river. The Nepalese unlimbered their own artillery and began to reach out across the river for the Indian guns. Completely carried away by the smell of gunsmoke and the slam of cannon, Jung jumped into the gun pits to sight the guns himself. After the duel heated up, Jung scored a direct hit. The Indians were forced to dig in to hold their position. Precisely as planned, a Nepalese detachment downstream then slipped across the river and rolled up the Indian flank. Indian resistance ended and Jung’s main force was free to construct its bridge of boats and cross the river with guns and baggage. The dispatches cited four Nepalese for bravery and gave Jung full credit for his marksmanship.

At the Gomati (or Goomti) the record was one of ingenuity and organization. Jung Bahadur and the main Nepalese force reached the Gomati on March 1st, where British engineers were to build them a bridge
of boats to cross the river. By mistake, the boats gathered for the bridge had been sent away before the Nepalese force arrived. The engineers found only three small boats and one larger one to span more than sixty yards of water. Jung studied the problem and suggested they pool their resources to execute a plan he then proposed. The engineers agreed that Jung’s plan was feasible but thought the work would take days. The next morning Jung assigned individual units specific tasks: felling trees, carrying bricks, hauling grass, and driving stakes into the river bed. Jung himself was everywhere supervising the work and encouraging his men. Thirteen hours later a bridge fifteen feet wide and as sturdy as a roadway stretched across the river. The way lay open for the Nepalese to cross the Gomati and join the siege of Lucknow.5

In Lucknow Jung’s force did its share with distinction. Holding the flank when ordered to hold the flank. Attacking with skill and determination when given the chance. Driving off counterattacks coolly and with finality. Every dispatch singled out the Nepalese force for special praise. When the last of the Indian defenders had fled the city, and the riches of Lucknow lay open to loot, the Nepalese force also shared the plunder of this proud and beautiful city. The excitement of battle followed by the richest loot the Nepalese had ever seen and the madness of gutting such a city left the Nepalese sagging. Jung decided there and then to take his men home before discipline broke down completely. His excuse was the summer heat. Of his 8,000 infantry, 2,000 men were sick—from food, drink, the sun, or a mixture of all three. The baggage, including military stores and loot, filled 4,300 carts. When some British observers saw this baggage train sixteen miles long, they thought the Nepalese looked more like rabble than an army. Their disgust stemmed partially from resentment. Jung had asked for a cavalry escort to protect his baggage train against roving rebel cavalry units. While the British obligingly guarded Nepalese baggage, Jung rode off to meet Governor General Lord Canning at Allahabad!6

Jung visited Canning to ask that Ramsay be replaced as Resident to Nepal. During Bam Bahadur’s year as Prime Minister, Ramsay had rubbed Jung the wrong way, and Jung wanted to be rid of him. Canning’s reply was so diplomatic that Jung, in the flush of recent victory, thought his request had been granted. It was not. Canning was too experienced an administrator to remove a man without first hearing his defense, and Ramsay’s defense was persuasive. Canning was so impressed that he kept him on.7 Later, when Jung threatened not to receive Ramsay if he returned to Nepal as Resident, the British Lion roared and Jung backed down. That roar, humiliating Jung when he felt such a minor wish should be honored, set Anglo-Nepal relations back thirty years or more. Ramsay returned as
Resident and stayed in Nepal for another nine years, but his work was uphill from that moment on.

If the Governor General and Ramsay lacked appreciation for Jung’s assistance at Lucknow, Queen Victoria and the British did not. When Jung had been in London just six short years earlier, he had met Queen Victoria and fascinated the town. Now he, of all the princes of the sub-continent, had redeemed his pledge of friendship by rallying to the defense of British women and children and fighting personally at Lucknow. This warmed the heart of Victorian England and the British remembered. From that time, the Nepalese always received a better hearing in London than they did in India. As an immediate reward, the British Crown restored to Nepal the western Tarai. This was easily the most enduring reward Nepal received. From the Government of India the Nepalese troops received the less enduring, but equally acceptable payment of over Rs. 680,000 (Rs. 230,615 in pay, plus allowances of Rs. 450,000). To the consternation and chagrin of British quartermasters, the Nepalese troops also marched off with the 10,000 new model rifles supplied them on their arrival in India. All this was in addition to over four thousand cartloads of loot.

Nepal was well rewarded for its services, and Jung knew it. Yet he was personally dissatisfied. He was entitled, perhaps, to show some princely petulance. In their great moment of victory, he felt the British had treated him like a child. They had not removed Ramsay. They had not consulted him in advance about the territorial grant to Nepal. Their victory at Lucknow had confirmed their rule in the whole of Avadh, and out of all this territory they had merely returned to Nepal a strip of land that all Nepalese felt was already rightfully theirs. Though Jung had hopes of more land than he actually received, the heart of his pique was the almost offhand way things were done. London, as might be expected, eventually did things in princely style. In November 1859, Jung was awarded the Knight Grand Cross, Military Division, of the Order of the Bath. Yet the Governor General and the Resident managed to sully even this distinction. Jung’s first intimation of the award was from the newspapers, not from the Residency. It seemed that the Governor General and the Resident begrudged him even the official recognition London granted.

Jung’s petulance was short-lived. Personal feelings were pushed aside by the problem of 25,000 Indian fugitives that British forces under Sir Colin Clyde had dumped into Butwal and Dang Valley in the Nepal Tarai. In October, 1858, British forces had swept the rebel units from the southern sector of Avadh northward across the Gagara and squeezed them up against the Chure Range. According to the British plan, the rebels must then either surrender or cross over into Nepal. Only after the rebels had actually crossed
into Nepal did it occur to the British that from their haven in Nepal the rebels would be able to raid into India at will.

Among those who escaped the British dragnet were the Begum of Lucknow and the Nana Saheb. They came into Nepal with their followers, much of their treasure, and prestige without bounds. Both of these leaders stirred the emotions of the people of north India, and by their presence gave dignity and cohesion to an otherwise ragtag military remnant. The Begum symbolized all the resentment and anger caused by the British annexation of Avadh in 1856. The Nana represented the memory of the great Mahratta nation, whom the Governor General and his Council had dishonored. If the two of them remained at liberty, all those Indians who still believed in the rebellion would take heart. The British wanted to stamp out the last hope of rebellion. They also held these two responsible for the worst atrocities of the war.

Although British strategy had produced this situation, the British seemed to expect Jung to settle it. They fretted at his delays and thought him small for expecting payment to drive the fugitives back into India. But in Nepal Jung did things his way. He first warned the fugitives that under the terms of Nepal’s treaty of extradition with British India he would eventually have to hand them over to the British. He advised them to accept Queen Victoria’s amnesty. But the fugitives claimed asylum in the name of religion and pleaded to be allowed to stay in Nepal. Religion, they said, had been the basis of the mutiny, and their own war had been in defense of religion. Religion was a holy thing to Jung but not sufficiently holy to condone the presence in Nepal of 25,000 armed men whose leaders were so stiff with defiance of the British they fairly crackled. Jung gave protection to the Begum of Lucknow and the women in the Nana Saheb’s party. Eventually he even allowed them to come to Kathmandu under rigid rules of behavior. For the rest, Jung’s patience ran out in the summer of 1859. He made plans for a clean sweep of the Tarai.

In November and December, 1859, 10,000 Nepalese troops swept up the fugitives. Some 3,000 were handed over to the British. Local reports said another 1,000 to 1,500 had gone home earlier. About 300 were known to have escaped the dragnet. The rest simply vanished. Perhaps they were victims of malaria or harsh jungle conditions. Perhaps they also drifted into India. Or perhaps the number of fugitives had been greatly exaggerated.

Of the Nana Saheb, there was no definite news. Rumor had it that he had died in Nepal. Resident Ramsay did not really believe this, nor in fact did Jung, but Jung would never admit this to Ramsay. Officially the Nana was dead. There was less doubt about the fugitives’ treasure. Their cash had been spent for food, necessities, and bribes. The jewels found their way
into the Prime Minister's treasury. Many of them eventually adorned his crown. Despite Ramsay and despite the Governor General, Jung handled the fugitives as he wished and in his own time. And that was Jung's reply to the Lion's roar. He capped it by asking the Governor General, through the Resident, to keep British troops out of Nepal in the future. Jung had come to believe that he could rely on the British to keep their word if he understood what they were really saying. After fourteen years of dealing with the British, and especially after his dealings with them in Lucknow, Jung felt he understood them. He delighted in summing up his attitude for the Resident whenever the Resident gave him an opportunity.

You say we are independent. The British Government tells us that it has no desire to interfere with our internal affairs and not even to advise us respecting them. We desire to preserve our independence. We attribute that independence solely to our own peculiar policy. You may call it selfish if you like, but we cannot alter it to please you. We know you are the stronger power. You are like a lion. We are like a cat. The cat will scratch if it is driven into a corner, but the lion would soon kill the cat. You can force us to change our policy. You can take our country if it pleases you to do so. But we will make no change in that policy, by the strict observance of which we have preserved our independence as a nation to the present time, unless you compel us to do so.

In 1860 Jung seems to have decided that catering to British India could gain few new concessions. Nepal's independence was secure, at least as far as British intervention was concerned. However grudgingly it had been given, he had gained the personal recognition that he craved. The British still sought trade concessions, but Jung cared not a whit. British trade interests and British subjects brought endless complications from the Resident and no profit. Jung would happily have done without the Indian merchants already active in Kathmandu. From this point onwards, Jung handled the Resident's complaints routinely, made a few of his own to remind the Resident that British subjects also disturbed the peaceful relations between the two countries, and went about his business. As it turned out, this was just the right note, and far more effective in controlling the Resident than merely restricting the movements of the Residency staff.

During these postwar years, Jung set the tone of Rana administration. He allowed his brother Krishna, whom he had appointed Commander-in-Chief in 1857, to use his years of experience in Tarai revenue administration to bring order and method into the Commander-in-Chief's office. Some actually believed that Jung enjoyed the 'perks' of office while Krishna did all the work. They were naively mistaken. The C-in-C executed policy and
proposed decisions, but Jung made policy, made every decision or appointment, and approved every expenditure. Jung and Krishna worked together so well that the C-in-C’s office became the central clearing house for every detail of the administration. Jung remained free to concentrate completely on whatever aspect of administration he chose, with the certain knowledge that the C-in-C had the bureaucracy in hand and was following up each decision.

Jung Bahadur’s administration was not a new departure. He built on what had evolved in Nepal from Bhim Sen Thapa onwards. Only in personal power was there a sharp difference. Jung was Prime Minister and also sole Minister of the state, whereas Bhim Sen, following the arrangement Rana Bahadur had set down in 1799, had been the chief of three or four colleagues with whom he shared responsibility and authority, primus inter pares. In Jung’s time, and throughout the Rana period, the Prime Minister had full responsibility and full authority, which at times he delegated but never shared.

Jung never felt it necessary to win acceptance from the man in the street or the farmer in his fields. Simple citizens were neither concerned with nor involved in politics. It was the elite who disturbed Jung. Political power in Nepal was based on a handful of families in Kathmandu. By royal appointment Jung enjoyed legitimacy and the power of the pajani, but the so-called ‘leading families’ could create problems. They were economically independent of the administration, because their past services to the state had won them Birta land grants, and they were united. Their large extended families were linked by ties of marriage, social custom, and mutual obligation.

Jung was also wary of the priestly class. Because of the priest-client relationship in Nepalese society they exerted a strong influence on public opinion. The Raj Guru (the Royal Preceptor) reinforced this influence. He was the sole arbiter of caste violations in a state where caste was fundamental to social status and law.

Any overt pressure Jung might exert on either the elite or the priestly class would weld them into rigid opposition. Jung preferred to use existing social institutions to win the support of some members of each class and so divide them.

Jung learned to manipulate the socio-political world he had inherited. No matter how great his personal power, he always insisted that he functioned only under orders from the King, and he always had a document to prove it. He consulted the Council of State on all major points. When especially sensitive points were discussed, he made sure that King Surendra and ex-King Rajendra were present. These Council meetings were not a
facade. The members of the Council spoke their minds as freely as their perception of the situation and events warranted. Almost all were major office holders with talent and experience. There were times, of course, when Jung wanted absolute support and times when he arranged that both ex-King Rajendra and King Surendra said in the Council exactly what he wanted them to say. For the most part, however, Jung allowed the Council to share responsibility for awkward or delicate decisions and used these meetings to create unity.

To outward appearances, none of the leading families had reason to cooperate with Jung. Almost all had suffered from the Kot massacre which had brought Jung to power, and real power remained a monopoly of Jung and his brothers. But the Nepalese are pragmatists. Jung controlled the levers of power. He could be ruthless, but he seemed more inclined to use patronage to win support. Jung asked for cooperation within the rules of the game, and it made sense for the members of the Council to give it.

As a leader and politician Jung respected traditional processes and traditional roles. Perhaps as an autocrat he was more conservative in this than a democrat. Sensitivity to traditional structures and institutions lent credibility to his otherwise totally unacceptable rule.

Jung also used the Legal Code of 1854 to gain support for his rule. The Code, assembled from the accumulated judicial records of eighty years, passed by the Council and promulgated by King Surendra, established him as the court of last appeal. Jung used the Code as an administrative tool to discipline judges and bring the courts into line. As the highest judge in the land, he could also moderate the demands of justice to secure additional support from Nepal’s elite. In implementing the reform aspects of the code, however, Jung moved slowly. No matter how desirable any social change might seem. Jung realized that in conservative Nepal more was achieved by example and steady pressure than by force.

Jung boldly bought the support of the priestly class. They had never forgiven Bhim Sen Thapa for his scrutiny of their land grants. Though it was never clear how much land they had actually lost, the priests were a very aggrieved class. In an unabashed bid for their support, Jung labeled Bhim Sen’s action a sin which demanded expiation and restitution. Although, as he said, he could not restore the precise land that Bhim Sen had taken from them, since this had been assigned to the army, he promised to replace the land they had lost. Even more important, Jung gave the priestly class stature and prestige. Jung, and Rana Prime Ministers after him, made staunch Hinduism a mark of their rule. Tolerance and respect for other religions would remain, but they considered Hinduism an essential support.

Jung had placed his relations with the Resident and the Viceroy on
comfortable footing. He had secured at least the tacit support of the leading families. And he had set clear goals for his administration. He entered the 1860s in healthy shape. If one can believe the available documents, the seventeen years of rule remaining to him were marked by a steadily improving administration, an insatiable hunger for personal profit, and legendary self-indulgence.
Notes to Chapter Eight


1. ‘The grand council or assembly of Bharadars was another institutional factor which influenced the Maharaja’s exercise of power on some important state issues. The assembly was called together during Jung Bahadur’s period to discuss such questions as the Prime Minister’s proposal to visit England, the fate of conspirators who plotted against the Prime Minister’s life, the feasibility of launching a military campaign against Tibet, whether to send troops to India during the Mutiny, and it met to ratify the legal code. While not obliged to heed the sentiments of the nobility, later Prime Ministers continued at least formally to seek their counsel, and called the Bharadars together to hear important speeches on state policy and to welcome foreign dignitaries.’ Edwards, Rana Administration, pp. 177-8.

2. Jung almost insisted that the Resident accept these additional Nepalese troops. The Governor General accepted Jung’s offer, but he did not think the additional troops were really necessary. Some have inferred from this that Nepalese troops failed to carry their weight in the recovery of Lucknow.

3. British distrust of native troops prompted a system of encampment that divided each Sepoy unit but kept the British troops together. Jung insisted that the Nepalese army camp apart as a single unit.

4. Jung was hardly unique in this. The strategy at Lucknow was limited to brute strength, cannon balls, and courage.

5. British Army Engineers reported this event with enthusiasm. Clearly the Nepalese achievement had lightened their spirits.

6. Some historians prefer not to stress the military contribution Jung’s army made in the siege at Lucknow. This is understandable. Indian nationalists have always been irked because the Nepalese did not join their war of independence. Playing down the Nepalese role seemed to say that it really didn’t matter. But historically it did matter. One cannot explain later developments in Nepal’s history if the success of the Nepal army is discounted.

7. In his own defense, Ramsay stated that in his dealings with Jung Bahadur he had simply carried out orders. He told the Governor General that on the specific
occasion about which Jung had complained, Jung had tried to dominate an official discussion which he was trying to hold with Prime Minister Bam Bahadur himself. The Governor General’s instructions to the Resident in Nepal were to deal only with the Prime Minister.

8. Nothing so angered the British as brutality to their women and children. From the outset, Jung, too, had reacted strongly to such brutality and sent assistance whenever he came to know of women and children needing defense.

9. The British in India avoided any advance discussion with Jung on the subject of a territorial grant, because they knew he hoped for far more land than they intended to give.

10. For a time Jung had allowed British troops to cross the border in search of fugitives. The stiffness of the Government of India’s response to this request suggests that the British hoped for a permanent relaxation of the border.

11. Jung’s efforts to rid Nepal of Indian merchants raised a storm of protest from the British Resident.

12. Some scholars have compared the Rana Commander-in-Chief’s office with a modern office of operations and management (O&M).
Chapter Nine

Jung’s Last Years

The last half of Jung Bahadur’s thirty-one years as Prime Minister of Nepal was less flamboyant but even more productive than the first. Unfortunately, Jung’s real achievements were obscured by his use of political power to enrich himself and his family. If there was wealth to be had from any activity, Jung and his family had to share it. The legacy of that possessiveness makes it difficult to evaluate Jung’s contribution to the growth of the nation. Despite this and despite Jung’s autocratic rule, his reforms did indeed strengthen the nation.

One by one, the records required by Jung’s reforms laid a foundation in law for personal property rights. They chronicle Nepal’s transition from a nation of tenants to a nation of small landowners. That transition gave birth to a remarkable spirit of independence and self respect. Much of Nepal’s strength today can be traced to this. The transition took generations. Many failed to survive as independent landowners and eventually became subtenants on the land. But many did succeed, and the process began with Jung’s reforms.

Jung’s crackdown on Jagir holders also strengthened the nation. Jagir holders had become lords on their own estates and carried this attitude into the national arena. Initially, a Jagir only provided pay to a government servant. The holder had the right to collect revenue from all sources in the area covered by his Jagir: agriculture, forests, minerals, and cottage industries. He was also entitled to dispense justice and appropriate judicial fines and to exact unpaid labor. Later, the Jagir holder was empowered to enhance rents and evict tenants. He then became truly the lord of his demesne. He could demand presents of meat, fruit, fodder, firewood, or newly harvested grain. The tenant dared not refuse lest he be evicted from his land. Senior officers, protected by a pajani based on favoritism and patronage, controlled whole villages for years. This was divisive of national unity. Jung ended it, not from a deep concern for the national good but because the sense of independence Jagir holders developed displeased him. But he ended it. His legislation brought Jagir holders into line and reduced the number of major Jagir holders.

Jung’s major revenue reforms were aimed at the Tarai. When Jung took office, revenue collection in the Tarai was a hodgepodge. Each Tarai revenue district was entrusted to a Subbha. The Subbha paid the government a flat rate in exchange for the right to all revenues, including judicial fines, collected in his district. He was assisted by subcontractors called
Chaudharies, each of whom was responsible for revenue collection in one portion of the district. At the grass roots level, the smallest revenue unit was the Mauja. There, taxes were collected by government employees paid a percentage of the taxes they collected. The system was expensive, inefficient, and stagnant.

In November, 1861, Jung replaced the Subbhas with salaried revenue officers to supervise the Chaudharies and to collect revenue payments from them. These new officers were responsible directly to Jung. Though they held military rank and were subject to military discipline, they were recruited from the civilian population and trained especially for this post. To avoid any conflict of interest, they were forbidden to own land or conduct trade in the districts where they were assigned.

Jung’s major change was at the grass roots level. He appointed Jimidars to replace the salaried tax collectors in each Mauja. A Jimidar remained a private citizen and received no payment for his work. He had no judicial powers and no administrative authority. He accepted full responsibility for collecting taxes in his Mauja and was required to pay the total revenue assessed for his Mauja whether he collected it or not. In exchange, the Jimidar was entitled to use the labor tax of the tenants in the Mauja. Government recognition gave him status, and his ability to farm large tracts of land with unpaid labor gave him wealth. Once appointed, the Jimidar had a legal right to his post. He could not be set aside in favor of another but could, if he wished, sell his title to someone else. These reforms produced a dramatic increase in revenues.

Table I

Land Revenue Collection in the Eastern Tarai Region 1852-62

<table>
<thead>
<tr>
<th>District</th>
<th>1852</th>
<th>1862</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morang</td>
<td>151,081</td>
<td>276,094</td>
<td>82.74</td>
</tr>
<tr>
<td>Saptari</td>
<td>181,582</td>
<td>357,921</td>
<td>97.11</td>
</tr>
<tr>
<td>Mahottari</td>
<td>174,025</td>
<td>352,467</td>
<td>102.53</td>
</tr>
<tr>
<td>Sarlahi</td>
<td>96,233</td>
<td>171,377</td>
<td>78.08</td>
</tr>
<tr>
<td>Rautahat</td>
<td>69,900</td>
<td>192,587</td>
<td>175.16</td>
</tr>
<tr>
<td>Bara</td>
<td>47,555</td>
<td>143,578</td>
<td>201.91</td>
</tr>
<tr>
<td>Parsa</td>
<td>43,676</td>
<td>92,777</td>
<td>112.42</td>
</tr>
<tr>
<td>Totals</td>
<td>Rs. 764,142</td>
<td>Rs. 1,586,801</td>
<td>107.65</td>
</tr>
</tbody>
</table>
Once the system was working satisfactorily, Jung encouraged the settlement of undeveloped land. Under regulations promulgated in January, 1865, anyone who agreed to settle new Maujas on uncultivated tracts of land in the eastern Tarai would be named Jimidar of these lands. No taxes at all would be levied on the Mauja for the first ten years. At the end of that time, one acre out of every twelve would be allotted the Jimidar as tax-free Birta land. Taxes would be paid on the remaining land, and the original assignee would remain the Jimidar of the Mauja. Those who accepted this offer were obliged to recruit tenants, assign them lands, and pay their living expenses until they could harvest their first crop. Heavy investment was required, but on the fertile land of the eastern Tarai, the risk was minimal and the rewards were great.

This system worked especially well in the development of newly cleared land. After government foresters cleared a tract and prepared the logs for sale, the land was assigned to a Jimidar who attracted settlers and financed them for the first few years. During the remainder of his ten-year tax holiday, the Jimidar recouped his investment. The Jimidar enjoyed a ten-year tax holiday, but his tenants did not. He could begin collecting taxes whenever he thought his tenants could pay. Some Jimidars made a profit before the end of their tax holiday. Even if returns came more slowly, the Jimidar's permanent Birta rights and his right to use unpaid labor to farm his own land made this an attractive investment.

At one point Jung also tried to use Jimidars to develop irrigation in the Tarai. He proposed that they finance irrigation canals, which the army would construct. The Jimidar would recover part of his investment from the increased productivity of his own fields and the remainder by charging other farmers a fee for an assured supply of water. The scheme was feasible, but only a few canals were built. Jimidars still saw land as something to be exploited and showed little interest in investing in the land to improve yields.

The last of Jung's revenue reforms was his 1868 nation-wide revenue settlement. His 1854 settlement had been based largely on the records available. An actual survey of the land confirmed Jung's belief that earlier records had underestimated the area of most plots. Tax assessments and rents in his 1868 settlement took this larger area into account.

In many respects, the 1868 settlement was a disaster. Although the settlement bore some relation to the area of land being taxed, the survey was far too primitive to provide an accurate measurement of holdings and failed to consider the productivity of the land. The 1868 settlement was really an upward revision of taxes based on a sketchy survey. Taxes which the assessors thought reasonable were far higher than tenants could pay. Jung
had yet to learn the economics of agricultural taxation. There was a limit to the level of taxes tenants could pay. When tenants were taxed beyond that limit, they fell behind in their payments. Once arrears built up, they no longer tried to pay their taxes in full. A tax rate that allowed tenants some margin of security produced higher revenues.

In other respects the 1868 settlement was a milestone. Even this primitive survey recorded the boundaries of each plot and registered the tenant’s name in relation to a specific plot of land. Tenants on Birta and Jagir land found that this record amounted to a guarantee of their tenancy rights. It was a government record that no Jagir holder or Birta owner could change at will. Tenants who paid taxes directly to the government with no landlord as intermediary qualified as landowners, because only their names appeared on the records. No one could dispute their claim. If they continued to pay their taxes the land was theirs. They could rent out their land or even sell their tenancy rights.5

Legislating reforms was one thing. Implementing them was quite another. And implementing these reforms was very important to Jung. Administration suddenly became the most promising career path. Administrative skills replaced military skills as the mark of the upwardly mobile. Even younger members of the Rana family learned that responsible involvement in administration was expected of them if they hoped for status within the family.

Few sons of the Rana elite lived up to Jung’s expectations. Employing them challenged even Jung’s determination and skill. Inside and outside the bonds of matrimony, Jung and his brothers had produced an abundance of sons. The mothers of these young scions expected the best for their own and manipulated to gain it. As a result, the young men of the Rana family were a privileged and a spoiled lot. All were given high military ranks and inflated Jagirs. When actually assigned a post in government, they served under a senior Rana, generally for the training and experience involved, not for any special skills they possessed. The opportunities for meddling in favor of their own interests were many, and few of these privileged ones appreciated the importance of a just administration. They were even less impressed with Jung’s objective of an administration that functioned according to law. ‘Of what use was privilege if it was hedged in by law?’ This was an attitude Jung’s reforms could not dispel. He tried to instill respect for law by establishing a high-level anti-corruption court (the Dharma Kachahari) and giving the judge of this court, whom he appointed for life, the power to scrutinize all complaints and evidence of bribery or injustice, even if the accused was a senior Rana or the Prime Minister himself. To no avail.
The anti-corruption court failed to stop asystemic activities of members of the Rana family. The effectiveness of the court depended entirely on the Prime Minister's determination and freedom to control his own relatives. That freedom simply did not exist. Even in Jung's lifetime, a Rana code began to develop that in time forced the Prime Minister to yield to consensus within the family. Privilege always seeks to protect itself. According to Nepal's social code, family interests far outweighed the demands of an abstract concept of government.

But at the heart of the Rana code was frustration. Rana ambitions grew faster than opportunities multiplied, and there were no outlets such as the Sepoy Mutiny to drain off pent-up frustration or channel it into legitimate activity. As the years went by, the growing size of the Rana family itself became a problem more trying for Rana Prime Ministers than the constant pressure from the British. Privilege gave birth to expectations that Nepal could never fulfil, and this was dangerous both for Rana Prime Ministers and for Rana rule.

Many Ranas found an outlet for their ambitions in business, where they could use their political influence to gain an economic advantage their talents failed to give them. Such a misuse of political power was not unique to the Rana family. Throughout history men and women have enriched themselves in the same way. The Rana family's financial activity was noteworthy because it reflected a shift in the mark of status among Nepal's elite from landed wealth to a combination of land, money, and foreign luxuries. Even Jung and his brothers became involved.

The re-integration of the western Tarai into Nepal's economy provides a good example of Jung's use of political power to create trade conditions favoring his own interests. In 1858 the British had announced their intention to restore the western Tarai to Nepal, but demarcation of the new border was not completed until 1860. Jung's administration assumed charge immediately afterwards. But making this 'New Land' (the Naya Muluk, as it was called) a part of Nepal required more than the establishment of a few administrative offices.

The western Tarai had been a part of the Avadh economy for forty-four years and would remain a foreign land if that orientation remained. To regain the loyalties of the local people, Jung ordered local administrators to use government funds to repair existing irrigation facilities and build new ones wherever these might increase production. Since the monsoon rains in the area were unreliable, this was an excellent way to show government concern for the people. But the benefits were localized and did nothing to redirect the economy. The increase in agricultural production merely added to the surplus that was exported to Avadh through existing trade channels.
To weaken this connection with Lucknow, a more drastic solution was required, and this solution directly involved Jung’s financial interests.

In 1861 Jung had King Surendra assign the whole district of Bardia in the western Tarai to himself and his brothers as *Birta.* Bardia’s trade was then based on markets located at Tulsipur, Balarampur, and Nanpara in India. To redirect that trade, Jung selected Gola Mandi and Banke in Nepal as alternate markets and offered free board and lodging to any Indian merchant who frequented them. When he saw that few merchants came, Jung forbade any Nepalese to cross from the western Tarai into India. Indian merchants interested in Nepal trade then had no choice but to come into Nepal. This was better, but the merchants still returned to India when trading ended. Jung wanted permanent market towns in the New land. To encourage merchants to stay, he began to charge exorbitant customs duties on all Indian trade goods re-exported to India. Merchants could take back into India any Nepalese goods they wished but had to pay triple customs duties on any unsold Indian goods they took home. Most merchants preferred to store their unsold wares in Nepalgunj or Gola Mandi. As trade improved, some even took up residence. Within ten years as many as fifty Indian merchants resided permanently in Nepalgunj, and at least one hundred more stayed throughout the trading season.

Jung’s motives were always complex. His decisions usually benefited the nation but invariably contributed to his own preservation in power and personal profit. During his winter tour of the Tarai and the Western Hills in 1863, for instance, Jung abruptly assigned to the army the task of improving the road between Bissolea (Amlekhganj) and Bhimphedi. This decision was so unpopular with the officers and men that one wonders why Jung made it. Was it because he suspected the loyalty of his brother Badri Narsingh, governor of Butwal, and wanted to remove most of the army from Badri’s direct control? Or was it because the army was more efficient and could finish the project much more rapidly than was possible with seasonal, compulsory unpaid labor? Perhaps more fundamentally, did Jung want the road improved to facilitate his own trips to the Tarai, or did he improve the trade route because of his own investments in trade? The one thing we know definitely is that trade improved and Jung profited from it.

The merchants and money changers of the Kathmandu bazaar recognized this and suspected every change Jung introduced. When Jung circulated new coins in 1865 (gold Mohars, silver Mohars, and copper Paisa), the bazaar reaction was absolutely negative. The coins were smaller and lighter than those in circulation and felt soapy. The bazaar believed the new coins adulterated, and Resident Ramsay was inclined to agree. As it turned out, they were wrong about the value of the coins, but right in
suspecting Jung’s motives. Jung apologized to Ramsay for the ‘feel’ of the coins. He explained that they were the first produced by the new machinery installed in the Nepal mint and the alloy had not been correctly prepared, but he defended their value. The Calcutta mint supported Jung. Their assay found the new coins purer than the old, and the ratio of purity to weight made them about equal in value to the old coins. The Gold Mohar alone was overvalued. This Jung admitted, but he claimed that he planned to let this ceremonial coin find its own level in the market.

Ramsay’s suspicion that Jung had a personal profit motive in the new coins was well founded, but he looked for it in the wrong place. Ramsay did not realize how important coins were to Jung’s revenue reforms. Rents and taxes were increasingly paid in cash, and for this the villagers needed coins. If Nepalese coins were not available, Indian coins would be used and, in time, become the currency of Nepal. To protect Nepal’s sovereignty, it made sense for Jung to increase the production of Nepalese coins.

Jung’s profit did not lie in the alloy in the coins but in the control Nepalese coinage gave Jung over the Kathmandu import trade. On Jung’s order, Indian rupees were no longer legal tender in Kathmandu, nor could they be exported from Kathmandu Valley. Jung obliged merchants to exchange their Indian rupees at the Saraf Khana for Nepalese rupees at a slight discount. Most of the Indian rupees acquired in this way went into the melting pot to be re-minted as Nepalese rupees. This put a brake on imports and gave Jung, his brothers, and other leading officials an opportunity to invest as silent partners in major Kathmandu trading houses. They arranged bills of exchange for their partners through the firm of Dharam Narayan Harka Narayan, state bankers for Nepal, who had correspondent firms in all the major north Indian cities. The value of trade was not large, about 1,600,000 Indian rupees annually, but whatever trade there was profited Jung as well as the merchants in whose ventures he invested.

Investment in the Kathmandu trade suited Jung perfectly. By nature he felt secure only when he could control his environment. He never understood how a merchant could accept the law of supply and demand and rest content with a small profit on each exchange. For Jung, this left too much to chance. When he realized how totally the British controlled the opium market, he got out. For the same reasons, investment in the Indian market was impossible. Jung did not want the British to know the extent of his personal wealth, nor would he risk the British blocking his accounts. The Kathmandu market was another proposition. He could control every aspect of the operation from the supply of foreign exchange to the rate of customs duties, and Newar merchants gladly accepted him as a silent
partner in exchange for exemption from currency controls. This seems petty, perhaps, but investment satisfied Jung’s compulsion to increase his wealth constantly.12

This compulsion was a corollary of the shift from land wealth to money wealth as a mark of the elite. The shift itself was not difficult to understand. Nepal’s governing elite, though descended from village farmers, were fugitives from village life. Compared to the Jyapu farmers of Kathmandu Valley with their deep love of the soil, the ruling elite were embarrassed to be called farmers. This explains their failure to invest in the land. For years Nepal’s elite had been satisfied just to escape the village farm. After the Sepoy Mutiny they wanted more. Although Nepalese soldiers and officers alike sided with the British in 1858, they had felt psychologically alienated. In the aftermath of the rebellion, the Nepalese elite in particular felt a deep-seated longing for esteem and status in the larger world of Hindu India and, like nouveau riche everywhere, saw accumulated wealth as the path to that acceptance.

The Mutiny created a further problem for the Prime Minister. The British were determined after 1857 to maintain a strong Gurkha Brigade. To do this they required several hundred fresh recruits a year. Jung was reluctant to supply these recruits. He knew that he could not block all Gurkha recruitment. The economics of life in the Hills made such service too attractive. But harass it, he could and did, as part of his protest at the British effort to expand their influence in Nepal. British Gurkhas on furlough were not welcome in Nepal. When Jung finally relented on this point, he refused to allow them to wear their uniforms inside Nepal. He objected strongly to recruiting parties entering Nepal under any guise whatever and demanded that village headmen conduct a regular census of eligible villagers so that he knew the extent of recruitment.

Jung succeeded in withstanding British pressure largely because in these post-Mutiny years the British could not agree on a coherent policy towards Nepal. The military members of the Indian administration argued that the number of Gurkha recruits should be increased whatever the cost. Pragmatists thought this excessive and that Jung could be persuaded by other benefits to permit more open recruitment. The mercantilists could not have cared less. For them, trade was the answer to all problems, and their primary goal in Nepalese affairs was to increase the flow of British manufactured goods into Nepal’s markets.

The ambiguity in British policy towards Nepal was finally put to rest in the 1870s. For a short period after Edgar Ware’s report on direct British trade with Tibet, the mercantilists seemed in the ascendancy. The Viceroy, however, remained skeptical. India’s trade with Tibet was channeled
through Nepal. One way to assess the nature and extent of that trade was to study Nepal-India trade. On this assumption, the Viceroy ordered the District Commissioners of five districts bordering on Nepal to establish check-points to monitor the flow of trade. The District Commissioners' reports proved disappointing. There were large gaps in the data, and the District Commissioners tended to complain of difficulties rather than produce information. The Viceroy sent the data, incomplete though it was, to Resident Girdlestone in Kathmandu for comment.\textsuperscript{13}

Resident Girdlestone thought the volume of trade indicated by the survey statistics – just under ten million Indian rupees annually – was low. He estimated the actual volume at fifteen million Indian rupees and thought that Nepalese exports outweighed imports by a margin of two to one. According to Girdlestone’s estimates, Nepal had an annual trade surplus of between three and five million Indian rupees. Most of this went to the major Jagir holders and Birta owners, the political elite of Nepal, who alone had substantial surplus to sell on the Indian market.\textsuperscript{14} Although the statistics indicated that there was adequate purchasing power in Nepal to double Nepalese imports from India, Girdlestone doubted this would happen. The major market for British goods was in Kathmandu, and this market was already well supplied. For the rest, the Nepalese people were simple in their wants, frugal, and able to supply most of their necessities from their own industry. In Girdlestone’s opinion, improved trade could only mean an increase in Nepalese exports and a growing balance of trade in favor of Nepal. This killed mercantilist hopes for increased trade with Nepal, and Gurkha recruitment became the top British priority.

Had Jung lived, there is no doubt that the British would have paid dearly to fulfill that goal. Jung was shrewd enough to see that the British need for recruits gave Nepal an edge in negotiations, and his hand was strengthened by his belief that the British had nothing that Nepal really needed. His death changed that and placed the Prime Minister of Nepal once again at a great disadvantage with the British.

Jung died February 25, 1877 at Patthar Ghat on the Bagmati River. He had been hunting in the Tarai. When Jung fell sick, his Rani sent to Kathmandu for help, and Jung’s youngest brother and the Crown Prince went immediately to the scene. The Commander-in-Chief, Ranoddip Singh, remained in Kathmandu. In a more detailed letter, which Ranoddip received on the morning of February 27th, Jung’s Rani explained that Jung had been out shooting when he suddenly became quite ill, was sick twice, and then fell into a coma. The same day, and possibly by the same messenger. Ranoddip received secret information of Jung’s death.\textsuperscript{15}

Ranoddip immediately posted troops around Jung’s residence, around
the royal palace and along the key roads of the city. Only he had access to
the King. As next on the roll of succession, Ranoddip was entitled to become
the new Prime Minister. Ranoddip wanted more. By royal decree Jung had
also been Maharaja of Kaski and Lamjung, and that decree was the real
source of Jung’s power and personal wealth. Ranoddip wanted King
Surendra to link the Maharaja’s title with the Prime Minister’s title, and he
had the one argument the King understood, de facto military control. News
of Jung’s death was officially received in Kathmandu on February 28th. The
next day Ranoddip informed the Resident that King Surendra had bestowed
on him, without pause for mourning, all Jung’s titles and appointed him
Prime Minister. Jung’s sons returned from Jung’s funeral to find that
Ranoddip had usurped their inheritance. In Rana Nepal, no matter that they
themselves were Ranas, they had no recourse. Ranoddip had all power in
his hands and the full support of his brothers. The deed was done and would
not be undone, but the seeds of future strife in the Rana family had been well
and deeply planted. The British reacted strongly to the coup as well, and
this too promised trouble for Ranoddip and for Nepal.
Notes to Chapter Nine


1. Since Birta owners had the same privileges as Jagir holders, it may seem strange that Jagir holders were singled out for this special concern, yet the 1854 legislation allowed Birta owners to continue to set rents as the circumstances permitted and to evict tenants. Perhaps this discrepancy is more apparent than real. While Jagir lands were in the Hills, most large Birta were in the Tarai, where rents tended to be slightly lower and competition for tenants more keen. If Birta owners increased rents indiscriminately, their tenants abandoned their fields in favor of lands offered elsewhere at cheaper rates.

2. Jung also tried to bring his own brothers into line. The judge of the supreme court (the Adalat Goswara), which Jung established in 1860, was directed to dispense justice according to the provisions of the Code without fear or favor and to refer to the Prime Minister only those cases not provided for in the Code. Jung's successors allowed the Adalat Goswara's judicial functions to atrophy. It deteriorated into an office for registering complaints.

3. These regulations carried the amazing rider that Birta lands thus acquired would not be subject to confiscation, even if the owner committed a crime. Since confiscation was the Birta owner's chief fear, this was a strong incentive for the wealthy to invest in the Tarai.

4. Regmi, Thatched Huts, p. 147.

5. In later years, when Jagir land assignments were slowly replaced by cash salaries and Jagir lands reverted to government land, the recording of the names of tenants and the boundaries of their holdings would extend ownership rights to these tenants. Tenants on Birta lands never received the same benefits. Under Nepal's land reform laws, Birta land, for the most part, merely passed from tax-free land to taxed land. When restrictions were placed on the size of holdings, most Birta owners succeeded in dividing their land among relatives. Ownership rights
remained with the former Birta owner or his family. Tenants on Guthi land profited not at all by these measures. Their lot is unchanged even today.

6. The Western Tarai was restored to Nepal in November 1860. The Rana Birta, a whole district, was divided in true Rana fashion: fifty percent to the Prime Minister and fifty percent to the remaining brothers.

7. Jung had made plans to improve this route from the time of the Sepoy Mutiny, when he had seen that it was inadequate. He had even ordered iron bridges for it in 1861 but until the work was entrusted to the army little progress had been made.

8. Badri Narsingh resigned from his post as governor of Butwal in 1864, supposedly in protest to this use of the army.

9. Though British Residents continually complained about this re-minting of Indian rupees, the output of the Nepal mint became an important economic indicator for them. British Residents were required to report on the total quantity of coins issued annually by each of Nepal’s mints to allow the Government of India to estimate Nepal’s economic vitality.

10. In 1873 this firm suffered a series of setbacks. Jung bailed them out that year but lost confidence in them. For some time after 1873, trade became extremely difficult for lack of an adequate substitute. See Stiller, Girdlestone on Trade, p. 14.

11. Jung had informed Ramsay in 1866 that Nepal’s Tarai farmers were free to sell their opium wherever they wished.

12. On the direct route from Sagauli to Kathmandu, Octroi and other harassing internal levies were reduced to a minimum.

13. The final combined report does not provide adequate data for economic analysis, but gives us valuable insight into Nepal’s trade with India as well as contemporary commentary on Jung’s trade policies during this last phase of his life.

14. We would have a different set of statistics for trade, revenue and the Kathmandu market, had the elite not hoarded this income. Apparently the elite felt insecure in Rana Nepal. Their hoarding stunted the growth of the economy.

15. The Residency surgeon recorded that Ranoddip was visibly more relaxed after receiving the Rani’s second letter.
Ranoddip ruled as Prime Minister for eight years. After Jung Bahadur’s cool performance in both domestic and foreign affairs, Ranoddip was dangerously ineffective. Neither he nor his Commander-in-Chief, Jagat Shamsher, was an administrator. Dhir Shamsher, who became Commander-in-Chief after Jagat’s death in May, 1879, proved no more effective. The result was eight years of muddling in domestic affairs and an unhealthy weakness in foreign affairs.

Ranoddip’s contribution to revenue reform was anemic. Jung Bahadur had recruited a new cadre of revenue collection officers for the Tarai but left them under military control. In December, 1878, Ranoddip divided the Tarai into revenue districts and removed revenue administration from military supervision.

When he became Commander-in-Chief, Dhir Shamsher added no sparkle to Ranoddip’s lackluster rule. Dhir was a martinet, not an administrator. He had neither the head nor the imagination to continue the administrative reforms that Jung had begun. His best effort was the division of the Home Office (Muluki Adda) into two sections, one for Tarai administration and one for the Hills. There was scant need for this at the time. District administration was still limited to revenue collection and the maintenance of law and order. The new arrangement merely provided two more positions of authority for members of the Rana family. However, as the administration moved steadily towards a system of tax contracts with individual farmers, the increase in paper work eventually justified the division.

Ranoddip tackled one deeply rooted problem. The Limbus in East Nepal had complained repeatedly that non-Limbus had appropriated their lands. Although Brahman and Chhetri farmers had purchased Limbu land in good faith, Limbu lands were communal lands. By tradition sanctioned by Prithvi Narayan Shah himself, these lands could not be alienated from the Limbu community. Ranoddip ruled that purchases of Limbu land could only be considered mortgages. Limbus could redeem their land at any time by repaying the purchase price. Ranoddip’s ruling caused an outcry, but Brahman and Chhetri settlers in eastern Nepal were still a weak pressure group, and they were quietly ignored.¹

Ranoddip’s major problems were political, and these he had brought on himself. His accession to the Prime Ministership had been legitimate, but the theft of Jung’s title and Jagirs threw Jung’s sons and their supporters
into opposition. This created a third center of power in Kathmandu. The King resided at the Hanuman Dhoka palace. The Prime Minister ruled from his palace at Narayan Hiti. The opposition schemed at Thapathali, the grand residence Jung Bahadur had built. Jung's sons were formidable opponents, wealthy and placed high on the roll of succession to the Prime Minister's title. The eldest, Jagat Jung, enjoyed great popularity with the army and held the eastern command. Ranoddip dared not underestimate the power of Jung's sons, nor could he ignore the Hanuman Dhoka. King Surendra never opposed the Rana family, but his son, Crown Prince Trailokya, seemed far more independent. The Hanuman Dhoka also housed King Surendra's younger brother Upendra, called The Prince. Upendra had been implicated in the 1851 plot against Jung Bahadur, imprisoned for several years in Allahabad, and then allowed to return to Kathmandu. The Prince was certainly a man to watch.

Despite these problems, Ranoddip's initial position as Prime Minister was secure. He had the full support of his two younger brothers, who were as anxious as he to prevent Jung's sons from inheriting Jung's estates and power. He also had control over King Surendra. This situation changed dramatically when Crown Prince Trailokya, the heir to the throne, died in 1878. Ranoddip then faced a dilemma. Should the anti-Rana Prince Upendra be named successor to King Surendra or Trailokya's son Prithvi Bir, who was Jung Bahadur's grandson, and the nephew of those Ranas in strongest opposition to Ranoddip?

Commander-in-Chief Jagat Shamsher's death a few months later sharpened the conflict in the Rana family. According to Jung Bahadur's scheme of succession, Ranoddip's brother Dhir Shamsher should automatically become Commander-in-Chief. Whoever followed Dhir on the roll of succession would then become Commanding General of the Western Command with control over the troops stationed in Kathmandu. Jagat Jung, the eldest son of Jung Bahadur, followed Dhir on the roll. This meant that when he became Commander-in-Chief, Dhir would hand over to Jagat Jung command of the most powerful military force in the country, while he, as Commander-in-Chief, would command no troops at all. To avoid this, Dhir proposed that Jagat Jung be made Commander-in-Chief. Jagat Jung refused to accept unless Dhir formally renounced all pretensions to the Prime Ministership. This Dhir could not do. Dhir then became Commander-in-Chief, and Jagat Jung took over the Western Command, where he strengthened his hold on the army and increased the pressure on Ranoddip.

That pressure increased still more when King Surendra died on May 17, 1881. Ranoddip then had to decide who should be King. He saw no clear advantage to either choice. Prithvi Bir's mother had been a Rana. This
should please the Rana family. But Prithvi Bir was Jung Bahadur’s grandson, the wrong side of the family. If Prithvi Bir became King, the influence of Jung’s sons would grow. They were, after all, Prithvi Bir’s uncles. This created a problem for the sons of Dhir. They all ambitioned the Prime Ministership, but they were far down the roll of succession. If the roll were followed strictly, Jung’s sons would each be Prime Minister in turn.² It could be fifty years before the sons of Dhir had their golden chance. They wanted the roll changed, and they saw no way to push aside the King’s uncles. On the other hand, Upendra was the favorite of the non-Rana members of the bureaucracy, none of whom forgot that Upendra had put his life in jeopardy by joining the plot against Jung in 1851.

Ranoddip opted for Prithvi Bir, perhaps the wisest choice because of Nepal’s long tradition of succession in the direct line. It was also the most appealing choice. As a child of six, Prithvi Bir would be easy to manipulate. This choice, however, deeply disturbed the sons of Dhir.

Ranoddip’s decision also disturbed a large number of non-Ranas. Hidden opposition to Rana rule was still very strong. A determined group planned to do away with the whole Rana family. When the conspirators met at Prithvi Bir’s coronation, November 30, 1881, they set January 6, 1882, as the date for their attempt. By then all office activity in the administration would be moved outdoors into tents to take advantage of the sun’s warmth. While the Prime Minister’s Council, which included most of the Rana family, was in session, the conspirators would explode grenades in the Council tent. The military guard, whose officers were privy to the plot, could easily dispatch those not killed by the explosion and shrapnel. Ranoddip himself would not be present. By then he would be in the Tarai for his winter hunt. Immediately after exploding the grenades, the conspirators planned to send word to their companions in Ranoddip’s camp, who would then assassinate Ranoddip.³

The plot was a loose and chancy thing. As with all major plots in Kathmandu, secrecy was the problem. A few hours before the attack, one of the junior conspirators let slip a hint of the plan. Dhir Shamsher heard of it and acted immediately. He arrested 105 suspects and summoned the Prime Minister from Chitawan to deal with what he called a mutiny.

Ranoddip arrived in Kathmandu on January 15th, followed almost immediately by the Resident, who had been in Calcutta. Within a few hours Ranoddip issued death warrants for twenty-one conspirators. They were executed the next day. The military officers among them were executed in the towns where they had been posted. This was risky, but Ranoddip and Dhir had to find out how far the loyalty of the army had been affected. Since the executions were carried out without incident, the army’s rank and file
Putting to death the known conspirators solved Ranodhip's immediate problem, but dissatisfaction with his rule was widespread. Even some of the elite families had been alienated. Ranodhip felt he could handle normal opposition, but he feared the opposition would rally around Jagat Jung or Prince Upendra. He then declared that the conspirators had implicated both Jagat Jung and Prince Upendra. This was unlikely. Not even a shadow of proof was produced to incriminate the Prince, and Jagat Jung had been in India during the whole period of the conspiracy. Nevertheless Ranodhip banished Prince Upendra to Ootacamond in India and removed Jagat Jung from the roll of succession. He then tried to win over the priestly caste by declaring his dissatisfaction with the way Jung Bahadur had restored the land originally confiscated from them by Rana Bahadur Shah and Bhim Sen Thapa. Jung, he said, had actually given the Brahmans wasteland. He would replace this wasteland with good farmland that 'both giver and receiver' might be satisfied.

Ranodhip survived the conspiracy, but the image he presented the British had been badly sullied. This was a setback to Ranodhip's ambitions. Although he had become Prime Minister legitimately, and his first pajani had assured him control of the army and the state, Ranodhip desperately wanted the support that British and Chinese recognition would provide. He also wanted the same honors and decorations the Chinese and British had given Jung Bahadur. Unless he received them, he feared the Nepalese elite would not consider him truly Prime Minister.

The Chinese responded readily. In January, 1878, a Chinese envoy arrived in Kathmandu to invest Ranodhip with the same title and regalia that Jung Bahadur had received. The British, however, continued to withhold recognition. They considered Ranodhip a lazy administrator, and they objected strongly to the way he had treated Jung Bahadur's sons. Ranodhip might well have ignored them. Jung Bahadur had shown that the British would eventually recognize whoever held de facto power. But Ranodhip felt he needed British recognition and was willing to compromise to secure it. In 1878, when the Government of India asked his help in securing 1,000 recruits for the Gurkha Brigade as proof of his friendship, Ranodhip agreed. He tried to save face at home by sending only half the number requested and not being too particular about the quality of those he sent - half were totally unfit for service - but he actually sent recruits. The British had pushed Ranodhip one step beyond the point where they had pushed Jung Bahadur. They then recognized Ranodhip as Prime Minister but gave him no decorations.

Ranodhip himself provided the British with their next opportunity. To
help Dhir Shamsher equip the army with better weapons, Ranoddip allowed his entourage to smuggle back from his 1880 tour of India a large quantity of percussion caps. When the British learned of this and realized the high priority the Prime Minister placed on modern weapons, they settled on a policy of ‘guns for recruits’. This simple policy solved the British problem of recruits and also changed the nature of their relationship with Nepal. They could grant or withhold official recognition of each new Prime Minister, depending on the Prime Minister’s willingness to provide the recruits they needed. They could also supply or refuse the weapons Nepal wanted. The advance of modern weaponry guaranteed that Nepal’s need would never be satisfied.

The stakes in this diplomatic game were higher than guns or recruits. In the short interval from August, 1881, to May, 1884, British records reflected a changing view of Nepal’s relationship to India. On August 21, 1881, the Foreign Secretary wrote a memorandum in which he referred unequivocally to Nepal’s independence. After the conspiracy of 1881, the same secretary, commenting on a Nepal file, contradicted his earlier statement. Nepal was, he said, ‘not quite independent...but practically we have treated her as an independent state.’ This shift in attitude hardened as the British analyzed Nepalese politics in the light of the 1881 conspiracy. As they saw it, Nepal’s Prime Minister needed modern weapons to control a nation he could not govern.

Ranoddip had done the nation a disservice, but his days were numbered. While he lived, Commander-in-Chief Dhir Shamsher held at bay two strongly opposed factions: his own sons and the sons of Jung Bahadur. Dhir Shamsher died on October 11, 1884, leaving Jung Bahadur’s son Jit Jung in line to become Commander-in-Chief. Jit Jung deferred, asking the Prime Minister to reinstate his older and more capable brother Jagat Jung. Ranoddip did not make the appointment. When Jagat Jung returned to Kathmandu in April, 1885, he was arrested on arrival and plans were made to exile him to western Nepal. But Jagat Jung was not exiled. In fact he was soon released. Rumors then ricocheted around the capital that Jagat was to be reinstated. The rumors seemed reasonable. The Queen Mother was Jagat’s sister and the King his nephew. The Prime Minister himself was paternal uncle to both the Queen Mother and Jagat. Where rumors fly, fears soar. Dhir’s sons, all seventeen of them, saw their chances of ever occupying the Prime Minister’s chair fading. As they saw it, Jung’s sons had to be chopped from the roll, and it had to be done before Jagat could worm his way into power through the Queen Mother’s pleading. Only the occasion was wanting, and this Ranoddip himself conveniently supplied.
In 1885 Ranoddip agreed to send four Nepalese regiments to India to participate in a military display. He assigned command of the four regiments to Bir Shamsher and Bir’s brother Khadga. On November 22, the day before the troops were scheduled to leave Kathmandu, Bir paraded his regiments for the Prime Minister. Ranoddip was impressed and afterwards proudly addressed the troops. They would, he told them, be upholding the honor of Nepal on their trip to India. Discipline was all important. They must obey their officers, above all their commander Bir Shamsher, as they would obey the Prime Minister himself. Ranoddip then dismissed the parade. The troops went off to make their final preparations, and the Prime Minister went home to his death.

The sons of Dhir killed Ranoddip that night. The plot was Khadga’s, but his brothers joined him. They had hoped to kill all Jung Bahadur’s sons as well, but this part of their plot miscarried. Of Jung’s sons, Jagat Jung alone died that night. Jit Jung was in India, and all the rest slipped through the night to find asylum in the British Residency. Even so, Khadga’s plot achieved its main goal. Ranoddip was dead, and Bir Shamsher was proclaimed Prime Minister. The sons of Dhir were in power, and there was nothing the sons of Jung Bahadur could do about it. They huddled together in the safety of the British Residency until Bir guaranteed them safe passage out of Nepal. They then left for India, taking all their wealth, and were forever removed from the roll. Dhir’s sons were in command.

The British protested vigorously and withheld recognition until Bir improved conditions for Gurkha recruitment. Bir had no choice but to comply. Although he still refused to allow British recruiting teams to enter Nepal, he permitted servicemen of the Gurkha Brigade to visit their homes when on leave and to look for volunteers while there. He even issued a public notice informing the villagers that anyone who wished to take service with the British might do so. Recruitment was also spurred on by a change in the requirements for land tenancy. The 1868 edition of the Code had stated that tenants who left their district lost all right to their land. By dropping this regulation from the 1886 edition of the Code, Bir allowed registered tenants to sublet their land. Many chose to do so and then serve with the British Gurkhas. The number and quality of recruits improved dramatically. Within three years the British received 30,000 volunteers, of whom they accepted 22,000, enough to increase the number of Gurkha regiments from five to ten. All this cooperation gained Bir little. He received no rifles in exchange for these recruits nor was he made a Knight Grand Commander of the Star of India, a decoration he coveted as a visible sign of British recognition.

Bir yielded to British pressure during these early years because he felt
TABLE II

BAL NARSINGH

JUNG BAHADUR
Prime Minister (1846-56)
(1857-77)

BAM BAHADUR
Prime Minister (1856-57)
died May

Badri Krishna Narsingh Bahadur
C-in-C 1857-63
died Aug. 1863

Ranoddip Singh C-in-C
from 1863

Jagat Shamsher
C-in-C (1877-85)

Dhir Shamsher
C-in-C 1879-84

Jagat Jung
Jit Jung
Padam Jung
Ranbir Jung
Lalita Kumari + Crown Prince Trailokya
Prithvi Bir
(1881-1911)
died 1877-85
Prime Minister

(1879-84)
insecure. Jung Bahadur’s sons Jit Jung and Ranbir Jung were in India actively plotting against him, and Bir feared the British might assist them if he failed to cooperate. Bir also felt uncomfortable with Khadga Shamsher as his Commander-in-Chief in the administration. Khadga, after all, had played the leading role in the murder of his predecessor and, as next in line for the Prime Ministership, might well be tempted to remove Bir also. Although as C-in-C Khadga had no troops directly under his command, he was capable of conspiring with his half-brothers Dev and Chandra Shamsher, both of whom held major military commands. Dev actually commanded the troops stationed in Kathmandu.

Cooperation with the British freed Bir from pressure from that quarter. He took care of Khadga himself. In March, 1887, when the Resident had gone to the Tarai to meet the Viceroy, Bir arrested Khadga and exiled him to West Nepal. Bir then tightened security around Kathmandu Valley to defend himself against Jung Bahadur’s plotting sons. Every merchant, visitor, or Nepalese coming from India, was detained at Chisapani Garhi and searched. When a sufficiently large group formed, a military guard escorted them to the Valley. Bir also arranged to open and read the letters posted at the Residency post office by Indian merchants. This earned him the Viceroy’s censure, but Bir was not concerned. With the information he had intercepted, he was well-informed and ready. At the beginning of the monsoon, when messengers entered East Nepal and the Palpa area of West Nepal with orders from Jit Jung for the troops to rise up against the usurping Prime Minister, they were easily caught. Bir had them executed without a moment’s hesitation. With his quick reflexes and ruthless eye for survival, Bir might never be loved, but he would be feared.

After Khadga’s exile, Dev Shamsher became Commander-in-Chief, and Chandra Shamsher took over the western command. Both men were ambitious, and both were clever. Only half-brothers to Bir, they were impatient with him and very sure of themselves. During the summer of 1888 they became involved in a plot against the Prime Minister. Bir discovered the plot, and a list of the conspirators was found. Neither Dev nor Chandra had known such a list existed. Fortunately it fell into the hands of Dev Shamsher, the Commander-in-Chief. To his horror, Dev found on it the names of his brothers Bhim and Fatteh Shamsher. He summoned Chandra and together they snipped off the incriminating names and exiled the other conspirators before the Prime Minister could question them. Ironically this deception led to the great turning point in Bir’s rule.

Bir had not been fooled. He allowed Dev and Chandra their little game but let them know he was dissatisfied. The hint was enough. From that day, Dev and Chandra became admirable public servants. The tempo of activity
in the administration picked up noticeably. Bir also put idle members of the Rana family to work managing projects in a new public works program to keep them out of mischief.

This put the Rana family on notice. No aspect of Rana administration was more tightly controlled nor more closely scrutinized than the use of public money.\textsuperscript{13} Ranas who were assigned development projects understood Bir's message clearly. They were accountable to him for success in the projects as well as the use of funds. Within a year a new hospital and a new school had been built and work had begun on a project to pipe drinking water to Kathmandu from the hills north of the city.

Bir's public works program convinced the British that he was a far more enlightened ruler than they had thought. In appreciation, they placed Nepalese refugees in India under watch to prevent them using Indian territory as a base for hostile action against Bir.\textsuperscript{14}

From 1889 to 1895, Bir's attention was devoted almost entirely to Tarai affairs. The situation in the Tarai was totally confused, and Bir suspected that the level of revenue collection was far below what it should be. The reasons for this confusion are not difficult to unravel.

In 1861, after he had come to know the Tarai well, Jung Bahadur reorganized Tarai revenue collection by replacing the Subbhas with specially trained district tax officers and organizing grass roots revenue collection around local Jimidars. Though district administration was under military jurisdiction, Jung chose to recruit his new district tax officers from the civilian population. Ranoddip went one step further by removing revenue administration from military control.

Both Jung and Ranoddip seem to have suspected collusion between senior revenue administrators and the military governors of Tarai districts to under-assess Tarai revenue. The taxes actually paid at this time, as compared with the Tarai's productivity, tends to confirm this suspicion. So also does the sequence of Bir's reforms.

In 1889, Bir ordered the administration to begin taxing agricultural land on the basis of productivity.\textsuperscript{15} When the civilian revenue administrators tried to implement this order, they ran into opposition from military commanders, Birta holders and Jimidars.

Three years later, Bir denied the commanders of military districts the right to appoint their own assistants. Specifically, from 1892 onwards the Prime Minister appointed his own man to serve as the military commander's assistant in each military district. In case this message was not clearly understood, Bir appointed four Anti-Corruption Commissioners to inspect accounts and to report on public performance in the Tarai military, judicial and revenue administration. He also reorganized the judicial system in the
Tarai and appointed his own men as judges. In 1893, he ordered a chain survey of Tarai agricultural lands.\(^{16}\)

Bir even registered *Birta* lands. The wide variety of *Birta* grants created difficulties, and the ruling elite opposed the scheme, but Bir wanted to know just how much *Birta* land there was and under what conditions it had been granted. *Birta* lands were registered regardless of whose interests were affected. Fear of the Prime Minister proved a marvelous incentive.\(^{17}\)

Bir's suspicion that there was large scale connivance to keep taxes low was probably well-founded. The steps he took to end this connivance and increase the revenue realized from the Tarai were only partially successful. And even this degree of success was achieved at great cost to the people.

The Anti-Corruption Commissioners became a public burden. They misused their authority to secure bribes and extraordinary fees. Traditional, village hospitality was abused. Food was freely requisitioned, and villagers were pressed into service to provide free porterage. Village headmen, connived at these extravagant demands on their fellow villagers to appease the inspection teams during their stay and hasten them on their way. The notion gradually became accepted that corruption was a relative term. Corruption meant dishonesty with public funds. The misuse of public office to exploit the people was not considered corruption.

The survey also proved an expensive exercise for the people of the Tarai. Every *Jimidar* and villager knew, or could guess, that the survey would provide the base for increased taxes. Villagers made enormous sacrifices to provide hospitality to the survey teams. Those who failed to do so saw the surveyors record an exaggerated measurement of their fields.

The survey was completed in 1895. As expected, it showed that most Tarai land holdings were much larger than originally estimated. Tax assessments based on this survey were correspondingly higher. Although tax arrears began to accumulate almost immediately, Tarai revenue increased. The new tax assessments came as a heavy burden to the people. Initially, even the larger landowners found the new assessment burdensome, but this quickly changed. In 1897 the Indian Railways opened the last of four feeder lines constructed to the Nepal border. Indian merchants increased their purchases of Nepalese rice and used the railways to ship their rice throughout north India.\(^{18}\) Small farmers, however, continued to suffer from the higher tax rates.

Bir's reforms smothered the administration in paper work. Administrators simply could not cope. In 1897 a file concerning the routine appointment of twelve *Jimidars* grew to 134 documents. The 135th document directed the district administration to prepare separate files for each nominee, a process that would have been done from the beginning, had
it been feasible. After accumulating two years' of useless paper, the appointments were made on the basis of the original nominations. In a parallel case, the appointment of one revenue collector, whose nomination was supported by all concerned and uncontested by the widow of the former collector, was delayed thirteen months while various offices in the Center initialed the file. The new administrative districts and their various subdivisions and the new judicial arrangements in the Tarai, so neat on paper, merely added to the confusion. The courts proved costly and justice whimsical. Government's response to the people slowed even more. Bir had structured an expanding bureaucracy whose ponderous machinery had no more contact with the people than the simpler government of previous years. The two great streams that were to characterize life in Nepal had begun to flow quietly along, each in its own channel: village life with its simple wants and desires and a bureaucracy that provided the Prime Minister and the Commander-in-Chief with the appearance of control. The system was marvelous at tracking money paid into strict tax offices, but for all other purposes this burgeoning bureaucracy was about as useful as the 15,000 troops who paraded daily in Kathmandu under the Prime Minister's orders to 'keep them busy.'

While Bir tried to improve his personal finances through revenue reforms, other members of the Rana family tried to improve their own on the Calcutta market. Between the two, they emasculated Nepal's economy. Bir soaked up whatever surplus income farmers might have. The rest of the Ranas skimmed whatever money they could off the economy and invested it outside the country. This was a new form of exploitation. The Ranas had never been addicted to the lavish living for which other rulers in the subcontinent were notorious. They had taken their profits and lived well, but they had also invested. For years they had invested in the Kathmandu market. Then the Ranas discovered the advantages of trading in Calcutta where there was greater scope and their investments, hidden from the Prime Minister's prying eyes, were safe from confiscation. As Rana investment in the Calcutta market increased, the Ranas themselves were alienated from the needs and opportunities of their own country. The Ranas, of course, had never invested in agricultural development, but their savings had at least remained in the country. 19

The Rana orientation towards Calcutta reflected Bir's own attitudes. In 1892 he had been made a Knight Commander of the Star of India. Bir was disappointed that he had been made only a Knight Commander and not a Knight Grand Commander, but he was somewhat mollified when he was invited to make an official visit to India. During his tour Bir learned that the Resident filed a report each year on his public works program, and it
pleased him that his reputation had been enhanced by his public works. He became convinced that one or two small development projects a year would gain him the recognition he sought. That ended his attempts at administrative reform. In 1897, on the occasion of Queen Victoria’s diamond jubilee, he was finally made a Knight Grand Commander of the Star of India. To commemorate the event, he renamed the town of Gahwa on the Nepal border ‘Birganj’ and provided the town with appropriate public buildings and a bazaar.

The British in India applauded Bir Shamsher’s public works, but they were not deceived. They knew, for instance, that the 200 patients in the new leper asylum Bir had built south of Kathmandu received no care. It pleased them to accept Bir’s projects as signs that the Prime Minister was becoming enlightened and that they were succeeding in their task of civilizing the East.

As the Empire’s age of conquest gave way to an age of protectionism, the British regarded Nepal ever more possessively. Every medal and every encouragement given the Nepalese Prime Minister aimed at asserting British India’s proprietary influence over Nepal and safely placing Nepal within the British sphere of influence. The growing myth of Nepal’s protectorate status was clearly recorded in the correspondence of the Durand brothers. Major E.L. Durand, Resident in Nepal from 1888 to 1891, wrote freely in his ‘demi-official’ letters to his brother, H.M. Durand, Foreign Secretary to the Government of India, of Nepal’s dependence on India ‘for everything’, Nepal’s intransigence in the face of India’s legitimate demands, and the ungrateful restraints the Nepal Darbar placed on British trade. Before placing these letters in the public record, the Foreign Secretary added his own annotations, in which he described Nepal’s status progressively as ‘absolutely independent,’ then as ‘not absolutely independent,’ and finally as one of ‘quasi subordination.’ The Resident’s reports were not true, of course. Nepal was not dependent on India for everything. In fact, according to Resident Girdlestone’s 1874 report on Nepal-India trade, Nepal was a net exporter of foodgrains and almost completely self-sufficient. Nepal had become dependent on India only for modern weapons and for official recognition of the current Rana Prime Minister. But this new bias against Nepal was in the records and would one day be put to use.

Curzon came to India as Viceroy in 1899. A man of gift and promise, Curzon’s vision of the Empire and its role in the world sparked his personal dream of sharing that great destiny. He was a man of decision, an executive who relied on neat summaries and clearly marked trends. The Durand brothers’ views provided him all the justification he required to treat Nepal as a protectorate. fly as they might in the face of treaties, agreements, and
negotiations. Curzon recorded his opinions diligently and pressed them with vigor. The Viceroy’s opinions carried far more weight than the scratchings of a Foreign Secretary on the files of yesterday’s correspondence. The Nepalese, who had believed that a treaty meant what the words said, soon learned that the British interpreted treaties according to the flow of foreign policy. For men who boasted that the sun never set on their empire, Nepal could only be a means towards their own ends. Yet Bir Shamsher, Knight Grand Commander of the Star of India, intent on preserving his own place in a nation he had reduced to a fief, accepted the British as men of their word. Dev and Chandra, light years ahead of Bir in their grasp of the problems, watched the fading years of Bir’s rule with impatience.
Notes to Chapter Ten


1. In 1884 the matter was put once again to Limbu village headmen, who voted overwhelmingly that the homesteads and lands which non-Limbus were personally farming ought not be taken from them, but Limbus willing to repay the original purchase price might buy back all other ‘purchased’ land.

2. The first sixteen positions in the roll of succession according to Jung Bahadur’s final revision, issued with royal assent on 3 February 1866, were:

1. *Sri 3 Maharaj Jung Bahadur Kunwar Rana Ji*, Prime Minister and Commander-in-Chief;
2. Commander-in-Chief General Ranoddip Singh K.R.J. (Jung’s brother);
3. Senior Commanding General Jagat Shamsher Jung K.R.J. (Western Command) (Jung’s brother)
4. Commanding General Dhir Shamsher Jung K.R.J. (Eastern Command) (Jung’s brother);
5. Commanding General Jagat Jung Bahadur K.R.J. (Southern Command) (Jung’s son);
6. Commanding General Jit Jung Bahadur K.R.J. (Northern Command) (Jung’s son);
7. General Padma Jung Bahadur K.R.J. (Jung’s son)
8. Any other legitimate son of Jung Bahadur, if born;
9. Lieutenant General Babar Jung K.R.J. (Jung’s illegitimate son);
10. Lieutenant General Ranbir Jung K.R.J. (Jung’s illegitimate son);
11. Yuddha Pratap Jung Bahadur K.R.J., the son of Commanding General Jagat Jung, from his wife, the queen’s daughter (Jung’s grandson);
12. Any son, if born to Commanding General Jit Jung, from his wife, the queen’s daughter (Jung’s would-be-grandson);
The positions after the twelfth were given to the sons of Jung’s six brothers, i.e. Jung’s nephews, as follows:

13. Major General Kedar Narsingh K.R.J. (Badri Narsingh’s son);
14. Major General Barn Bikram Bahadur K.R.J. (Barn Bahadur’s sons);

3. Another necessary condition for a successful coup seems to have been the absence of the British Resident from Kathmandu. No coup d’état was attempted from 1846 onwards when the Resident was present in the Valley.

4. Since the army played such a key role in the politics of the late nineteenth century, it is hard to know what ‘loyal’ meant. It seems to have meant that the army obeyed the King or whoever had a valid mandate from the King. This may be an optimistic assessment. It is possible that in situations such as this, where senior officers were implicated, junior officers saw the disgrace of their seniors as an opportunity for themselves and obeyed higher orders, the troops following the lead of the officers closest to them. As a rule, simple soldiers do what their immediate superiors tell them to do.

5. Interestingly, the Government of India provided Jagat Jung a monthly stipend, a policy they continued when other members of Jung’s family found refuge in India, despite the substantial private wealth that these men enjoyed. The British rarely missed an opportunity. The presence in India of these senior members of the Rana family gave muscle to British attempts to deal with the Nepalese Prime Minister, especially whenever the question of recognizing a new Prime Minister was raised.

6. Ranoddip did not authorize the distribution of these lands until 1884.

7. Had the Nepalese known the importance the Viceroy attached to such events as according formal recognition to a Prime Minister, they would have seen the danger of encroaching protectionism. They did not know, and the charade was continued. Each successive Rana Prime Minister sought recognition, strengthened the precedent and gave the Viceroy of India the option of refusing recognition. Though the Viceroy never exercised that option, he did delay recognition as a lever to pry wanted concessions from Nepal. The great problem of Nepal’s independence that Chandra Shamsher had to solve was woven by his own relatives in their personal struggle for power.

8. It is interesting to see how the British used the offer of modern weapons to secure cooperation from the Darbar and at the same time prevented the Nepalese from getting the modern weapons they wanted. The Secretary of State for India had approved in July, 1884, the sale of rifles and ammunition to Nepal, and this decision was communicated to Nepal. In fact, however, whenever the Nepal Darbar tried to buy the rifles they wanted, the British gave them rifles free, as a gift. But the British only provided outmoded rifles cast off by the Indian army. Ammunition was supplied only on the return of the spent cartridge cases, limiting Nepal’s supply and giving the British an accurate estimate of Nepal’s ammunition reserve.
9. Exiling a Nepalese to an out-of-the-way place in Nepal was accepted procedure. At times such exiles from Kathmandu were even given official duties in the area and had local authority. The Center apparently was never too much concerned by the harm such persons might cause. There is no record that they ever fomented revolution from these remote places. To this day many government employees feel that an assignment anywhere outside the Valley is an exile, separating them from the center of power and the opportunity to advance their own cause in the Capital.

10. The Prime Minister was lying down in a small room, when four of his nephews, Khadga Shamsher, Bir Shamsher, Ran Shamsher, and Dambar Shamsher came to see him on the pretense of showing him a new rifle. Ranoddip looked up, and was shot in the head, first by Dambar Shamsher, then by Khadga Shamsher. Ran Shamsher fired but missed. Bir Shamsher, the eldest brother, followed the others into the room, but fired no shot. (From Dr. Gimlette’s report of the event, dated 22 November 1885.)

11. This change in the Legal Code was a major step in the evolution of landownership rights in Nepal. A registered tenant on government land was for all practical purposes the owner of the land. This change also allowed subinfeudation, which plagued the nation for the next century.

12. Dev and Chandra worked hard to spoil Bir’s image with the British precisely to deny him this public show of support. Resident Girdlestone needed little persuasion. He recognized Bir’s need, but, at the end of a long career in Nepal, he had seen enough death and deception. He had no intention of rewarding it.

13. In Rana Nepal, the term ‘public money’ is deceptive. A distinction is in order. The money was public because it was derived from the public through official tax collection channels, not because it was intended for public works or allocated by a responsible body. Normally, the surplus of the year became the Prime Minister’s personal property.


15. During Bir Shamsher’s regime, ‘the criterion for adopting any measure was whether or not it would increase revenue without inflicting undue hardships on the people...Even the desire to avoid hardships to the people was motivated not by a sense of accountability for their welfare, but by the realization that it might be difficult to collect taxes from a dissatisfied peasantry.’ Regmi, Thatched Huts, pp. 26-7.

16. Earlier ‘surveys’ had been calculated guesses. This survey indicated that most plots were greatly underestimated.

17. Bir moved with the same firmness in the matter of state trading and state monopolies. When he realized that the administration was inept at trade, he dropped the whole scheme and left trading to those with a talent for it.

18. The Raxaul railhead and station were completed in 1897. Raxaul lay just south of the Nepal border on the Sagauli-Kathmandu route, already heavily traveled and destined to become the major artery to Nepal. Farther north along this route
lay the small settlement of Semranbassa (later called Simra) where Nepal’s first airport would be built. Still farther north, tucked just inside the Churia Range, lay Bissaulia, later to be known as Amlekhganj in honor of the freed slaves settled there. While still C-in-C, Dev Shamsher built a drinking water scheme along the route between the two settlements in memory of his wife.

19. To say, as some have done, that the Ranas were no worse than the rulers of other ‘Native States’ and perhaps a good deal better, is to miss the point entirely. The Ranas performed fairly well in a social milieu where exploitation was the accepted norm. But this in no way changes the economic consequences of their acts. Their activity kept Nepal poor at a time when the economy was clearly producing enough wealth to generate real development.

20. In fact, those admitted were housed and fed, but received no treatment, nor was any serious effort made to isolate the patients. The asylum merely provided shelter for those suffering from leprosy and no longer welcome in their own communities.

21. Henry Mortimer Durand entered the Indian Civil Service in 1873, at the age of 23. His early assignments were in the Punjab and Afghanistan. He became foreign secretary at the age of 34 and held the post for ten years. He then returned to Afghanistan, where he negotiated the Durand line separating Afghanistan and India. Durand’s interests in Afghanistan may explain India’s unequal treatment of Nepal and Afghanistan. Curzon’s own strong interest in Afghanistan might suggest a second step in that explanation.
Peacefully and according to the Roll, Dev Shamsher succeeded Bir Shamsher as Prime Minister of Nepal on March 5, 1901. Dev took up his new post with verve. Though the Resident had a poor opinion of him, Dev had no need to beg for recognition. He had become Prime Minister legitimately and was free to do as he wished.

Dev had learned much during his fourteen years as Commander-in-Chief. He had handled routine administration, complaints and reports, but he had also listened. Repeatedly he had heard that all was not right in Nepal. Many Nepalese did not believe that playing yes man to the British Viceroy served Nepal’s best interests. Clearly the nation was weary of Rana indifference to their common desires.

In his few months as Prime Minister, Dev made startling innovations. His ideas came largely from Nepalese who were deeply concerned for their country. Many of their suggestions were in advance of ideas Indian nationalists were at that time promoting in India. Not all Nepalese agreed with Dev. Some of the elite thought him foolish for rejecting the progress the British were so demonstrably making in India. But Dev, uniquely among Rana Prime Ministers, placed Nepal’s human resources ahead of revenues. He was people-oriented. His priorities included vernacular education, a government responsive to the wishes of the people, and better communications between government and people. Socially, he thought slavery, even the mild form of slavery existing in Nepal, a distressful commentary on Nepal’s economic system.

Although Dev’s reforms initially touched only Kathmandu Valley, they might in time have reached the whole country. In a few months Dev started twenty (some say thirty!) vernacular schools. He had no great master plan, no scientific syllabus, and no textbooks beyond those hastily put together. He relied entirely on the educated few to share what they knew with others. He also opened his house for regular discussions with non-Ranas and non-bureaucrats. For the first time in the history of Nepal, people came to the Prime Minister to discuss Nepal’s future rather than to secure favors by ‘source and force.’ From these discussions Dev drew the idea of placing suggestion boxes around the city to solicit opinions from the people. Again, there was no bureaucratic plan. The idea sounded good. Dev tried it. We have today no sample of the suggestions the Prime Minister found in these boxes. We only know that soon after he became Prime Minister Dev opened this line of communication with the people. The Gorkhapatra was another
innovation. This single page published once a week was a newspaper only in its ambitions, yet for the first time the administration had a voice and a public record.

It was remarkable that Dev achieved so much in his few months in office. Each innovation was a departure from the accepted Rana way of administration. Yet the enthusiasm that greeted each new activity showed how eager the Kathmandu community was to use their talents for growth and development. Dev's approach shocked those who believed development must employ western technology and be directed by an English educated elite. More dangerously for Dev, his ideas and style challenged Rana preconceptions and shook the elite establishment to its foundations. Chandra was outraged.

Bir Shamsher's death had been a setback for Chandra. For almost ten years Chandra had been Bir Shamsher's idea man, restructuring the Tarai administration and scheming with Bir to provide the Nepal army with new and better weapons. When Bir died, Chandra became Commander-in-Chief. His new duties in routine administration seemed tedious, and Chandra longed for change.

Viceroy Curzon's tiger hunt in the Nepal Tarai in April, 1901, provided Chandra an ideal opportunity. In 1901 Curzon had asked Bir Shamsher to invite him to hunt in Nepal. Bir sent the invitation but felt he had been coerced into doing so and refused to join the hunt. Although Bir died before Curzon's visit, Dev adopted the same attitude. Chandra then asked Dev to allow him to organize and host the hunt. Those weeks with Curzon in the Tarai determined Chandra. Whether or not he discussed with Curzon his plans for a coup d'etat, Chandra decided that Dev must go.

Late in the evening of June 26, 1901, after a prize distribution at the Darbar High School, Dev went to Narayan Hiti Palace to meet the King. When he arrived, he was surrounded by the Rana elite and forced at gunpoint to resign. Chandra then took the King to Thapathali, where the King ratified Chandra's appointment as Prime Minister and Dev's sentence of exile. Dev left the next day under heavy guard for Dhankuta in East Nepal, and Chandra, who could not understand the depth of Dev's ideas, began his twenty-nine year rule as Prime Minister. Dev and people-power were out. Chandra, diplomacy and bureaucracy were in.

Chandra secured British recognition suspiciously fast but met resistance within Nepal. Dev's reforms had generated enthusiasm, and many resented his overthrow. In August, 1901, Chandra took up the delicate issue of communal lands in East Nepal. Over the years different solutions had been tried, but neither the Brahman and Chhetri settlers who had bought land from individual Limbus nor the Limbu community were satisfied. Chandra's
decision was ‘classic Chandra’, a clever compromise that recognized the de
facto situation while ruling against future abuse. He prohibited the sale of
communal land in the future, but declared valid any sale made before 1899.

Chandra next assigned a team to study the problems created by the Tarai
revenue settlement of 1895. In Khajahani District alone revenue arrears of
half a million rupees had accumulated in six years. Either taxes were too
high, or the collection machinery was faulty.

While waiting for this report, Chandra began modifying Dev’s reforms.
He preferred compromise to direct abolition. The number of vernacular
primary schools in Kathmandu Valley was reduced to ten, but he sent eight
young men to Japan to study mining, geology, mechanics, and the industrial
arts and sent another two to learn the British accounting system from the
Comptroller of Accounts in Assam.

Chandra restored the four commissionerships which Bir Shamsher had
established to control corruption among judicial, revenue, and forest
officials in the Tarai. Dev had abolished these posts, because he believed
a high-ranking anti-corruption official merely raised the level of corrup-
tion. Chandra disagreed. He believed proper regulation could control the
bureaucracy and made this the theme of his administration.

Chandra’s early record in development was not impressive. Within a
few months of taking office he began constructing his own palace, the
enormous Singha Darbar. Construction took three years and cost over five
million rupees. For the sake of comparison, the iron bridge over the
Bagmati, which still serves as a foot bridge between Kathmandu and Patan,
was built for 100,000 rupees. The Patan waterworks, including a seven-
inch pipeline from Dudh Pokhari to Patan, the suspension bridge that
carries that pipeline over the Bagmati River, and the distribution system in
Patan cost only 200,000 rupees. Though each of these projects cost a
pittance, neither was begun until Chandra’s palace was completed in 1904.
Kishore Narsingh Rana and Kumar Narsingh Rana, the two brothers who
had studied engineering at Roorki in India, then spent years designing and
constructing palaces for other members of the Rana family.

Not until 1905 did Chandra begin serious development work outside
Kathmandu Valley. That year he built an iron bridge at Beni Ghat, a
suspension bridge at Dolalghat, both east of the Valley, an iron bridge at
Chobar, and another iron bridge over the Ridi Khola at Ramdighat in the
west. Chandra’s bridge program proved so popular that each succeeding
year he built several new bridges on major trails.

Chandra was especially concerned about Nepal’s communications link
with India. The traditional route led from Sagauli and Raxaul in India
through Birganj, Simra, and Hetaura in Nepal and then over the mountains
into Kathmandu Valley. Engineers suggested a more suitable route entering Nepal from Bhikna Tori in India, but Chandra continued building bridges on the main Birganj-Kathmandu route. These bridges proved a challenge. His engineers struggled for years building the Siriswa Khola bridge between Birganj and Raxaul. When it was finally completed, the monsoon rains swept it away before the official inauguration.

These projects taught Chandra that an impossible number of routine decisions were referred to the Prime Minister. The administration still reflected Jung Bahadur's style. When Jung first seized power, a maze of factions and conflicting loyalties had paralyzed the administration. Strong control was needed, and Jung provided it. He also used every means at his command to direct loyalty towards himself. His successors, Ranoddip and Bir Shamsher, both usurpers, continued Jung's tight control of the administration to safeguard their positions.

Each office in the administration functioned according rules framed specifically for them by the Prime Minister. There was no uniformity.

Senior field officers were personally responsible to the Prime Minister and carried out their functions according to rules given directly by him. They reported to central offices only on routine functions such as finance and personnel.

Public works projects were treated as distinct offices. The Prime Minister appointed a director for each project and assigned a suitable staff. When the project was completed, project accounts were closed and the staff reassigned. Maintenance of the project was normally left to local officials who used compulsory, unpaid labor to do the work. If public expenditure was required, the repair work was treated as a new project.

The Commander-in-Chief was empowered to oversee the administration and keep it working, but he could make only routine decisions. Appointments and expenditures always required the Prime Minister's approval.

The dominant themes of the administration were those Jung Bahadur had fostered: strict fiscal accountability and a strong patron-client relationship between the Prime Minister and his officers.

Lower-ranking officers found the system strict, but they appreciated the discipline and the sense of personal responsibility it gave them. Their pay was low, but they supplemented their salaries by petty exactions and bribes. The Prime Minister objected only if their activity reduced government revenues or led to local unrest. The system worked well within narrowly defined parameters. It was exploitative, of course, but, apart from the elite, the Nepalese had always been exploited.

Bir Shamsher overloaded the system. Besides his public works pro-
gram, he reorganized the whole Tarai administration. He set up new district headquarters, a new judicial system and undertook a chain survey of Tarai agricultural lands. Simultaneously he executed a nationwide revenue settlement. Implementing these tasks was far too demanding for a system based on direct relationships between the Prime Minister and his major officers. The backlog of judicial cases grew, serious inaccuracies cropped up in the survey, and revenue payments fell into arrears. The system defied good management.

Chandra believed good management and control were compatible – if there were clearer rules and a better reporting system he could entrust routine decisions to the administration and still control critical decisions.

The Audit Office (the Kumari Chowk) first drew Chandra's attention. Because of delays in the audit of accounts, the Prime Minister could not evaluate the fiscal performance of his officers nor could he get a consolidated national balance sheet. In theory, the Audit Office enforced the fiscal accountability that Rana administration demanded. In practice, it acted as a brake on the whole system. When Chandra investigated, he learned that the auditors' work was not clearly defined. For example, when they audited the accounts of the law courts, the auditors felt obliged to review each legal decision the courts had handed down! Sometimes technical problems caused delays. District accounts were complicated by wide regional variations in the value of the Nepali rupee. Depending on the locality, a rupee might be worth as little as sixteen or as much as twenty-five annas.

Chandra divided the Audit Office into four departments, one each for Kathmandu Valley, the Tarai, and the Hills. A fourth department recorded tax remissions and arrears in tax payments. The forms used for recording financial transactions were simplified and standardized. The value of the Nepali rupee, for accounting and auditing purposes, was fixed at 25 Nepali annas and the Indian rupee at 30 Nepali annas, unless a particular office had been directed to use another conversion rate.

One major problem remained unsolved. Chandra still had no way of distinguishing true revenue arrears from uncollectable taxes. In some years heavy monsoon rains and flood waters damaged farm land. In other years the monsoon failed. Farmers then petitioned for tax remissions. Until the Prime Minister granted a remission, these unpaid taxes were listed in the revenue accounts as arrears and carried over from year to year. The totals mounted steadily, but such taxes could never be collected. The result was a misleading statement of revenues due. The problem was serious, but Chandra found no way to solve it.

Tightening up the administration of development projects was a simpler matter. Initially Chandra had been satisfied if projects were done well. For
better management, however, he soon insisted on the projected cost of each project and an estimate of the time needed to complete it.

The courts of Kathmandu were also overhauled. Traditionally each of the four courts in Kathmandu enjoyed original jurisdiction in both civil and criminal cases. The Chief Justice presided in one of these courts. He also received daily reports on the progress of cases in the other three, reviewed the decisions they proposed and often reversed these decisions before they were even handed down. Chandra replaced the four courts with two separate and completely independent courts. One held jurisdiction in criminal matters. The other in civil cases.

At the Center, Chandra established the Jangi Bandobast Office to monitor all military offices and the Mulki Bandobast Office to monitor all civil offices. A third office, the Rakam Bandobast Office, was established to investigate and report on the different sources of government revenue and to assign monopolies.8

These reforms, no matter how urgently needed, created confusion. Administrators were bewildered. In the past, the Prime Minister had dealt directly with each officer. If he failed to do so, officers felt they had fallen from favor, and morale fell. Rather than lose their precious contact with the Prime Minister, administrators continued to refer almost every decision to the Commander-in-Chief or the Prime Minister for approval. The reforms had not actually simplified the decision making process. To complete his work, Chandra was obliged to clarify the new hierarchy of offices and encourage administrators to do what they were actually appointed to do, to make decisions. In 1908 he issued a set of instructions known as the Kitapi Sawal, the Book of Regulations.

The Book of Regulations consolidated Chandra’s reforms by defining procedures. The function and power of each office was explained. All officers were instructed to carry out immediately, without reference to the Center, those functions specifically assigned to their office. A time limit of fifteen days was set for the completion of routine transactions in any office in the country. Negligent officers were fined one rupee for each case not disposed of within that period. Clearer guide lines were also established for matters that must be referred to the Prime Minister. Local authorities were authorized to confirm regular accession to hereditary posts, to spend funds authorized by the Center for public works, and to supervise the work done. All decisions concerning revenue or expenditure and all new appointments remained reserved to the Prime Minister.

The new regulations did not guarantee an efficient administration, but they did clear up some ambiguities. Chandra expected that a new edition would be needed after the administration had gained some experience in the
procedures he had established, but he had done as much as he could at that time.

Chandra’s visit to England in 1908 was a brief interlude in his reform of the administration. He left Kathmandu on April 6th, shortly after he had promulgated the Book of Regulations, and arrived in England on May 8th. Following Jung’s example, Chandra tried to understand the British administration, which he considered the base of British power. London responded more warmly to Chandra than did the colonial government of India. On the eve of his return, King Edward VII bestowed on Chandra the ‘Order of Knight Grand Cross of the Most Honourable Order of the Bath.’ On his way home, Chandra stopped in South India to undergo purification rites after crossing the black waters, and arrived in Kathmandu on August 27, honored beyond his hopes.

After presenting King Edward’s letter of friendship to King Prithvi Bir at a formal Darbar, Chandra plunged again into his reforms. During the winter of 1908-9, Chandra reorganized the Jimidari system used in the Tarai. When Jung had first recruited Jimidars, he had retained the middle-level tax contractors, the Chaudharies, to bridge the gap between the district revenue offices and the Jimidars. In 1908-9 Chandra increased the number of revenue offices in each Tarai district so Jimidars could pay their receipts directly to a revenue office near them and dispensed with the Chaudharies.

During 1910 Chandra made three moves to simplify tax administration. Each had long range consequences for the nation.

On April 5, 1910, Chandra canceled the Jagir assignments of over 7,000 soldiers of the Srinath and Rajdal Battalions and all civil employees. Although cash salaries replaced their Jagirs, all of these former Jagir holders lost the fringe benefits that had given them quasi governmental authority over their tenants. The result of this change was to restore the Central Hills to direct government control. Tenants found immediate relief. They could go to the regular courts for justice and acquire basic ownership rights in their land. Although the reform affected only some Jagir tenants, the movement away from Jagir assignments to cash salaries continued until Jagir assignments, other than those in Kathmandu Valley, became a matter of history.

Since he had found no way to distinguish true arrears from uncollectable taxes, Chandra also canceled all land tax arrears that had accumulated between 1865 and 1910. Tax paying farmers were put on a new footing. Unless the rate of taxation was changed, arrears would again, of course, accumulate. Chandra settled this indirectly. Since taxes were assessed in grain but paid in cash, a conversion rate was necessary. Taxpayers had to
know how much cash they must pay in place of the grain they were assessed. Before 1910, the conversion rate was indexed annually on the local market price for grain. This was accurate but complicated. Market prices differed widely throughout the country. Chandra ignored annual market fluctuations and set the conversion rate on a long-term basis, using 1910 market prices as his base year. Although market prices continued to rise year after year, taxes were calculated on 1910 market prices. The villagers received the equivalent of an annual tax deduction. For subsistence farmers, this was welcome relief. Market forces multiplied their savings to improve their lot more than any other single reform.

Not all the results of these reforms were good. The Hulak system suffered. Farmers had carried the mail for years because it guaranteed their tenancy rights. As their tenancy rights evolved into ownership rights, carrying the mail became less attractive. The mail service declined. In 1911, when Chandra used the Hulak service to deliver recall notices for British Gurkha reservists, the system broke down completely. Restoring the service to its former efficiency would not be easy. The Hulak system had financed itself and practically run itself. Chandra recognized that new administrative and financial arrangements must be made and handed the problem over to a special task force.

When King Prithvi Bir died on December 11, 1911, his six year old son, Crown Prince Tribhuvan, succeeded to the throne. Astrologers determined February 19, 1913, as the auspicious date for the King Tribhuvan’s coronation. The Prime Minister, of course, continued to use the King’s official ‘Red Seal’ and exercise the powers that belonged formally to the King.

In 1912 Chandra completed the initial survey for a ropeway linking Bhimphedi in the Inner Tarai with Kisipidi in Kathmandu Valley. Plans called for a series of steel towers to be built on prominent hills. Forty horsepower electric motors, powered by electricity from a new hydroelectric plant at Pharphing, would pull a wire cable from tower to tower the fourteen miles to Kathmandu. Pallets suspended from the cable would each carry 600 pounds of freight. The technology was not very advanced, nor would the ropeway be completed for many years, but for Nepal it was a conceptual breakthrough. For the first time hydroelectric power would replace porters to move freight through the mountains.

That same year Chandra assigned Lt. Basu Dev Sharma, trained at Dehra Dun Forest College in India, to demarcate the forest areas of the western Tarai. This was Nepal’s first effort towards proper forest management. It did not signal a dramatic change. Despite assigning a trained man to begin scientific forest management. Chandra continued to use the forests
of the Tarai as an inexhaustible source of revenue.

In 1913 Chandra considered three possible Tarai irrigation schemes his engineers recommended: one on the Kamala, one on the Banganga, and the third on the Bagmati River. The Bagmati scheme in the central Tarai seemed the most promising. A British consultant, Mr. H.H. Stevens, Executive Engineer of the Champaran Division in Bihar, evaluated the proposal and found the scheme feasible. In the dry season, the main channel of the Bagmati carried an estimated 1,050 cu/secs of water, whereas the scheme required only 800 cu/secs to be viable. The Bihar government, however, objected. Claiming their own downstream water rights, Bihar demanded either 500 cu/secs of water or a minimum of half the total water carried by the river. Since this would reduce the Nepalese share to 500 cu/secs, the project was no longer viable so Chandra dropped it.

By this time Chandra had become accustomed to frustration in his dealings with British India. When he first became Prime Minister, Chandra had thought diplomacy would improve Nepal’s relations with the British. He began a major diplomatic initiative in December, 1902, at the Coronation Darbar in Delhi. In his meeting with Viceroy Curzon on December 31st, Chandra spoke openly about the possibility of Russian intervention in Tibet. Curzon, he learned, shared the same fear. Chandra came away from this meeting with the belief that Curzon accepted him as an equal partner in the effort to prevent this. Curzon clearly had other ideas in mind. A week after the meeting, Curzon wrote to London:

We believe that the policy of frank discussion and co-operation with the Nepalese Darbar would find them prepared most cordially to assist our plans. Not the slightest anxiety has been evinced at our recent forward operations on the Sikkim frontier; and we think that, with judicious management, useful assistance may confidently be expected from the side of Nepal.

London had no fear of Russian intervention in Central Asia, but Curzon pressed ahead, and Chandra cooperated. In October, 1903, Curzon sent Younghusband to negotiate a treaty with the Tibetans that would prevent Russian interference in Tibet. The Tibetans refused to negotiate. Curzon then authorized Younghusband to enter Tibet and insist on negotiations. When Younghusband eventually reached Lhasa, he forced the Tibetan government to sign a convention recognizing British trading rights and binding the Tibetans to a policy of noninvolvement with all other foreign powers. China’s rights in Tibet, sketchy as they were, Curzon simply denied: ‘We regard Chinese suzerainty over Tibet as a constitutional fiction – a political affectation which has only been maintained because of its convenience to both parties.’
London was not pleased with Curzon's initiative and ordered him to withdraw. Younghusband left Tibet in 1905 on terms much softer than the original Lhasa Convention. In the later Peking Convention (1906) and St. Petersburg Convention (1907), England and Russia recognized China's rights in Tibet. They also agreed not to interfere in Tibetan affairs nor annex Tibetan territory. Curzon's forward policy in Tibet was bankrupt. Tibet's independence had been compromised. And the door to Indian involvement in Tibet was firmly closed.

Although Chandra was made a Knight Grand Commander of the Star of India in reward for his support, Nepal lost much. The Kalimpong trade route replaced the traditional route through Kathmandu and Kuti as the main route for Tibetan trade. The St. Petersburg Convention obliging Curzon to keep out of Tibet also threatened Nepalese independence. Curzon now needed a buffer zone on India's north. Such a line of protection would remain incomplete unless it included Nepal. Perhaps Curzon had foreseen the need for some control of Nepal. As early as June 11, 1903, Curzon had objected strongly to a statement made by the Secretary of State for India that described Nepal as 'an independent State, not in subordinate alliance with the British Government.' Curzon, paraphrasing the Durand brothers' myth of Nepal's dependence on India, concluded:

'To sum up, we consider that to describe Nepal as an Independent State is not only inconsistent with the views that have...hitherto been entertained ... but such a definition might ... prove extremely embarrassing.

Shortly afterwards the Government of India officially labeled its alliance with Nepal a 'subordinate alliance.'

From that day Curzon denied Nepal any symbol of independence. When he went to Calcutta to receive his decoration in January, 1905, Chandra was provided only a carriage-and-two for his official transportation. On his later visits to British territories, he was received as an ad hoc ambassador of Nepal, not as the head of government. Official seating arrangements always tried to relegate him to a seat among the dependent Indian Princes. Even Nepal's right to import weapons, a minor exercise in independence, was frustrated. The Government of India preferred to present outmoded rifles as a gift, rather than permit Nepal to exercise its right to buy rifles. Curzon treated India's treaties and agreements with Nepal as casually as he had treated Chinese rights in Tibet. They had the value, no more and no less, that Curzon put on them.

Curzon's objection influenced London to the extent that London did not speak openly of Nepal's independence. But London considered Nepal independent, as Chandra's successful visit to England in 1908 proved. In India, however, Curzon's conviction that Nepal's destiny lay in India's
hands had been so well planted that it could never be wholly uprooted. For the truly bureaucratic mind, of which the Indian ICS had by this time a plethora, precedents were more binding than law.\footnote{18}

India's attempt to treat Nepal as a subordinate state was put to the test in Lord Minto's time by the deteriorating situation in Tibet. In accord with the Trade Regulations signed in Calcutta in April 1908, a Chinese army arrived in Tibet to police the trade marts. The Tibetans objected to this obvious ruse. The Dalai Lama hurried back from a visit to China. When he reached Lhasa in December, 1909, he was assured by the Chinese Deputy *Amban* that the Chinese troops would not interfere in the internal affairs of Tibet. The Dalai Lama accepted this as a basis for the presence of Chinese troops. However, in his letter to the Dalai Lama confirming their agreement, the *Amban* replaced the words 'internal affairs of Tibet' with the words 'religious affairs of the Dalai Lama'. With this one stroke he denied the Dalai Lama's temporal power. The Dalai Lama then fled by night to India, eventually meeting with the Viceroy, Lord Minto, on March 14, 1910. The Chinese declared that the Dalai Lama had been deposed.

Lord Minto was in a quandary. While he waited for instructions from London, he seems to have feared the Nepalese might intervene in this explosive situation and questioned Nepal's right to an independent foreign policy. The Government of India, the India Office (London), and the British Foreign Office all joined the discussion. Two major points emerged. The India Office clarified beyond doubt Nepal's right to freedom of action in foreign affairs by pointing out that in the 1815 Treaty of Sagauli the British had not dared impose any restriction on Nepal's freedom in foreign affairs because they could not enforce it.

As regards the question whether an attempt should now be made to negotiate with Nepal a treaty whereby her foreign relations should be placed under our control, Lord Morley agrees with the Government of India that it is better to wait until the Prime Minister makes overtures in that direction. As at present advised His Lordship is of opinion that, advantageous as such a treaty might be in many respects, the responsibility of enforcing our control – in the event of Nepal at any time proving recalcitrant – is one which it would certainly be inconvenient and probably difficult to discharge.\footnote{19}

The India Office then urged the Resident to inform the Nepalese Prime Minister that:

So long as he preserves his present correct and friendly attitude, consults us before committing himself, and follows our advice when it has been given. HMG will not allow any administrative changes in Thibet to affect or prejudice the integrity or rights of Nepal.\footnote{20}
The Resident discussed this with Chandra on June 12, 1910. When Chandra questioned the meaning of the two expressions: 'consults us before committing himself' and 'follows our advice when it has been given,' the Resident explained that the British Government merely wished to be consulted 'before Nepal took a line of action which might involve Nepal in armed conflict with Tibet and China.' To this Chandra agreed. Unfortunately, the Resident's interpretation of these words and that of Indian bureaucrats differed widely. The bureaucrats in India interpreted Chandra's assent as a precedent supporting India's right to be consulted and to advise the Nepal Government on all foreign policy matters. Long after the Tibetan affair had cooled down, bureaucrats in Delhi remained convinced that Nepal was somehow subordinate to India.

In October, 1911, Sun Yat Sen overthrew the Manchu Dynasty in China. Open revolt broke out in Tibet, and the Chinese Amban fled. More Chinese troops entered Lhasa, but their better equipment and training was of little value against mobs of angry Tibetans. Eventually, with the help of the Nepalese Consul, the Chinese troops negotiated their departure from Tibet. The Tibetans insisted, however, that the Chinese troops return to China by way of Calcutta, lest they join other Chinese military units on the road and return to Lhasa. The last of the Chinese troops left for India on January 6, 1913.

The new President of China, Yuan Shih-kai, wrote to apologize to the Dalai Lama for the excesses of the Chinese troops in Lhasa and to restore him to the spiritual rule of Tibet. In his reply, the Dalai Lama assured the Chinese President that he neither asked for nor required Chinese approval of his position and that he intended to exercise both temporal and ecclesiastical rule in Tibet.

This tense drama was played against a backdrop of far-reaching Chinese ambitions. In 1910 the Chinese government had communicated to the British Foreign Office a claim that both Bhutan and Nepal were vassals of China. The Foreign Office asked the India Office to investigate. The India Office then commissioned a study of the history of Nepal's relations with China. This study, completed in 1912, made it clear that Nepal was not, and had never been, a vassal of China. The researchers' conclusions were not so clear regarding Nepal-India relations. The Durand myth, Curzon's strong objections to Nepalese independence, and Chandra's role in the Younghusband expedition all tended to confuse the record clearly stated in agreements and treaties. Once again the same tedious questions were raised about Nepal's right to an independent foreign policy. Chandra answered these questions by ignoring the debate and acting on his own best instincts. When the Chinese Amban, then residing in Yatung, invited Nepal on
February 28, 1913, to join with China in a union of the ‘Five Affiliated Races’. Chandra answered laconically that ‘it was not possible for Nepal to entertain the idea of a union with the Five Affiliated Races said to constitute the Republic of China.’ Chandra then demanded of the Dalai Lama that the Tibetan government pay compensation for Nepalese property damaged during the 1910 fighting in Lhasa and honor Nepal’s right under treaty to exemption from all import and export duties. The Dalai Lama promised to pay compensation, and Chandra accepted his promise. A year later the promise remained unfulfilled, but Chandra had made his point. Nepal’s right to an independent foreign policy was based on the exercise of that right, not on any decision of the Government of India, the India Office, or the British Foreign Office. The outbreak of the First World War ended this fruitless discussion, but the suspicion lingered in the hearts of India’s bureaucrats that Nepal was subordinate to India.
Notes to Chapter Eleven


1. The attempt to move from English medium schools to vernacular schools in Bengal dates from the beginning of the boycott and Swadeshi period in 1905. Dev opened his vernacular schools in 1901.

2. Though the scale was far more modest, Dev's approach was not unlike similar approaches used in more recent times in Cuba and Nicaragua to achieve literacy.

3. 'Source and force' is a popular Nepali expression referring to preferential treatment through the intervention of a patron in government. It is used in Nepal today as a derogatory term.

4. The British Resident gave this estimate in his annual report July 4, 1903.

5. The possibility of a ropeway was discussed as early as 1902 but set aside for the time as too ambitious.

6. Many a poorer relative of the Rana family was posted as a governor of a district (Hakim) precisely to allow him to fatten his purse.

7. From the eighteenth century onwards, the East India Company used an accounting fiction called the current rupee to handle the various rupee coins circulating in their territories. Government accounts were kept in current rupees. All other currencies were converted to current rupees before transactions were entered into the Company's books. It was an entirely paper transaction. There was no such thing as a current rupee coin. Chandra's action in setting the accounting value of the rupee had no relation to the real value of the coins. Money was metallic in those days, and a coin's worth was determined by the value of the metal it contained.

8. Rana Prime Ministers sold monopolies for all sorts of commercial transactions. In essence, the monopoly system was a way of collecting what today are called sales and excise taxes without burdening the administration. Rana monopolies had unfortunate side-effects. They restricted trade, and they were normally given only to the elite. The sale of monopolies, however, was an important source of government revenue during the Rana period.
9. The *Mauja* was the smallest revenue unit in Nepal. It might include one or several villages.

10. Chandra was also made a Fellow of the Royal Geographical Society. The British wanted access through Nepal for an expedition to Mount Everest planned for 1909.

11. The reader will recall that *Jimidar* were landowners who collected taxes for the government. In compensation they were entitled to retain a small share of the taxes they collected and to use the labor tax of tenants living within their *Mauja* to help farm their own land.

12. See Chapter Nine, p. 110 and Note 5, p. 117.

13. Taxes were frequently assessed in commodities other than grain. What is said here of grain applies to all in-kind tax assessments.

14. Chandra offered ten regiments of the Nepal army to support Curzon. The offer of troops was declined, but Curzon accepted the loan of porters and yaks for the transportation of supplies. The porters, discontented with service so far from home, proved intractable. The yaks provided little assistance. Most died before they could be put to use. Chandra also provided Curzon with the information he received from his *Vakil* (envoy) posted in Lhasa about the situation there. See Rose, *Strategy for Survival*, p. 157.

15. The Dalai Lama, familiar with pressure tactics from his years of trying to deal with the Chinese, had flitted across the border into Russian Mongolia, safely out of Younghusband’s reach.


17. Asad Husain summarizes this correspondence in his *Relations*, citing the Foreign Department Secret E Proceedings, August 1904, Nos. 160-1.

18. The Indian Civil Service, more popularly the ICS, was one of the most dedicated and competent groups of civil servants colonial rule has ever known. Quite above corruption. They were also an elite, intransigent group of whom Blunt wrote: ‘The net result of his [Ripon’s] Viceroyalty has been almost nil. Every measure that he has brought forward has been defeated in detail; and so powerful has the Civil Service been that they have forced the Home Government into an abandonment, step by step, of all its Indian policy.’ W.S. Blunt, *Ideas about India*, London, 1885, p. 158, quoted in R.C. Majumdar, *British Paramountcy and Indian Renaissance*, part 2, p. 411.


20. Ibid.


22. Many of the Chinese troops never completed the long journey home. They settled in Kalimpong, Darjeeling, Sikkim, and Calcutta, their descendants remaining there until the India-China war of 1962.
Chapter Twelve
Chandra: 1914-1929

The First World War slashed across the grain of Nepalese history. Nothing in Nepal was ever the same. On August 3, 1914, even before the outbreak of hostilities, Chandra offered the Viceroy all Nepal’s military resources. Within two weeks he made arrangements to mobilize 8,000 men to provide support when the British asked for it.

In January, 1915, the Government of India requested 6,000 men for garrison duty in India. This would release units of the Indian army for service overseas. The troops were sent. The British then asked Chandra to help them secure more recruits for the British Gurkha Brigade. Chandra ordered Nepalese district officers to collect candidates from all the Nepalese fighting castes and send them to major centers in the Hills. The British recruiting officer then deputed Gurkha recruiters to each center to inspect the recruits and send those thought fit to pass the army physical examinations to recruitment camps on the border. Chandra gave five rupees to each candidate sent, whether he was accepted or not, and the British, at Chandra’s suggestion, gave an additional twenty rupees to each recruit they accepted. Once this became known, recruitment quickly improved. Chandra also urged the British to send recruiting parties into the Hills. Where prewar recruitment had been 1,000 to 1,500 men a year, Nepal supplied the British Gurkhas over 60,000 new recruits by the end of the war. In addition, a 10,000 man contingent of the Nepal army served in India. Counting the replacements needed to keep this contingent at full strength, Nepal supplied over 100,000 men, the cream of the nation’s youth, to the British war effort. During the five years these men were gone from Nepal, agriculture suffered greatly, as Nepal’s trade figures showed. In many villages only women and old men remained to tend the fields, to carry surplus agricultural products out and to back-pack supplies to the village.

The fighting men of Nepal more than upheld their reputation. During the war they served in France, Gallipoli, Egypt, Mesopotamia, Palestine, and Africa and won the hearts of their British officers. The Gurkha became famous for his laconic reporting of patrols, for utter fearlessness in the face of danger, and rollicking good humor behind the lines. A whole class of ‘jokes’ evolved about the Gurkha and his exploits. Whether the punch line spoke of the lone Gurkha sentry challenging the nighttime passage of a ship through the Suez Canal or attacking in the face of heavy enemy artillery bombardment, ‘because no shells fell where the enemy stood’, all the Gurkha jokes blended humor with respect for the Gurkha’s fighting
qualities and love for his unique outlook on life. In an age when ethnic jokes sadden the heart, the Gurkha jokes sketched the Gurkha fighting man with exuberance. Their companions in arms loved the Gurkhas, and these simple men from the Hills of Nepal loved what they saw of the world outside their homeland. There was much they could not understand. Not all the world was poor, as they were poor, nor were all men expected to do what they were told merely because they were told. Their war experience was the first great learning experience for many Nepalese. In time these lessons would take root, and the villages of Nepal would change.

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<th>Year</th>
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<th>Imports to Nepal</th>
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While the Gurkhas were marching to the drums of war on far distant fronts and a large contingent of the Nepal army was on garrison duty in India, much of India itself was marching to the tempo of a different drum. The change had begun in 1905, when Bengal was partitioned. The Bengalis retaliated by boycotting British cloth. The Indian National Congress was no longer content with debate. Extremist groups both in and outside the Congress began to demand home rule, so that even the British realized they must grant concessions. Indian nationalists had no interest in concessions. They brushed aside the Morley-Minto reforms of 1909 as token offerings unworthy of consideration. Extremism grew, and political assassination became a reality. Calcutta, especially Calcutta University, became a hotbed of political agitation.

Indian extremism touched even Nepal. Chandra was shocked when he
learned that Bengali extremists were using an isolated area in Nepal to manufacture weapons and train young revolutionaries. He cooperated fully with the British police and even allowed four Indian detectives to enter Nepal to search for seditious. As extremist activity increased in India, Chandra began to fear the Tarai might fall under extremist influence. Until 1914 local militia units had provided police protection in the Tarai. That year Chandra began organizing an official police force. In 1916 Chandra placed Tarai police posts under the direct supervision of the district administration. Later that year he promulgated the Birganj Police Regulations, and three years later he replicated these in the remaining Tarai districts. Border security was tightened up, and the police were alerted to any unusual activity.

More than the extremist elements in the Tarai, the politicization of university life disturbed Chandra. He feared the virus of Indian nationalism would infect Nepalese studying at Calcutta University. At his request, the Patna University Syndicate passed a resolution in 1917 to admit students of the Darbar High School in Kathmandu to a proposed 'Darbar College' as noncollegiate students, provided they sat for their examinations at centers within Patna Province. The 'Darbar College' materialized in 1919 as Trichandra College, which was opened to the Intermediate Arts level on October 19, 1919. Patna University also recognized Nepali as a subject for study in the University.

Chandra was equally concerned about the flow of new ideas into Nepalese villages. If 100,000 men had served outside Nepal, many of them outside the subcontinent, 100,000 men would be returning to their villages with ideas that might generate dissatisfaction and unrest. Even members of the Rana family had enjoyed the taste of freedom outside Rana Nepal. To satisfy some of the more obvious needs of the villagers and to put his returning Rana officers to work at challenging tasks, Chandra resumed his development program.

The suspension bridge program was the easiest to resume. Bridges were needed to improve communications for the villagers and to facilitate the movement of troops throughout the country. But suspension bridges, no matter how useful and necessary, were only a token response to Nepal's development needs. Chandra wanted to get on with some of the major projects he had planned. The Viceroy's grant of one million rupees annually to Nepal in recognition of Nepal's services during the war made all these possible. The first proposal Chandra took up was a road linking Birganj with the capital. He soon learned that the spirit of isolationism long cultivated in Nepal adamantly opposed such an open route from India to Kathmandu. Chandra proceeded cautiously. Even the Resident remarked
on it. He took great pains to consult widely and to build consensus by persuasion rather than by command. The plan that finally emerged was a hybrid that called for a good road from Birganj to Bhimphedi and a ropeway from Dhursing, near Bhimphedi, to Kisipidi in Kathmandu Valley.

Work on the foundations for the ropeway towers began late in 1921. Labor strikes in India interrupted the supply of materials, delaying the construction of the towers until 1923. The ropeway was finally completed in 1926, a year behind schedule. Construction of the Birganj-Amlekhganj sector of the road moved more rapidly. In the flat land of the Tarai, the only construction problems were the bridges over the Tarai streams. The jungle track that the road followed was widened. Proper embankments were built up. A solid foundation of stone and gravel laid. The surface was metalled and rolled. North of Amlekhganj, the route crossed the Chure Range. The engineers decided not to push the road over the Chure crest, but to lead it up the slopes until the gradient became too steep for traffic and then punch a tunnel through the ridge. North of the Chure Range the road crossed the easy terrain of the Inner Tarai to Hetaura in the Himalayan foothills.

While the road was under construction, Chandra modified his plan. He negotiated with India for the purchase of a small plot of land at the Rasaul railway station and the construction of a siding from there to Birganj. Under the new plan, a light railway would carry goods and passengers from Birganj to Amlekhganj. They would then proceed by road from Amlekhganj to Bhimphedi. From Bhimphedi passengers would be obliged to walk (or be carried) over the mountains to Kathmandu, but freight would ride the ropeway at the rate of eight tons an hour.

Not all freight traveled on the ropeway. Some merchants preferred to bring their supplies to Kathmandu by porter for greater security. Heavy or bulky items also had to be manhandled over the mountain tracks. Motor cars were carried intact by teams of sixty-four porters. Many a traveler was astonished to see a car moving slowly but majestically up the trail on its bed of bamboo cross-poles. Road rollers had to be dismantled, but they came the same way, to prepare the roads for the cars which leading members of the Rana family were importing. Even pianos were carried by porters over the mountains to Kathmandu.

Simultaneously with the ropeway, Chandra began work on the Chandra irrigation canal in the eastern Tarai. By 1926 he had completed the main canal and the headworks at Fattehpur on the Trijuga River.

Also completed in 1926 was Kathmandu’s showpiece of the day, a new sixty-four bed Military Hospital. At the inaugural function, Nepal’s chief engineer, Chief Colonel Kishore Narsingh Rana, summed up Chandra’s development achievements:
In no period of my long service extending over 31 years and covering two regimes, or for the matter of that, in no period of our history has such an amount of work of such importance, magnitude and utility and costing so much money, been taken in hand at one and the same time. There are canals, roads, rail and ropeways, hospitals and other civic buildings, bridges, waterworks, electrical installations, tube wells, and municipal undertakings going on here, there, and everywhere.

The Colonel may have exaggerated to flatter Chandra. He spoke of roads and ropeways when he and all his audience knew there was but one road and one ropeway. Compared to Nepal’s real needs, Chandra’s achievements were a mere beginning, and they cost only a fraction of the national surplus. It is also possible that the Colonel’s exaggeration was not pure flattery. The Colonel may have seen what he and his audience wanted to see, and that was development. If true, Chandra’s achievement was far more than we imagine. The Colonel’s continuing remarks suggest the awakening in Nepal of a new mentality:

With paternal solicitude Your Highness has not only established several allopathic dispensaries at the more important and populous towns and villages in the Hills and the Tarai, but has arranged to start many Aryurvedic pharmacies in the far-off interior where up to now the nostrum from village quacks was all the medical help available to the people. To provide trained men for those pharmacies, Your Highness has opened Aryurvedic schools under our own passed Kavirajus who have come back after completing their full course of study and training in good and reputable Aryurvedic institutions in India where they had been sent by Your Highness.

Chandra had been right in believing that the younger generation of Ranas coming back from their travels in India wanted to see their own country develop. Even India had seemed economically and socially advanced.

Two social evils that greatly embarrassed the Prime Minister were Sati and slavery. We have no idea today how frequently Sati actually occurred. Rana Prime Ministers had discouraged this practice. but no Prime Minister had attempted to end it. Chandra abolished Sati in Nepal in 1920.

Abolishing slavery was more difficult. Slaves represented a financial investment. When he addressed the slavery question, Chandra argued that slavery was bad economics. It was simply more expensive to keep a slave than to hire a free person to do the same work. Nevertheless, Chandra kept the financial investment of slave owners in mind when he abolished slavery in 1924. Those who could not, or would not, free their slaves on their own initiative were paid compensation for each slave freed. This prudent
approach worked. There is no record of opposition to Chandra’s law ending slavery in Nepal. 57,782 slaves were freed with compensation to their owners, and another 4,651 were freed by their owners without compensation.7

Chandra saw development as expedient. His consuming interest remained administration. Again and again he wrestled with the problem of administering a country like Nepal. In January, 1918, his Muluki Sawal replaced the Kitapi Sawal, the Book of Regulations that had governed the administration for ten years. The Muluki Sawal reflected Chandra’s access to better trained employees and to the continuing centralization of power.8 The new regulations had a broader approach to administration than the Kitapi Sawal had. The Kitapi Sawal had tried to establish procedures for the administration. The Muluki Sawal dealt with almost every aspect of administration. Three major themes stand out in particular: uniformity, centralization, and control. The Muluki Sawal established standard operating procedures for general administration. The regulations identified the person or office responsible for decisions; established fines for those failing to take decisions on matters for which they were responsible; and punished dilatory administrative practices. The new regulations even set time limits within which tasks were to be performed. For the first time a clear administrative path was indicated along which reports were to pass, and deadlines were set for submitting reports at each level of the administrative hierarchy.9

As in all Rana administrative measures, the key note in the Muluki Sawal was control. Fiscal control continued to be important, but the Muluki Sawal elevated the pajani to a bureaucratic art. This annual reassignment of officials was supposedly based on each officer’s service record. In fact, the pajani had become a tool the ruling clique used to strengthen their position. The Muluki Sawal left the Prime Minister free to use the pajani for his own purposes, but institutionalized the annual review of performance. The result was formidable.

Central offices were required to file their annual pajani reports by the beginning of May. Fiscal reports were filed separately by each office. The Rana criteria for any office administering funds was the cash inflow and its use. The account forms were agonizingly detailed and included a verbatim transcript of any letter authorizing any disbursement whatsoever. These accounts were subject to periodic central audit. Until the Audit Office gave its approval, the person actually responsible for the transactions was held liable.10

At the district level, preparation for the pajani began in July. Each office had to report on cash transactions, work performance, personnel, and
outstanding problems that required special attention.

1. The report on cash flow was detailed. It included each transaction: the cash paid in or out, the balance due, and any deductions made.

2. The report on work performance required a report on the work undertaken by the office during the past year as well as plans and work programs for the coming year.\(^\text{11}\)

3. The personnel report included not only each officer’s performance record but also a summary of the performance records of his father and grandfather. For security and loyalty reasons, Chandra would hire no one whose grandfather and father had not served loyally and competently in the administration.\(^\text{12}\) Also included was a list of the new posts (with recommended pay scales) that should be created in the reporting office to allow that office to perform its task more efficiently.

4. The final section of the report required a detailed statement of any work the local officers thought was urgently needed for the welfare of the government and the people.\(^\text{13}\)

The pajani report went first to the governor of the area. He added his own comments, noting whether the top administrators in the offices reporting to him (and his own assistants) devoted full attention to their work and worked with good intentions, whether they were prompt in coming to office, and whether they were competent. If any official under the governor’s authority had been the defendant in a lawsuit, the governor was obliged to include the court’s decision, or, if the case were still pending, full details of the case. Finally, the governor could recommend a few of those serving under him for promotion or salary increases. The pajani reports along with the governor’s comments then went to the Center, where they were evaluated.

At the pajani, those to be dismissed were dismissed publicly. A few officers were promoted. The vast majority were reassigned to their posts for another year.

To supplement and verify the pajani reports, Chandra used regular inspection teams equipped with overreaching powers to investigate both work performance and evidence of corruption or harassment of the people. High on the list of items investigated was each officer’s adherence to the Muluki Sawal. Kathmandu still makes use of inspection tours, but these are a far cry from those of Chandra’s time. Chandra’s inspection teams were more certain of their objectives, more personally responsible to the Prime Minister for their performance, and more strongly supported by the Prime Minister in their work.
As a tool of the central administration, inspection tours had been used in Nepal since the early 19th century. Chandra was the first, however, to combine inspection tours effectively with the annual pajani to supervise district administration.

The Muluki Sawal introduced a uniformity into district administration never before possible. It did not, however, guarantee good government or even good administration. The welfare of the villagers was still sadly neglected. The concern which touring inspection teams showed for villagers was tempered by a greater concern for the welfare and prerogatives of leading families in the districts. These families had not become powerful merely because they were more frugal or worked harder. They achieved power and retained it either because they supported the Rana family or because the Prime Minister courted their support. In any local conflict, the touring inspection teams were obliged to side with these families. If Brian Hodgson was correct when he said in the 1830s that the object of Nepalese courts was not to dispense justice but to promote an acceptable compromise, the same could be said with even greater emphasis of these inspections. At best, they tried to punish flagrant abuses and see that peace and harmony prevailed. Some exploitation of the people was considered normal.

In 1919 Chandra tried to systematize tax assessment as he had systematized revenue collection. Although agricultural land in the Tarai had been surveyed for tax purposes in 1895, farm land in the Hills was still measured by yield or by the quantity of seed required to sow it. Chandra’s 1919 survey regulations directed that land in the Hills be measured by area, not by yield. This was ambitious. The skill needed to survey hill terraces was not common in Nepal at that time. It was also of doubtful value unless each plot was also graded for productivity. Had Chandra planned to combine the area of each plot with its productivity to establish a basis for tax assessment, it would have been a remarkable advance. His concern, however, was limited to uniformity in the land records. He did not even achieve this. In the 1990s the cadastral survey is still attempting to introduce uniformity in the measurement of farm land in the Hills.

The year 1923 stands out in the history of Nepal as the year when a minor administrative regulation unexpectedly gave tenants outright ownership rights to their land. Administrative reforms beginning in 1868 had gradually recognized the tenant’s title as legal landholder. Only legal recognition of the sale or purchase of this title had been lacking. This was provided in 1923 when the administration directed that all land transactions be registered. The sale or purchase of tenancy rights was included, and these transactions were recognized in law. This was the final step in the evolution of personal property rights from simple tenancy rights. The law applied
only to tenants on government land, but as *Jagirs* were being abolished in favor of cash salaries an increasing number of tenants benefited.\(^{15}\)

The years 1923 and 1924 may have been the most prosperous years in history for Nepal’s villagers. Many villagers had acquired real property rights in the land they farmed. Rural incomes had been greatly improved because the government conversion rate for taxes had fallen far below prevailing market prices. The cash position in the villages improved even more when 100,000 men brought their savings back from the war. Senior citizens of today, when recalling their childhood in the village, sketch a scene of harmony and contentment that is almost beyond belief. But they are right. There was contentment, and, economically speaking, there should have been prosperity. The seeds of economic growth were present: there was more cash in the villages of Nepal, cash was more evenly distributed, and money circulated freely in the rural economy. In fact, no growth took place. Diplomatic events in 1923 smothered that promise of growth even before the seeds had taken root.

In 1923 Chandra achieved his most sought after diplomatic goal. The British formally acknowledged Nepal’s independence. The debate in Indian government circles had ranged from enthusiastic to niggardly, but the 1923 Treaty of Friendship was finally signed and authenticated in the great hall of the Singha Darbar. Lord Lytton, the new Viceroy of India, received it as his first official act on taking up his high office.

The Treaty of Friendship entitled Nepal to import, free of Indian customs duty, whatever military equipment it required for the strength and welfare of Nepal. The Government of Nepal was also entitled to import free of duty such other goods as it required. In addition, the Government of India agreed to rebate all Indian customs duties collected at the point of entry on trade goods transshipped to Nepal through India, provided these goods were shipped directly to Kathmandu without breaking bulk.

The Treaty of Friendship, of course, was subject to interpretation. Chandra soon learned that the British had their own ideas of the quantity of arms and ammunition Nepal required for its well being and defense. Nepal’s right to import development material without the payment of customs duties did not make these imports easier. These restraints were annoying but caused no real harm. The freedom to import trade goods from third countries, however, proved a disaster.

In 1923 Japanese manufacturers were searching for buyers. Their industrial plants were new, their prices far under Manchester prices, and export was their business. For the first time Nepalese merchants were free of Indian wholesalers and middlemen. Nepalese merchants bought, and Japanese manufacturers shipped, practically everything the newly returned
servicemen thought represented modern life: shoes, tennis shoes, cotton cloth, umbrellas, and trinkets. Cheap imports from Japan flooded the small market of Nepal. The cash that had flowed into Nepal as the savings of ex-servicemen flowed out of the country faster than it had come. Small cottage industries that had survived in Nepal against all the persuasions of British entrepreneurs, crumpled under the tide of Japanese imports. Most never recovered. A nation that had once been almost self-sufficient in the production of cloth developed overnight a hunger for imported cloth. Land that returning veterans had eagerly purchased under the 1923 land registration act was mortgaged to local shopkeepers, money lenders, and landlords: This money, too, was quickly spent. Reduced once more to financial need, many veterans returned to India in search of employment as night watchmen or factory guards.16

In Nepal’s rural economy, thousands of small landowners whose patient endurance had finally secured registered ownership rights lost their land to shopkeepers and more prosperous villagers. The new tenants who farmed these lands were technically subtenants with neither ownership rights nor tenancy rights. Village cottage industries had been effectively destroyed. The cash that might have fueled growth was gone. Nepalese working in India, of course, sent or brought money home to Nepal, but most of this flowed out again for the textile imports that had become a necessity in almost every region of the country. Although the Treaty of Friendship had granted a customs rebate only on trade goods imported to Kathmandu, the flow of goods outward from Kathmandu to the Hills and the Tarai was so steady that the Government of India expressed concern that these cheaper Japanese products would soon find their way into India.17

Why did Chandra permit such a flood of imports? Some say it was a matter of greed and favoritism. Chandra’s government levied customs duties on all these imports, and the right to collect these duties was sold to tax contractors. Important families were enriched merely by collecting the customs duties on this steady flow of imports. The public treasury, in essence the Prime Minister’s privy purse, was also enriched.18 Chandra himself profited enormously. This may seem a tawdry comment, after all that Chandra did for Nepal. It is not. Chandra was a patriot in the Rana sense of the term. His development activities were far more impressive for their influence on the people than for their cost. Chandra spent a few hundred thousand rupees a year on development before the war. After the war he rarely spent more than the Government of India’s annual gift to Nepal. Chandra’s twenty-nine years in office were well rewarded. When he died on November 25, 1929, he left to his sons and heirs £41,000,000 in cash and securities, huge tracts of agricultural land and substantial pal-
aces. So well had Chandra provided for his sons, in fact, that their wealth made them a force in Nepalese politics until the end of Rana rule.

Chandra also bequeathed to succeeding Prime Ministers a growing Nepalese nationalist movement. His passing was mourned by all, but even heartfelt grief could not smother the spark of personal freedom that had begun to glow in the hearts of the Nepalese people.

1. In 1923 Patna University agreed to admit students at Trichandra College to the Bachelor of Arts level as private candidates, again on the condition that they sit for their examinations at centers in Patna Province. Five years later the University agreed to an examination center in Kathmandu for the matriculation, IA and BA examinations and also agreed to hold science examinations in Kathmandu if the Trichandra College laboratories were considered adequate. Tradition has it that Chandra knew he was sounding the death knell of Rana rule in Nepal by opening Trichandra College. If he did, he made sure that discipline within the college, and even in the Darbar High School, was sufficiently rigid and entrance to both these institutions sufficiently limited to postpone that death knell. Some Nepalese students continued to study outside Nepal, but their numbers were few. The restrictions placed on the boys’ coming and going and the heavy responsibility the Prime Minister laid on their guardians discouraged this in all but extreme cases.

2. The British consultant Chandra employed to study the feasibility of such a road thought that Chandra really wanted a railway from Birganj to the capital. See I.E. Hopkins’ report on his feasibility study, For. and Pol. Department, File 142, Extl., 1-31.

3. The tunnel, the first of its kind in Nepal, was 1200 feet long, 10 feet high and 9 feet wide at the floor level, tapering to 8.5 feet at the ceiling. The tunnel floor was of concrete and the shoring was done with enormous 12” by 12” sal timbers. These statistics are based on the consulting engineer’s report. They differ considerably from those supplied by Landon.

4. The 25 mile-long light railway proved an excellent compromise. It granted Nepal access to the border for imports, but, unlike a road, it could be easily interrupted to provide the security that many in the Darbar felt necessary. As another precaution, the rails were laid directly on the recently constructed road bed. This combination of railway, road, and ropeway remained the route from the Nepal-
India border to Kathmandu Valley until 1956, when the Tribhuvan Rajpath was opened.

5. Some work on the Trijuga canal was begun in 1909.

6. *Sati* was an ancient Hindu ritual in which the widow joined her deceased husband on his funeral pyre and died in the flames that consumed his body. Widows with small children or needed by their families were not permitted to perform *Sati*.

7. See ‘Slavery’ in IOL, L/P&S/12/3029.

8. By this time the Shrestha Patshala, the school for prospective government employees, had been functioning for over twelve years. A syllabus had been developed to train these future clerks and employees of the administration in the functions they would perform. The Shrestha Patshala was theoretically open to anyone who could read and write. Originally three subjects were offered: law, accounts, and arithmetic. Examples of various official forms were provided which the students could study and learn to reproduce. Later, handwriting was added, hence the Nepali expression: *Char Pass*, the four passes. Other subjects were added, so that government officials could continue to study and acquire ‘eight passes’ or ‘nine passes’ and apply for promotion accordingly. Still later, geography and literature were added and by the 1930s applicants had to have completed primary education. Edwards, *Rana Bureaucracy*, pp. 262-3.

9. For example, district courts were to write down the number of cases left unsettled from the previous years; the number of cases brought before the court in the current year and, of these, the number in which decisions had been given. If any of the court’s decisions had been reversed, the report was to mention how many of their decisions had been reversed. Also included was the number of cases that remained before the court and the year these cases had been filed. If the time limit within which cases were to be heard had elapsed on any case, this too was to be mentioned along with the reasons for the delay. In addition, the number of people in jail, the charges on which they had been confined, the year in which the case against each had been filed and the reasons why no decision had yet been given. See Edwards, *Rana Bureaucracy*, p. 275.

10. Such liability was considered to extend to the seventh generation. Whether in fact such extended liability was ever enforced, no one has recorded. But all descriptions of the audit procedure and the regulations themselves included this caveat.

11. Although this system of reporting seems quite effective, officers soon learned to circumvent the strictness of the system. Work left uncompleted near the end of the reporting period was quietly re-routed to other offices. Desks were clean when reports were written. In time, of course, these files were returned to the office where they belonged, but the onus of having uncompleted work on hand at the time of reporting was avoided.

12. During the first World War and the immediate postwar period, the specter of the Indian national movement haunted Chandra. Increasingly he fell back on strong patron-client relationships in his administration as a bulwark against the encroachment of Indian ‘insurrectionist’ ideas. He achieved his purpose, but this
inbreeding in the administration proved a great source of discouragement, and therefore unrest, among the people for whom government employment offered some upward social mobility. It also led to a creeping isolation of the administration from the realities of life in Nepal. While Indian nationalists were pressing inexorably towards democratic self-rule and forcing the British in India into a position of isolation, Chandra isolated his own administration and thereby encouraged the growth of a nationalist movement in Nepal. Rightly or wrongly, however, Chandra insisted that the pajani report include this loyalty factor in the annual personnel report.

13. Jaya Karky (Bhattarai), Ph.D. Seminar, given in the History Department of the Tribhuvan University, 1982.

14. In 1920 a minor change was introduced into the revenue administration when the administration assumed the burden of collecting rents on Birta and Guthi lands outside Kathmandu Valley. These rents had previously been collected by tax contractors.

15. In 1924, for instance, the Jagirs of some categories of military officers were abolished in favor of cash salaries.

16. The following figures from the Economic Report for 1938 show the amounts of duty remitted, year by year, from 1923 to 1938:

<table>
<thead>
<tr>
<th>Year</th>
<th>Rupees</th>
<th>Year</th>
<th>Rupees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1923</td>
<td>2,257</td>
<td>1933</td>
<td>1,939,889</td>
</tr>
<tr>
<td>1924</td>
<td>197,310</td>
<td>1934</td>
<td>2,018,177</td>
</tr>
<tr>
<td>1925</td>
<td>197,310</td>
<td>1935</td>
<td>2,855,085</td>
</tr>
<tr>
<td>1926</td>
<td>242,700</td>
<td>1936</td>
<td>2,800,877</td>
</tr>
<tr>
<td>1927</td>
<td>262,334</td>
<td>1937</td>
<td>1,842,647</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>(Nepal’s Local Industry Policy announced)</strong></td>
</tr>
<tr>
<td>1928</td>
<td>279,208</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1929</td>
<td>296,250</td>
<td>1938</td>
<td>2,201,193</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>(license no longer required to import cigarettes)</strong></td>
</tr>
<tr>
<td>1930</td>
<td>573,092</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1931</td>
<td>1,100,874</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1932</td>
<td>1,350,584</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Economic Report for 1938, L/P&S/12/3061

17. The parallel with economic events in Nepal in the 1970s, 1980s and 1990s is striking. Only the quality of imports has changed.

18. No distinction was made between the public treasury and the Prime Minister’s personal wealth during Rana days.
19. It is said that all this was done without emptying the public treasury, so that Bhim Shamsher, Chandra's successor as Prime Minister, had ample funds to begin his rule in true Rana style without having to poach on the inheritance of Chandra's sons.
Chapter Thirteen
The Awakening

Chandra's long and dramatic rule ended abruptly. During an evening reception at the British Legation he caught a chill and fell seriously ill. Throughout his short illness Kathmandu savored rumors of a disputed succession, but when Chandra died at 3:00 p.m. on November 25, 1929, the commander of the Prime Minister's bodyguard calmly marched his troops to Bhim Shamsher's house and assigned them positions. Later that afternoon cannon on the Tundikhel parade ground announced the succession of Bhim Shamsher as Prime Minister of Nepal.

Bhim Shamsher chose to observe the full period of mourning before he formally took office on December 16, 1929. His speech on that occasion was as down to earth as his rule. He promised the people simple things: more piped water for Kathmandu, an end to import duties on cotton, an effort to clear the backlog of cases in the courts of the Tarai, and a modest increase of one rupee per month in the wages of the lower military ranks.

Bhim was a quiet man, already in his sixties. He had spent most of his life in the shadow of Chandra, implementing Chandra's reforms. Perhaps no man in Nepal, not even Chandra, knew Nepal's administration as well as Bhim. The changes he planned to make in the administration were pedestrian but practical. He set aside Saturday as a weekly holiday for civil servants and established daily government office hours: 10:00 a.m. to 4:00 p.m. In revenue administration Bhim was equally pragmatic. Arrears had once again accumulated in the Hill districts. Bhim considered the tax rate equitable and blamed the arrears on poor performance by the revenue collectors. To motivate them, Bhim introduced pay increments for officers who collected the full amount of revenue due and cut proportionately the salaries of those who failed. His most provocative reform was a ban on the death penalty. Although the death penalty had not been imposed in Nepal for years, Bhim Shamsher issued a decree on July 29, 1931, abolishing capital punishment for five years, except in cases tried under military law or for crimes of high treason. During Bhim's time the decree had limited scope, but it led the people to believe the death penalty had been permanently abolished. Ten years later, when Joodha Shamsher condemned four men to death in 1941, astonishingly strong reaction throughout Kathmandu Valley created problems the Rana regime did not know how to handle. Just before his death, Bhim spoke of abolishing the requirement that senior government officials report each morning to the Prime Minister. He thought it an utter waste of time. For the army, he planned a simple
Chapter Thirteen: The Awakening

provident fund, the first of its kind in Nepal. The retirement age would be set at 45 years for the rank and file and 60 years for officers.

The stirrings of the Nepalese national movement gave Bhim far more trouble than day-to-day administration. The plot discovered on June 28, 1930, was a case in point. The conspirators planned to throw a bomb into a meeting of Bhim's Council. Most of the leaders were young men who had studied in Calcutta, where they had learned the two great political ideas of the day: self rule, and violence as a means to attain it. The discovery of the plot did not especially disturb Bhim. Conspiracies against Rana Prime Ministers were almost expected. The conspirators did surprise Bhim when they revealed under questioning that his grandson Basanta Shamsher had been a party to the plot and that agitators were urging Nepalese communities in India to help overthrow the Rana regime. Basanta was punished within the family. The others were banished to outlying districts. But Bhim was left to face two unpleasant realities: members of the Rana family itself sought the overthrow of Rana rule and Nepalese residing in India demanded a say in Nepal's future.

Bhim believed himself secure inside Nepal but felt helpless to control agitators in India. He asked the Indian authorities to allow him to post a Guru loyal to the Rana regime in each of the larger Nepalese communities in India. His proposal was based on experience. For years Rana Prime Ministers had used the caste laws of Hinduism to control Nepalese serving in the British Gurkhas. A Guru representing the regime would be an equally strong influence on Nepalese expatriate communities. The British did not agree. The District Commissioners of Indian districts containing large Nepalese populations reported that the Nepalese were quiet and loyal.

Bhim soon had added reasons to fear the spread of nationalist extremism. On October 28, 1930, the Delhi Congress Committee hired thirty-six Nepalese as guards, bodyguards, and night watchmen. Two days later the Delhi police arrested the Delhi Congress Committee and all the Nepalese. That same month Indian Congress workers in Bihar used force to prevent Nepalese merchants from bringing British cloth into Nepal and tried to convince them to join their boycott. Bhim was frustrated and angry. In Nepal he was all powerful. In India he had to rely on the British to intervene, and they were deaf to his arguments.

But even in Nepal Bhim was not as secure as he thought. In 1931 he suppressed the Prachanda Gorkha, a small group of extremists who dreamt of ousting the Ranas and restoring the kingdom to the Shahs. Other secret groups flourished undetected for years. The members met under the cover of the Mahavir School Group and the Citizens' Rights Committee.

Initially these people had no violent intentions. They were satisfied with
discrete conversation among trusted friends. But as dreams were shared, ideas grew and indignation took root. They rejected as demeaning the arbitrary rule that made some people rich and influential and condemned others to squeezing a pitiful subsistence from tiny plots of land. They also rejected the notion that the Nepalese people must remain placid in the face of exploitation. Though the Ranas rarely considered the power of the people, these young men saw real strength in the strong, simple people of the country, independent and tenacious of survival.

Before the storm broke, Bhim fell ill of an infected gall bladder. The British Legation surgeon recommended an immediate operation. While Bhim’s family dithered, the Prime Minister died during the night of September 1, 1932, his passing as uncontested as his rise to power.

His successor as Prime Minister was Joodha Shamsher. Joodha was a military commander, not an administrator. During the war he had whipped the Nepal army into shape and impressed the British as few Nepalese generals did. He took over the Prime Minister’s office in much the same way, which deeply offended the sons of Chandra. Particularly antagonistic were Mohun Shamsher, Singha Shamsher, and Kaiser Shamsher, who saw Joodha as an uncouth pragmatist.

Joodha indeed differed from Chandra in style. Whereas Chandra had struggled with British India to secure recognition and respect for Nepal’s independence, Joodha thought this a lost cause. Nepal was independent. Why then should Nepal remain tied to India, a colonial government, and not establish relations directly with the home government in England?

To correct this anomaly in Nepal’s foreign relations, Joodha wanted to establish a Nepalese Legation in London and to change the title of the British Representative in Nepal from Resident (which implied Nepalese parity with dependent Native States in India) to Envoy, Minister, or even Ambassador. The British caretaker government in India thought poorly of his dream, but Joodha was persuasive. In 1934 the status of the British Residency in Kathmandu was raised to that of a Legation, and Lt. Col. C.T. Daukes became the first Minister to Nepal of His Brittanic Majesty.

The change was more apparent than real. The Government of India insisted that the Minister to Nepal be selected, as before, from the staff of the Indian Political Department and report to Delhi. They argued effectively, in depression-era London, that if India paid the costs of the Residency in Kathmandu, India must be consulted on any decision affecting Nepal-India relations. The best that Joodha could achieve was a compromise. The British Minister to Nepal would continue to be selected from the staff of the Indian Political Department but would retire from the service at the end of his term.
The great earthquake of January 15, 1934, pulled Joodha’s attention back to domestic affairs. The earthquake began just after 2:00 p.m. and shook Nepal for a full three minutes. Dwellings throughout the Valley suffered. In Kathmandu, hardly a building of any size was left undamaged. The hospitals were so badly cracked they could not be safely used. Temples had to serve as medical aid stations. Getting anywhere in the city was a problem. Almost every hundred feet mounds of debris up to twenty feet high blocked the narrow lanes. The people behaved marvelously. Without panic they hurried to the squares and open places in the city with whatever possessions they could quickly salvage and arranged makeshift shelters. The January night was cold. By 5:00 p.m. it was dark. Throughout the city small groups clustered around their cooking fires or settled for the night. Kathmandu’s few electric lines had been damaged, so there were no street lights. Looting broke out. The next day bazaar prices soared. Senior Commanding General Padma Shamsher immediately ordered looters shot on sight and promised strong action against profiteering. The looting stopped, and by January 18th prices were back to normal. Morale remained good, as volunteers struggled to dig out survivors. The casualty rate was high. More than 3,000 bodies were discovered in the three cities of the Valley during the first week. By the end of the week, electric power was restored, and shortly afterwards the ropeway was back in service. Kathmandu was again connected with the outside world.

When the earthquake struck, the Prime Minister was in the western Tarai on his winter tour. Because the earthquake had disrupted communications, he could not return to Kathmandu until February 4th. When he arrived, he found the food situation well in hand. Government food reserves had been broken out, and food buried by the quake had been salvaged. Shelter remained a problem. Joodha ordered tents and corrugated iron sheets distributed and threw open the reserved forests in the Valley, the Hills and the Tarai so that people could get timber to rebuild their homes. He donated 300,000 rupees in his own name and another 100,000 in his senior wife’s name for earthquake relief and loaned 5,000,000 rupees of public funds for reconstruction, interest free for four years. He also urged the citizens of Kathmandu to apply for grants of land to build in less congested parts of the city. The popular response was so favorable that Joodha was able to reconstruct parts of Kathmandu along more generous lines and to open new neighborhoods such as Putali Sadak.

The energy thrown into rebuilding the city called attention to the poor performance of Commander-in-Chief Rudra Shamsher. It was Senior Commanding General Padma Shamsher who had taken the lead in suppressing looting and profit mongering and had then organized relief.
Joodha felt betrayed. He had appointed Rudra, a ‘C’ class Rana, Commander-in-Chief despite heavy criticism. On March 18th, at a meeting of his Council called ‘to discuss urgent matters’. Joodha removed all ‘C’ class Ranas from the roll of succession at gunpoint. Rudra and his brothers were arrested. That night Rudra was conducted out of the Valley on the first stage of the journey to his new post in western Nepal.

Since this bloodless coup moved the sons of Chandra closer to the Prime Ministership, Joodha gained respite from their criticism. Removing the ‘C’ class Ranas from the Roll, however, spurred on the Nepalese national movement. These ousted Ranas drifted first into India, then into business and finally into Nepalese expatriate politics. Although wealthy ‘C’ class Ranas did not immediately open their purses to expatriate politicians, they had been driven into the opposition camp and would in time finance expatriate political agitation.

At the time Joodha did not realize this. He was preoccupied with Nepal’s recovery. The teams he had sent to study economic conditions in the villages reported the appalling condition of the villages.

Nepal’s cottage industries were dead. Joodha established the Trade Improvement Board to study the problem and recommend solutions. The Board suggested that Nepalese industries be developed to replace Japanese and Indian imports and to provide additional employment. On the Board’s recommendation, Joodha banned the import of any item that could be made in Nepal. This solved no problems. Traditional skills had become rusty, and most villagers preferred Japanese goods to their own. The business class was no more encouraging. Merchants had no desire to abandon their profitable import business to invest in industries producing second rate goods.

Any discerning entrepreneur could see that Nepalese industries could not compete with Indian industries. The Nepalese market was too small to permit economies of scale, and distributing Nepalese products would be a nightmare. The only practical way to transport goods to most places in Nepal was to take them into India, ship them on the Indian railways, and bring them back into Nepal. This entailed crossing and recrossing customs barriers and endless red tape.

Nevertheless, Joodha saw possibilities. Under the 1923 Treaty, Nepal was entitled to a rebate of Indian customs duties on imports, provided the British Minister verified that the shipment had not been opened during transit. Nepal could thus import equipment and raw materials more cheaply than any Indian manufacturer. This exemption, however, required the British Minister himself to inspect the Indian customs seals. He was in Kathmandu. Nepal’s most suitable factory sites lay in the Tarai. Under the
existing rules, imported plant and equipment would have to be brought to
Kathmandu for inspection and then reshipped to the Tarai.

In 1937 Joodha suggested a modification of the 1923 Treaty. Customs
inspection would be delegated to reliable Nepalese officers, who would
inspect the customs’ seals at factory sites in the Tarai. If these officers
verified that the seals were intact, the imports would be granted a rebate of
customs duties paid. Nepalese products would continue to be admitted into
India duty-free. They could then either be shipped by Indian railways to
more remote areas of Nepal or sold in India. If Nepalese products should
prove cheaper in India than Indian manufactures, the Nepal Government
would impose an excise tax on Nepalese products.

Joodha’s proposal deserved consideration. It would help Nepal escape
total dependence on agriculture. There would be no danger to Indian
industries, since Nepalese industries would be starting with an untrained
labor force and a modest investment in plant and equipment. What
jaundiced the British against the proposal was the Rana nose for profits.
Even during the negotiations, members of the Rana family invited indus-
trialists from Calcutta to set up plants in Nepal on a shared ownership basis
and talked freely of recruiting Japanese technicians. Nepalese industries
would really be foreign industries based in Nepal to avoid Indian taxes.

The following year Joodha modified his position slightly. He urged the
Government of India to protect Nepal’s new industries by levying an excise
duty on Indian manufactures destined for Nepal. In return, if Nepalese
prices fell substantially below Indian prices, the Nepal Government would
levy an excise duty on Nepalese products shipped to India. The Government
of India told Joodha informally that this would merely encourage large scale
smuggling between Nepal and India, and Indian revenues would suffer.

The smuggling issue then gave both governments a splendid opportu-
nity to discuss plans to control smuggling. When World War II broke out
they had made no progress towards a Trade Convention.

Joodha’s failure to bring these negotiations to a successful conclusion
gave the sons of Chandra ample reason to criticize him. They said he was
ineffective, and they opposed him as openly as they dared. They were not
alone. In 1939 a rumor spread that Joodha would resign. Posters appeared
on Bhim Sen’s Tower in Kathmandu predicting that Joodha would soon be
assassinated, his body dragged through the streets and then exposed on the
Tundikhel parade ground to be devoured by dogs and vultures. Then came
the delicious story of the copper cow of atonement. As rumor had it, the
Prime Minister had shot a cow while hunting in the Tarai. To atone for this,
the Brahmans had directed him to present a full-sized copper cow to
Pashupatinath. The cow was to be covered with beaten gold, the horns and
tail to be of solid gold, and the tail encrusted with pearls. The hooves and udder were to be of solid silver and the eyes formed of large diamonds. Rumors also claimed that because he had refused to make this presentation the Prime Minister had been afflicted by a horrible disease. An Indian vernacular newspaper, the Janata of Patna, published articles against Joodha attacking his moral character and his form of government. According to the most common rumor, the Prime Minister would resign because of his health at the time of Dasahara in October, 1939. Padma Shamsher, it was said, was happy as Commander-in-Chief and had waived his right to succession. Mohun Shamsher would therefore succeed. A more outrageous rumor held that the Prime Minister would not resign. He would leave the capital to live in retirement, but his son General Bahadur Shamsher would conduct the affairs of government.

Most of these rumors contained some truth. In fact, Joodha was suffering from diabetes and had talked of resigning. He, or someone in his party, had shot a cow by mistake in the Tarai, and the Brahmans had demanded just such a token of atonement. Joodha had labeled this a waste of money.

The most persistent bazaar rumor held that King Tribhuvan and Crown Prince Mahendra wanted Joodha's abdication and a constitutional change in government. They were dissatisfied, it was said, with Joodha and his family and no longer willing to put up with them or Rana government.

Even the army was dissatisfied. The troops were unhappy because in 1938 Joodha had remitted the loans given to civilians following the 1934 earthquake but had not remitted loans to the military. They considered this unjust treatment and grumbled constantly. When about to take up their assignments in India during World War II, the troops asked Mohun Shamsher to intercede for them. Mohun replied that there was nothing to remit. They had been given an advance in pay not loans. To the troops, this seemed like hairsplitting, and their morale fell.

The sons of Chandra mistakenly believed that the public were dissatisfied only with Joodha. In fact, the people were unhappy with the whole Rana family. An increasing number of educated people questioned the right of the Rana family to control their destinies. When Shukra Raj Shastri had dared to hold public meetings in 1936, he had been arrested and sentenced to six years imprisonment. Joodha thus gave the restive intellectuals of Kathmandu a martyr and drove the movement underground.

Formation of the Praja Parishad, the 'People's Council' gave political shape to the opposition. Members of the Council conducted a discrete but running campaign against the Ranas. They fed the Kathmandu rumor mill with spicy stories and wrote anti-Rana articles for the Patna Janata
As the activities of the Council stepped up, the wave of ill-will towards the Prime Minister and the Rana family increased until the night of October 18, 1940. That night, on the information of police spies, fifty-six members of the Praja Parishad, the Mahavir School Group, and the Citizens' Rights Committee were arrested. Thirteen of those arrested were released after preliminary questioning.13 Forty-three were subjected to more intense questioning and then put on trial before a tribunal consisting of the Commander-in-Chief, the Commanding Generals of the Nepal army, and selected officials holding high judicial and executive positions. The trial ended in December, 1940, and the case was sent to the Prime Minister.

On January 22, 1941, Joodha sentenced five to death and banished four low ranking members of the aristocracy from the capital. Twelve were sentenced to life imprisonment. One was acquitted. Of the remainder, two Brahmans, who were protected by precedent and law from execution, were publicly, savagely, and disgustingly degraded from caste and then sentenced to life imprisonment. The remainder were given prison terms varying from three to eighteen years.

Four men were actually executed. These included Shukra Raj Shastri, who had been in jail at the time the conspiracy was discovered! At 11:00 a.m. on February 1, 1945, the fifth condemned man was taken to a tree on the parade ground immediately in front of the Military Hospital. His hands were tied behind his back and preparations made to hang him. At the crucial moment, the Prime Minister arrived by car on his way to the Hanuman Dhoka Palace. The condemned man called out for mercy and admitted his wrong. He was pardoned on the spot. This 'spontaneous act of clemency' misfired. The people learned that the prisoner had previously been pardoned. The whole incident had been staged to counteract popular reaction to the harsh sentences. The body of a goat was later found hanging on the same tree, placarded: 'This is the punishment for grazing on other people's crops.' The defiant reference to Joodha's moral character was clear.14 The People's Council, the Mahavir School Group, and the Citizens' Rights Committee had been suppressed, but anti-Rana feeling continued.

The Prime Minister was embarrassed to learn that even King Tribhuvan sympathized with the Praja Parishad.15 For a while he toyed with the idea of setting King Tribhuvan aside in favor of Crown Prince Mahendra, but the Crown Prince made it clear that if the King went, he would go too. Under the circumstances, the Prime Minister could only double the watch on King Tribhuvan and pretend to ignore his role in the affair.

Though the 'conspirators' had been rounded up, tried, and sentenced, the incident left the Ranas edgy. The Prime Minister feared that disaffected members of the Rana family might use popular discontent to set aside the
roll of succession or overthrow the regime. His effort to reduce dissatisfaction by industrializing Nepal had made little progress. A few industries had been started, and the jute mill at Biratnagar was making a handsome profit manufacturing gunny bags to be used in India to make sandbags. But industrialization was slow, and industry had not absorbed Rana interests.16

To reduce the danger of collusion between exiled Ranas and Nepalese politicians in India, Joodha permitted Ranas exiled to remote districts of Nepal to visit Kathmandu and appealed to the Indian Civil Intelligence Division to find out what mischief Nepalese in India might be plotting.

Joodha never understood the Nepalese national movement, and he certainly did not understand the importance of the ‘Quit India’ campaign staged by the Indian National Congress. The events of August 12, 1942, depressed him.

On August 12th, the British Legation overseer at Raxaul, an Indian town near the Nepal border, telephoned Kathmandu to say that the telegraph lines between Raxaul and Muzaffarpur were out of order. There had been no malfunction. Indian Congress Party workers had struck at the area in organized acts of sabotage, cutting telegraph wires, tearing up railway lines, burning railway coaches, railway stations, police stations and post offices. Communications with Nepal had been cut off along the whole border of Nepal facing Bihar and the U.P. No mail, parcels, telegrams, or indeed anything came in or went out.

By August 16th, Joodha was in a towering rage. How could the British hope to defeat Japan and Germany if they could not protect a simple line of communications deep within their own territories against unarmed Indian villagers? To make matters worse, Joodha had no excuse for sending Nepalese troops into India to end the blockade. No damage had been done to Nepal Government property in Raxaul.

Joodha vented his frustration on the British Minister, Col. Geoffrey Betham. In desperation, Betham asked the Prime Minister to permit airplanes to land in Kathmandu. Religious leaders and Joodha’s relatives opposed this, but the Prime Minister wanted communications re-established. He informed Betham that no plane could land in Kathmandu, but the British would be allowed to send planes to Birganj. Betham then sent messages by special runners to the Government of India asking them to send a radio transmitter by air to the Birganj parade ground and left in haste to meet the plane when it arrived.

Betham found the Birganj parade ground much too small to be used as a landing field. On August 22nd, again with the consent of the Prime Minister, Betham looked at fields north of Birganj for a suitable landing strip. Near the Simra railway station, he found a field that might serve.
Using battalions of local workmen, he spent the next three days filling in ditches and felling trees to carve out two runways 50 yards wide and over 600 yards long. On the 25th the first airplane ever to land in Nepal, a Puss Moth, touched down on this primitive airstrip. When the plane took off, Col. Denham White, a physician who had been treating King Tribhuvan after his first heart attack, went along. Col. White's account of the disruption of communications with Nepal was the first news the British had received of the disturbances along the border. A detachment of thirty British troops sent the Congress sabotage teams scampering across the border into Nepal. Col. Betham meanwhile secured steam rollers to level his two airstrips and lengthened one to 1460 yards and the other to 980 yards. The British plane did not come again until August 29th, but by the 30th a regular air shuttle between Patna and Simra was at work. By September 10th, Betham had a new radio transmitter in the British Legation and two trained operators to work it. Betham had almost single-handedly brought the air age to Nepal.

Many Ranas, already pessimistic over the Allies' poor performance in the war, were deeply disturbed by this disruption of Nepal's communications. How could British authorities have been unaware for two weeks that communications with Kathmandu had been cut? The apparent unconcern of the British government in India seemed a shockingly frank statement of the British view of Nepal's role in the war.

Joodha suffered his moments of pessimism also. The British seemed quite willing to make full use of Nepal's military manpower but were unwilling to encourage Nepal's development efforts. Joodha finally let them know he resented being taken for granted.

Responding in March, 1943, to Joodha's trade proposals, the British suggested that Nepal and India form a customs union. The two countries would then have a common customs frontier against imports from all other countries but no customs barrier between them. Joodha refused. A customs union would threaten Nepal's sovereignty and deprive Nepal of its duty-free corridor through India. Nepalese industries could not compete with Indian industries if they were placed on an equal footing. A customs union would also deny the Prime Minister the right to collect import and export duties on goods passing between India and Nepal.

In March, 1944, British planners considered Nepal's hopes to industrialize from the point of view of hydroelectric power. It seemed clear that British control of India would soon end. The annual gift to Nepal for Nepal's assistance in World War I, had been promised in perpetuity, but was paid from Indian resources. An independent India would not accept this obligation. The British thought they might solve this problem by capital-
izing the annual gift to Nepal and using that money to construct a hydroelectric plant in Nepal. When the Foreign Secretary, Sir Olaf Caroe, visited Kathmandu to discuss this with the Prime Minister, Joodha further clouded the issue. He informed Caroe that he expected a substantial reward for assisting the British in World War II. He also wanted the annual gift capitalized, the money invested in land *in India*, and the land ceded to Nepal.

On February 17, 1945, Sir Olaf chaired a meeting of the Secretaries of the Government of India to discuss the questions Joodha had raised. The major theme of the meeting was a final answer to Joodha Shamsher's request for a Trade Convention with India. In principle, the Secretaries agreed that:

1. India should go as far as possible to help Nepal industrialize, by giving Nepal an agreement that met Nepal's objectives broadly, but which would not lead to friction between Nepal and India at a later date.
2. The real basis of development cooperation between Nepal and India should be hydroelectric power.
3. Nepal's industries should be developed to meet Nepal's domestic needs and not to undercut the Indian market.
4. The free corridor could be extended to some parts of the Tarai for plant but not for raw materials nor for any industries using foreign capital.
5. Nepal could keep a closed frontier to Indian goods. India would keep an open frontier for Nepalese goods. But India should seek to negotiate preference for Indian goods.
6. No land customs line would be set up against imports into India from Nepal, but the Government of India reserved the right to establish such a line if it should prove necessary.
7. The initial agreement should be short, perhaps for five years.
8. Nepal's annual present should be increased from 1,000,000 rupees to 2,000,000 rupees and that at least a portion of this be capitalized.

In conclusion the Secretaries decided that the aim of negotiations with Nepal would be:

To endeavor to obtain Nepal's agreement to the limitation of their industrial expansion to a productivity sufficient to meet Nepal's own needs, to the exclusion of foreign capital, foreign experts, and most foreign raw materials, together with a prohibition on export to India of excisable goods except on a system of permits ... The general picture is one of development of industry in Nepal not in competition with Indian
industry but on complementary lines with a view to raising the general standard of living in Nepal.

This was not a very encouraging response to the enviable record the Nepalese posted in their contribution to Britain’s war effort. Ten members of the Gurkha Brigade received the Victoria Cross for valor. Gurkhas everywhere won the deepest respect from British Officers. British Minister Falconer put the number of Nepalese serving in the British Gurkhas as high as 160,000. Counting the Nepal contingent, the British Gurkhas, and Nepalese serving in other units of the Indian Army. Nepal contributed more than 200,000 men to the British war effort.

Such recruitment was not possible without the Prime Minister’s complete support. The British recognized this, but suspected that Joodha did it merely for the reward. They were mistaken. Joodha supported the British because he believed in the British cause and feared the effects of an Axis victory. When he saw the impact of German propaganda broadcasts on the people of Kathmandu, he ordered all radios except those of the most senior officers turned over to the police and did not release them until the Allied victory was assured. To encourage Nepalese serving in the war, Joodha decreed that no Nepalese serving in the Gurkha Brigade could be legally dispossessed of his land or be summoned to court in Nepal on any civil or criminal suit for a period extending to six months after the end of the war. Any recruit convicted in a legal case but still eligible to appeal as of April 30, 1941, was entitled to file his appeal at any time up to six months after the war.

But Joodha could do nothing to protect the Nepalese troops from the scourge of Indian inflation. In 1939, 100 Indian rupees bought 135 Nepalese rupees. By the end of 1944, 100 Indian rupees bought only 80 Nepalese rupees. This directly affected British Gurkha pensions and the money the troops sent home.

The roots of the problem were simple. Before the war, British India had adopted paper currency. Nepal had not. In July, 1939, when the Government of India asked the Nepalese government to exchange its Indian silver rupees for paper currency, the Government of Nepal exchanged nine million silver rupees at the Calcutta mint. During the war silver disappeared from the Indian market. Indian jewelers then bought as many Nepalese silver rupees as they could find to use in their melting pots. By the time Joodha banned the export of Nepalese rupees, the damage had been done. There were no longer enough Nepalese rupees in circulation to accommodate the market, and Nepal had no silver to mint into new coins. Joodha arranged for the printing of eleven million rupees worth of paper currency in notes of five, ten, and one hundred rupees, but he refused to issue
this currency while there was a shortage of silver coins.

Since many Nepalese refused to accept Indian paper currency and would not spend their silver on Indian goods, the exchange value of the Indian rupee dropped steadily.

Financial experts in India were convinced that the situation would correct itself if more Nepalese coins were circulated. Accordingly, the India Office Financial Department offered in June, 1945, to mint 6,000,000 Nepalese rupees. The Government of India could then pay their Gurkha soldiers in Nepalese currency and completely avoid the exchange problem. Joodha refused their offer because the British insisted on minting coins containing a cheaper alloy. Finally, on September 16, 1945, Joodha issued Nepal's first paper currency. Government servants were paid half their salary in silver and half in paper. This put one million rupees of paper currency into circulation. It was not enough to balance the exchange rate, but Joodha was adamant. The confidence of the people in Nepalese currency must not be shaken. More paper currency would be circulated when silver coins were readily available.

Although the Nepalese troops serving in India suffered from the exchange rate, the Nepalese economy suffered little. Regardless of the exchange rate and Indian inflation, Nepalese rice sold well in India. Annual export levels ranged from eighty to one hundred thousand tons. Imports from India were practically nil. The balance of payments showed a healthy surplus. In Nepal, labor charges had climbed, because of the manpower shortage, but food prices had risen slightly.

In October, 1945, Joodha turned his back on the problems of the Prime Ministership. When he had talked of resigning in 1942, the Viceroy had urged him to remain in office until the end of the war. Joodha had done so, but insisted he would resign when the troops came home. Demobilization began in early October. On October 28th, Joodha witnessed a last parade of some 25,000 troops. At a special military function on November 12th he announced his retirement. And on November 29, 1945, he placed the Prime Minister's jeweled headdress on Padma Shamsher's head. He spent that night in Kalimati and left the following morning for Raxaul, where a special train met him on December 10th to take him to Nautanwa. From Nautanwa he traveled to his chosen place of retirement in Ridi, Palpa district, Western Nepal. He was seventy years old.
Notes to Chapter Thirteen

Chapter Thirteen is based primarily on the following files of the India Office Library (London): L/P&S/12/3029; 3030; 3057; 3063A; 3067; 3070; and 3075; and on the documents published in the Regnri Research Series (published monthly since 1969). The following materials have been used for further reference: Mahesh C. Regmi, *Land Tenure in Nepal*, four volumes, University of California Press, Berkeley, 1963-68; Bhuvan Lal Joshi and Leo E. Rose, *Democratic Innovations in Nepal*, University of California Press, Berkeley, 1966; and Daniel W. Edwards, 'The Daudaha (Inspection Tour) System under the Ranas', *Contributions to Nepalese Studies*, iii, No. 2, pp. 7-34.

1. Hindus who crossed the sea, the 'Black Waters', were held to have lost caste until they had undergone the rites of purification. Rana Prime Ministers insisted that this applied to British Gurkhas who served overseas. This put British Gurkha troops at the mercy of the Prime Minister, who could recognize or refuse to recognize the purification ceremony undergone. The British military soon learned that this was serious. Failure to undergo purification rites in an approved manner ostracized a man socially and denied him legal rights.

2. The more common spelling would be Juddha. The Prime Minister spelled his name 'Joodha' in English.

3. 'But whatever action the Nepalese Government may take as a result of such recognition we wish to make it clear that we have no desire to alter the existing procedure by which all matters directly concerning Nepal and India are dealt with in communication between the Government of India and the British representative at Kathmandu. The status of this officer would, if our recommendations are accepted, be raised to that of Minister with credentials from His Majesty, but he would still act as at present on the recommendation of the Government of India. Only in matters affecting the relations of the Government of Nepal with His Majesty’s Government or with other Foreign Powers would he find it necessary to correspond directly with London. In all other matters and particularly in regard to the upkeep of the Mission, which would as at present be met from the revenues of India, to the scale of establishment and to the normal channels of communication, we would propose that as little change as possible should be made in the existing order.' The Viceroy [Lord Irwin] in Council to Government, IOL, L/P&S/12/3047. London accepted these recommendations on May 9, 1934. The Government of India would later regret this argument. First, it had meaning only in the context of an exclusive Legation supported by Government of India funds. This situation ended with India's independence, when the British opened their own embassy in Nepal. The moment the new British Embassy was opened, Nepal had diplomatic linkages with the world beyond India that were totally outside India's control. Secondly, after independence the Government of India claimed the land and buildings of the British Embassy in Nepal since they had been financed from Indian revenues. The British Government's legal advisers agreed that the buildings belonged to India, but raised questions about ownership of the land, which Bhim Sen Thapa had given for
the Residency in 1816. As a compromise, a small amount of Embassy land was allocated for a new British Embassy. Until these buildings were completed, the Indian Embassy was housed at Sital Nivas.

4. Joodha was right to fight back on this issue. Sir Aubrey Metcalfe, then Secretary of the External Affairs Department, Government of India, told Betham that 'the post of Minister to Nepal was regarded as a post of secondary nature and importance, and that the calibre of the Officer selected for the post of Minister to Nepal was also considered to be secondary in value. Indeed that an officer selected to take up the post of Minister to Nepal was considered not to possess the caliber required for a Resident of the First Class but whom the Government of India wished to place in a position slightly higher than that of a Resident of the Second Class.' IOL, L/P&S/12/3099.

5. On September 2, 1938, Joodha gave full remittance of outstanding loans, about Rs. 3,000,000. He wanted repayment in full, but the sons of Chandra had opposed him. Some say they did so because members of the Rana family had borrowed large amounts. Joodha made the gesture as gracefully as he could on the anniversary of his own succession.

6. Members of the Rana family were classified into 'A', 'B', and 'C' class Ranas for the sake of convenience of reference. The classifications had different meanings at different times. In 1934, 'A' referred to children born of an orthodox Hindu marriage, 'B' to children born of a marriage that could not be so solemnized, and 'C' to children born of concubines. Only 'A' class Ranas were to be registered on the roll of succession. As a 'C' class Rana, Rudra was not entitled to be on the roll at all. He had been put there by his father, Bir Shamsher, when Bir was Prime Minister.

7. After the coup, Padma Shamsher was moved up to Commander-in-Chief. He was an amiable man, less energetic than many of the Ranas, but with a reputation for getting things done efficiently and unostentatiously. The Rana upper echelon considered him weak.

8. The sons of Chandra opposed Joodha at every turn, but their most intense dislike was reserved for Joodha's son, Bahadur Shamsher, to whom the Prime Minister delegated more and more responsibility. For example, when Kaiser Shamsher, as head of Nepal's Foreign Office, led a delegation to the coronation of George VI in April 1937, to present the new king with the Nepal Order of Rajanya, Joodha took charge of the Foreign Office, deputing his son General Bahadur Shamsher to look after the details. Kaiser was placed in charge of the museum and, on his return, assigned agriculture as well. Kaiser was so upset he went to Europe for his health and returned only after the outbreak of the war.

9. The prophecy was ominously reminiscent of the death actually suffered by Bhim Sen Thapa in 1839.

10. These articles especially upset the Prime Minister because most were written by one Bhet Narayan Bahadur Shrestha, a Newar tutor who had eloped to Banaras with Joodha's grandniece. Joodha tried desperately to have the couple
returned to Nepal, but the British authorities had no grounds on which to extradite them. IOL L/P&S/12/3012.

11. According to the British Minister, the King and the Crown Prince were quoted as saying, 'We and we only are the descendants of the Sisodia Rajputs and Nepal belongs to us. We, but not the descendants of Jung Bahadur nor of Dhir Shamsher, are the hereditary rulers. Under the present system we are kept practically in captivity and have to look to the Prime Minister for our daily bread, necessities of life and even our private money. Each Prime Minister, while in office, collects all the revenue, pays all salaries and amasses all the wealth he can for himself and his immediate family, with the result that there is no progress in Nepal nor prospect of development.'

12. Low morale may explain the 1940 Kohat incident in India. Members of the 2nd Battalion of the Nepal military contingent stationed at Kohat had been promised Rs. 1/6 per month extra ration money. Rations were given instead. Some of the troops rioted as a result. The Nepalese officers could not pacify them. Though the men did not have their rifles at the time, they did have their Khukuris. General Bahadur Shamsher was summoned. He paraded the men, ordered them to ground their Khukuris and hand over the ringleaders. There were twenty-two. A Nepalese tribunal sentenced one to death (he was hanged), one to life imprisonment, and the remaining twenty to prison terms ranging from six to eighteen years. (Annual Report for 1941, L/P&S/12/3063A) All were released from prison on May 20, 1943, to celebrate the Allied victory in Tunisia. (Nepal News Bulletin, 2nd quarter, 1943) The 2nd Battalion was later rehabilitated under British Officers and became an outstanding demonstration battalion at Abbottabad.

13. In this connection, the Prime Minister gave the British Minister in late October the names of Indians and Nepalese residing in India who were suspected of being involved with this movement. The Prime Minister requested that their houses be raided simultaneously and that the Nepalese be sent to Nepal if any incriminating evidence be found against them. The Government of India conducted the searches and raids on the night of December 22, but only a small number of those named on the Prime Minister's list could be traced. Nothing incriminating was found. Either the Prime Minister's information was inaccurate or the suspects had gone into hiding.

14. This was perhaps the least offensive of the acts of defiance committed at the time. The others that have been recorded are too crude for general publication. They all stressed the same theme.

15. King Tribhuvan's Silver Jubilee celebration (the second week of March, 1937) encouraged discontent with the Rana regime. The people saw King Tribhuvan for perhaps the first time in their lives. His appearance generated questions and created an enormous wave of sympathy among the people. The King was also given credit for the remission of revenue arrears totaling almost £400,000.
16. Industries in Nepal existing before 1937
   1. Biratnagar Jute Mill
   2. Juddha Match Factory, Birganj
   3. Patan Soap Works, Patan (died out)
   4. Nepal Cigarette Factory, Birganj (died out in 1938)
   5. Janakpur Oil Refinery
   6. Rice Mills at Birganj
   7. Rice Mills at Janakpur
   8. Rice Mills at Biratnagar
   9. Rice Mills at Bhadrapur
   10. Sugar Mill at Inerwa

Industries that came into existence in Nepal after 1937
   1. Nepal Kagat Karyalaya
   2. Nepal Soap Works
   3. The Himal Miners’ Syndicate
   4. The Frame Furniture Manufacturing Co. Ltd.
   5. Nepal Plywood and Bobbin Co. Ltd.
   6. The Fenebara Sugar Mills, Fenebara

Industries under construction at the time of the negotiations
   1. The Morang Hydro-Electric Co.
   2. The Morang Cotton Mills Ltd.
   3. The Birganj Cotton Mills Ltd.
   4. The Nepal Ceramic Glass Karyalaya Ltd., Dhursing

17. Four hundred and eighty-seven Indian Congress Party workers were identified. All fled into Nepal. By the end of 1943, 455 of these had been either arrested in Nepal and handed over to the British or had been hounded out of Nepal by the Nepalese police. Annual report for 1943, IOL, L/P&S/12/3063A.

18. On October 10, 1942, the Nepalese Consul General asked the Government of India’s help in the purchase of one two-engine, six-passenger airplane and two Puss Moth airplanes. He also asked for assistance in purchasing a wireless transmitter and developing the Simra airfield to accommodate large planes. IOL, L/P&S/12/3090.

19. Betham reported, ‘It is doubtful if anything that happened during the war so shook the Ranas as this blockade.’ IOL, L/P&S/12/3090.

20. Joodha agreed to allow the British to recruit additional battalions (the number of Gurkha battalions was doubled during the war) and permitted each British Gurkha on furlough to take back four recruits. He also appointed special officers to assist recruiters in those districts preferred by the British.
Padma Shamsher succeeded Jodha Shamsher as Prime Minister of Nepal on November 29, 1945. He took up his duties reluctantly. The British would soon leave India, and he would have to cope with a newly independent India and a new Indian government. No one could say what adjustments these changes would demand of Nepal. Events justified Padma’s fears. In 1947, India became independent and the Nepali National Congress was born. In 1948, Nepal received its first constitution. Padma resigned, and Mohun Shamsher became Prime Minister. In 1951, the Rana era ended, and King Tribhuvan was restored to power.

By Rana standards Padma Shamsher was an unlikely candidate for Prime Minister. He was sixty-two years old. He had a small family, was known to prefer a simple life style and had a reputation for hard, steady work at any task he took in hand. More than most, he understood the currents of change at work in the subcontinent, and his unassuming manner fitted him to accommodate change.

Unlike Joodha, Padma was not able to impose his will or insist on what he believed to be right. The sons of Chandra and the sons of Joodha saw this as weakness and gave Padma no support. The Rana family suffered as a result, and so, unfortunately, did the nation. Thousands of men were returning from the war, bringing their new experience of life outside Nepal to their villages. Strong leadership was required to channel their energies into productive activity, and this Padma could not give.

Padma’s isolation and his weakness in that isolation had a direct bearing on Nepal’s economic development. As the British prepared to leave India, they discussed with concern Nepal’s future economic growth. British India was especially interested in developing Nepal’s hydroelectric potential. The British would go, but high ranking Indians in the administration would remain to give continuity to their decisions. This was the time for Nepal to make its case clearly known and understood. But Padma, caught between the powerful Chandra bloc on one side and Joodha’s family on the other, was hesitant and unsure of himself. The British interest in developing Nepal’s hydroelectric potential came to nothing, and Nepal remained the poorer for this.

Throughout Padma’s rule, events seem to conspire to deprive him of initiative. Nepal’s acute currency shortage had not worried Jodha, but Padma realized that Nepal’s economy could not function unless more
Nepalese rupees were put into circulation. Returning soldiers had brought back to Nepal millions of Indian rupees. Unless they could spend those rupees or exchange them for Nepalese rupees, there would be trouble.

On Christmas Day 1945 Padma told the British Minister to Nepal that he needed 3.8 million ounces of silver to mint into coins and asked if India could supply Nepal that amount of silver at the current market rate. The Minister, pleased that Nepal’s new Prime Minister was willing to tackle the currency problem so soon, contacted Delhi immediately. Delhi was not impressed. Indian experts did not believe this amount of silver would provide the massive intervention they thought necessary, and they doubted that the Nepalese mint could strike coins fast enough to stabilize the exchange rate. They thought Padma should circulate more paper currency or mint coins of a cheaper alloy.

The Government of India responded after five days. They offered to sell Padma one million ounces of silver on three conditions. The silver must be used only to mint coins. The coins minted must not be more than 500 fine (50% pure). And the Nepal Government must permit the Government of India to mint for Nepal, at Nepal’s expense, one million ounces of Nepalese coins. They quoted a sale price of Indian Rupees 130 for 100 Tolas of silver (£10.00 for 41.14 ounces). Padma did not accept. He could not allow India to dictate the alloy in Nepalese coins. He also noted that the sale price quoted was far above the world market price. The next day the exchange rate dropped. One hundred Indian Rupees bought only 75.50 Nepalese Rupees.

By the end of April, 1946, the exchange rate reached a low of 100 Indian Rupees to 62 Nepalese Rupees. On June 26th the Indian Government made a new offer. They were now willing to sell 1.25 million ounces of silver at the rate of 121 Indian Rupees for 100 Tolas of silver (£9.31 for 41.14 ounces). When Padma objected that the price was still too high, India insisted that silver was scarce on the world market. This was the best price Nepal was likely to get.

Acting solely on his Minister’s authorization, the First Secretary of the Nepalese Legation in London settled the impasse. He left the Legation one day in search of silver. He was able to buy on the open market and ship to Nepal one million ounces of silver, enough to ease Nepal’s currency crisis. Minister Singha Shamsher and his First Secretary then waited anxiously for Padma’s response. In Chandra or Joodha’s time, such initiative would have invited recall and disgrace. Padma merely requested that they repeat the order.

Padma enjoyed little initiative even in his development efforts. In his inaugural address, he had styled himself ‘the servant of the nation.’ Many people believed he meant it. In that inaugural address on December 10,
1945, Padma promised to open more primary schools both in and outside the Valley, to increase the supply of hydroelectric power, and to build more roads and ropeways. He found these promises difficult to fulfill. In the first year and a half he opened an average of only two schools a month. Progress in developing Nepal’s hydroelectric potential was no better. One British team surveyed the area below the confluence of the Sun Kosi, the Arun, and the Tamur rivers for a site to build a 750 ft. high dam. A second British team surveyed the Gandaki basin for hydroelectric sites. Neither of these teams produced results. There was no progress on ropeways and roads.

There was no lack of ideas. There was a proposal for a telegraph or telephone link between Kathmandu and each of the districts, a proposal for a modern dairy farm in Kathmandu and controlled cattle breeding, a proposal for sheep breeding for wool, and a proposal for a hydroelectric scheme in central Nepal to supplement Kathmandu’s power supply and possibly electrify the Birganj-Amlekhganj railway. There was even a plan for an East-West Highway in the Tarai. Nothing, however, went beyond the discussion stage. The Development Board established in 1944 had produced no definite plan by the end of 1945 and made little progress by the end of 1946.

In April, 1947, work finally began on the East-West Highway. Twenty-six and a half miles of embankment were constructed near Birganj. Bridges and culverts were to be added later. After this timid beginning for what might have been a bold, postwar program, Padma’s East-West Highway faded into oblivion.

The problem was the Rana family. Padma expected the younger, educated Ranas to execute his schemes, but they rejected his leadership. There were many non-Ranas eager to work for the development of their country, but few had any training. The trained elite were unwilling to use their skills to support a weak Prime Minister. In Chandra’s time, they would have worked or explained why they could not. But Padma was not Chandra. Uncertain of his own leadership, he failed to inspire others to follow.

At times, however, Padma’s initiative shocked the Rana family. In December, 1945, he allowed two banished but influential ‘C’ class Ranas, Subarna Shamsher and Mahabir Shamsher, to return to Nepal, restored their confiscated property, and rehabilitated them politically. Rana tongues wagged. The Ranas had even more to talk about when they discovered in June, 1946, that the Prime Minister was showing educational films to students in his private movie hall (there were still no movie theaters in Nepal). In July Padma lifted the ban on private radio sets. Then, in a move that surprised even London. Padma instructed Babar, Kiran, and Ekraj Shamsher, who led the Gurkha contingent taking part in the World War II
Victory Parade in London, to proceed to the United States, and sent with them a personal letter for President Harry Truman.

The members of this first Nepalese Mission to the United States made such a favorable impression that they were invited to remain as official guests of the United States Government from July 25th to July 30th. They invited the Americans to visit Nepal and to establish diplomatic relations. They encouraged the U.S. Government to send a team of geologists to conduct a survey of Nepal. They also shopped for silver. They found none, but they left a deposit of £5,000,000 against future purchases. Interestingly, they inquired about U.S. aid to solve Nepal's hard currency problem.

Nepal had money but was locked into the sterling bloc. Manufactured goods were scarce in the sterling bloc. One example illustrates Nepal's experience. In August, 1946, Padma asked the British Minister to Nepal to arrange the purchase in either India or the U.K. of six ten-ton steam rollers for road construction. The India Office (London) placed the order with Marshalls in the U.K. Marshalls accepted the order and informed Nepal that forty steam rollers were being shipped to India. Nepal would receive six from this lot. In November the Government of India informed Nepal that no steam rollers could be supplied Nepal until 1948. That was it in a nutshell. London's prices were high and delivery was uncertain. The Nepalese wanted another source of supply. Japanese technology had always appealed to them, but Japan had been badly battered in the war. In the eyes of the Nepalese, the United States had taken Japan's place as the center of technology, so to the United States they went. For this, they needed dollars, not sterling, and they saw foreign aid as a way to gain access to dollars.

Meanwhile, Nepalese expatriates in India were becoming more deeply involved in politics. In October, 1946, Nepalese in Banaras formed a new mass political party. Nepalese in Calcutta planned a similar party.

At this time the Ranas seemed uninterested in expatriate politics. Their attention was fixed on the coming visit of the Americans. On November 27th, George Merrell of the United States Embassy in Delhi led a team into Kathmandu to prepare for an official 'Good Will' mission to visit Nepal in the spring of 1947. The Good Will Mission would work out details for U.S. diplomatic representation in Nepal. Members of the Rana family reveled in this new contact with the outside world.

But the non-Rana world continued to move forward, and King Tribhuvan moved with it. In December, 1946, the King complained of heart pains and asked to visit Calcutta for medical treatment. Since the King had suffered a heart attack in 1942, Padma allowed him to go. King Tribhuvan took along his younger sons Himalaya and Basundhara. The doctors in Calcutta found nothing wrong with the King except infected tonsils. They assumed
that the King’s life style made him nervous about his health and fussied over him, but King Tribhuvan had other purposes in mind. He had come to Calcutta to meet Nepalese political leaders, and through Subarna Shamsher he did just that. Shortly after the King returned to Kathmandu in January, 1947, the Banaras party and the Calcutta group combined forces to form the Nepali National Congress and elected B.P. Koirala president. B.P. immediately staked out the party’s claim to represent all Nepalese, inside or outside Nepal. The party’s goal: to replace the Rana government with a democratic government under King Tribhuvan. The increasing tempo of events in India soon thrust this new party into the thick of Nepalese politics.

On February 20, 1947, the British Government declared its intention to leave India not later than June, 1948. The announcement and the finality of the deadline disturbed Padma. He knew few of India’s new political leaders and discussed with the British Minister to Nepal his desire to meet them. But there was no time. On March 4, 1947, the workers at the Biratnagar Jute Mill demanded a thirty percent increase in pay. Management offered to raise the workers’ pay to the level of mills in the adjoining provinces of India, but anti-Rana agitators convinced the workers they should strike. Within a few days, leaders of the new Nepali National Congress party arrived in Biratnagar to support the strike and to make political capital out of it.

On March 24th, almost three weeks after the strike began, troops of the Nepal army arrived on the scene. The army’s reaction was much too slow, and the force that came, only 100 troops, was far too small. The strikers challenged the troops, who had to fire six rounds of blanks and two of buckshot before the crowd disbursed. The troops then arrested the Congress leaders, including B.P. Koirala, and returned to Kathmandu. The Congress immediately published lurid accounts in Calcutta and Patna newspapers of military brutality. There had been, they said, floggings and torture, and three women had died in the firing. The Nepali National Congress had thrown North India into an uproar and successfully blamed the feudalistic Rana rule in Nepal. The three month-old Congress party had a triumphant beginning.

Congress workers still at large met at Jogbani, across the border from Biratnagar, where they elected M.P. Koirala (half-brother to B.P.) as interim president and resolved to launch a Nepal-wide Satyagraha. Once again their timing was perfect. The Satyagraha began on April 13th, the same day the American Good Will Mission arrived in Kathmandu. The response throughout the country was described as good. In Kathmandu, although the British Minister reported only two poorly organized processions, the Congress claimed a general turnout of the population. A few
arrests were made. Most demonstrators were warned by the police and sent home, but the protest continued. Satterthwaite, the leader of the Good Will Mission, and his colleagues certainly saw some of these demonstrations, during the two weeks they were in Kathmandu, and they as certainly discussed their meaning with their Nepalese hosts. Apparently the answers they received were reassuring. On April 25th, Satterthwaite signed a letter of intent to Padma Shamsher that Nepal and the United States should establish diplomatic relations at a time mutually agreed by the two States. The Good Will Mission left the following day. The agitation continued with somewhat diminished force, but on May 14th the tempo again increased when students of the Sanskrit school went out on strike, demanding that modern subjects be taught as well as Sanskrit.

Many Ranas felt there had been a total breakdown of law and order, but the pressure on Padma was not particularly severe. The situation was in hand, and Padma knew it. He had long believed some accommodation with the forces of change was needed and the opportunity seemed ripe for taking a bold step. He announced on May 16, 1947:

1. His decision to invite to Nepal an eminent constitutional lawyer to advise on suitable constitutional reforms;
2. The establishment of elected municipalities and district boards in the capital and elsewhere, to whom local authority would be transferred;
3. The establishment of an independent judiciary;
4. The extension of education and the introduction of female education;
5. A national budget to be published annually; and
6. The appointment of consulates at places where such were necessary to protect the interests of Nepalese subjects residing outside Nepal.

Padma's announcement ended the agitation. The student strike stopped. The Satyagraha was called off. The following day most of those arrested in the Satyagraha were released. Two weeks later, on May 29th, Prime Minister Nehru showed his approval by correcting Indian press reports sympathetic to the Nepali National Congress, which he called 'misleading.' He said that 'in view of the statement issued by the Maharaja of Nepal he would strongly urge that cooperation should be offered in the work of reforms and the Satyagraha called off.'15 B.P. Koirala and his Biratnagar companions remained in jail. Padma moved quickly with his program of reforms. On June 6th, a girls' school was opened in Kathmandu, and 500 girls were admitted. On June 11th, polling was held for the municipal elections. Public interest was good, especially among the young, and the crowds were orderly. Within the month, a team of Indian constitutional advisers led by Sri Prakash Gupta arrived in Kathmandu to begin work on Nepal's new constitution. Also in June, India agreed to continue the
existing relationship with Nepal after independence and to exchange diplomatic representatives at the highest level.⁶

Meanwhile, B.P. Koirala, the president of the Nepali National Congress was in jail, and the Congress program was stalled. In July, a general meeting of the Congress in Banaras tried to restore leadership by electing D.R. Regmi as acting president, but the Congress could not break Padma’s momentum. Padma announced in July that the British Legation in Kathmandu would be raised to the status of a full Embassy. On Indian Independence Day, August 15th, he thwarted a mass demonstration in Kathmandu by banning assemblies of more than ten persons and released B.P. Koirala from jail. This threw the Congress into confusion. B.P. Koirala went immediately to Banaras to resume command of the Congress, but D.R. Regmi insisted on his right to complete his full term as ‘acting’ president.

While the Congress leadership squabbled in Banaras, Padma continued to dominate the news. On August 20th, he accepted Lt. Col. G. A. Falconer’s credentials, making Falconer the first British Ambassador to Nepal and the first modern Ambassador accredited to Nepal. By October 20, 1947, Padma reported to the nation that the new constitution was in the hands of his Commanding Generals and would soon be submitted to him. He hoped to publish it by mid-December.

Padma had scored high marks with the constitutional advisory team. In preparing the new constitution, the team had followed Nehru’s suggestion that Nepal advance in the way of democracy while keeping its traditional order, and they felt certain that Padma could make this approach work. Nehru took their reports as confirmation of his belief that the Rana system could be modified and need not be uprooted. He signaled his pleasure to Padma immediately by sending India’s first Ambassador to Nepal. The new Ambassador presented his credentials on December 10th.

Padma actually seemed to enjoy the challenge of the changing political scene. He was constantly aware, however, that many in the Rana family were strongly opposed to change. This bothered him. Mohun, in particular, disputed each move he made. Mohun was extremely popular with the army and the Nepalese public. Within the Rana family, Mohun spoke for those who resented Padma’s response to events, which threatened their domination of Nepalese society. Padma was confident that he could defuse the political situation, but he feared the Rana family would not permit him to do so. They refused to face reality, and Padma knew he was not strong enough to lead them where they refused to go.⁷

At the end of October, 1947. Padma informed the British Ambassador that he planned to retire in February or March of the following year.⁸
would make his final decision only after his constitution was promulgated. Rana and public reactions would then indicate which path he should follow. He had no false hopes, nor any misgivings, but under the circumstances there seemed no point in remaining on as Prime Minister.

The new constitution was not ready for publication by mid-December. If Mohun and Babar Shamsher had their way, it would never have been published. They opposed every proposal to introduce political reforms in Nepal. However, the Prime Minister was still the Prime Minister, and Padma promulgated his new constitution on January 26, 1948. The furor within the family settled Padma's mind. He packed his belongings for a long visit in India. Before he left, one of Padma's cherished undertakings bore fruit. On February 19, 1948, Kaiser Shamsher presented his credentials to President Truman as Nepal's first Minister to the United States. Two days later Padma left Kathmandu, bag and baggage, taking everything of value he possessed except the Prime Minister's crown. He crossed into India on the last day of February, and, after a leisurely visit to several cities in India, proceeded to Ranchi. Mohun, who expected Padma to resign when he reached India, sent one of his sons to bring back the letter of resignation. But Padma delayed.9

Perhaps popular approval of his new constitution encouraged Padma to postpone his resignation. Although the constitution provided little sharing of power at the national level, it granted direct representation and some fiscal control at the village, town, and district levels. It also provided a Bill of Rights, which the people welcomed enthusiastically. There seems no doubt that Padma's constitution provided the 'middle way' urged by Prime Minister Nehru and would have preserved Rana rule for many years. For the historical record, Padma's constitution came into force on April 13th, and, at least for a time, became the law of the land. Padma resigned on April 30th, and Mohun Shamsher became the ninth Rana Prime Minister of Nepal.10

As Commander-in-Chief, Mohun had criticized every response Padma had made to the Nepalese national movement. The constitution was Padma's last attempt to direct the movement into constructive channels, and Mohun disliked it heartily. He resented the way Padma had compelled him to enforce it by withholding his resignation, and he resented the use people made of the Bill of Rights. Throughout Kathmandu, groups took advantage of their new freedom of speech and freedom of assembly. Every hotheaded speaker in the Valley seemed busy defaming Rana rule. Mohun ordered a police crackdown and announced that these clauses of the constitution would not be operative until suitable rules were framed. In fact, despite the platitudes Mohun had uttered on taking office, the whole
constitution remained inoperative. Then, to send a clear signal that he intended to rule in traditional Rana style, Mohun banned the Nepali National Congress.

This was bold of Mohun, since he knew that Nehru strongly approved of the constitution. Nehru’s reaction was restrained, which may have led Mohun to believe Nehru might yet support the old regime. If so, he was badly misled. Nehru was every bit as determined to bring about political change in Nepal as Mohun Shamsher was to deny it. In the meanwhile, Nehru used to India’s advantage Mohun’s assurance that Nepal would stand by the new Government of India as it had the old.

On July 1, 1948, Nehru asked him officially for the services of ten battalions of the Nepal army for garrison duty in India. The Indian Ambassador explained that this would free the Indian army for duty in Kashmir (and in Hyderabad, as it later turned out).

When Mohun discussed Nehru’s request with the British Ambassador, the Ambassador warned him that compliance with this request might impede Nepal’s application for membership in the United Nations. This troubled Mohun. When he tried to communicate his fear to the Indian Ambassador, the Ambassador assured Mohun that India would see that Nepal suffered no harm in the U.N. Reluctantly, Mohun signed the agreement on July 18th. By August 5th the troops were on their way to India, where they served from August, 1948, until April, 1949. During that time, India settled both the Kashmir and Hyderabad issues to its own satisfaction. In 1949, Nepal’s application for admission to the U.N. was vetoed. Not until 1955 did Nepal gain admission to this world body.

Nehru continued to press the Nepalese Prime Minister. The Nepal-India ‘standstill’ agreement of 1947 had implied that Nepal and India would eventually sign a treaty defining their relationship more accurately. When Mohun visited Delhi in February, 1950, he learned that Nehru had prepared just such a treaty. In their discussions, Mohun and Nehru covered the whole range of Nepal-India relations. When Mohun returned to Kathmandu, he carried the text of two treaties: one, a Treaty of Peace and Friendship, the other, a Treaty of Trade and Commerce. Along with the treaties, Mohun also carried Nehru’s firm reminder that he would have to introduce political reforms.

The Treaty of Trade and Commerce outraged the people of Nepal. Article Five obliged the Government of Nepal to charge customs duty on imports into Nepal at a rate not less than the Government of India charged on imports into India. The Nepal Government was also to tax Nepalese exports to India at a rate that would prevent these products from underselling Indian products. The business community in Kathmandu felt that they
had been laced into a straight-jacket. Bureaucrats in Delhi seemed bewildered by Nepal’s reaction. They had given Mohun almost exactly what Joodha had requested thirteen years before. The only difference was their insistence that customs duties on Nepalese imports be at the same level as imports into India. If the Nepalese were serious about industrializing their country, they should be happy with a customs barrier that protected their new industries.

The Indian bewilderment was undoubtedly feigned. They knew well that Nepalese entrepreneurs were relying on duty-free imports of raw materials. They could not otherwise compete with India manufacturers. Nehru and his bureaucrats (and perhaps many Nepalese businessmen) shared the belief that Nepal was a badly underdeveloped country with few natural resources and no real hope of advancing into the industrial age. Their task, as they saw it, was to be friendly and helpful to Nepal, but to prevent Nepal from developing into a little Hong Kong, serving as an entrepôt between the international market and India. They ignored the need of a resource-poor country to import raw materials.

Of the two treaties, however, the Treaty of Peace and Friendship was the more important. It would supersede all previous treaties signed between Nepal and the Government of India and become a base line for Nepal-India relations in the future.

Unlike the Treaty of Commerce and Trade, which was valid for five years and could then be revised or replaced, the Treaty of Peace and Friendship stood in perpetuity. The sole escape clause was the right of either nation to withdraw from the Treaty on one year’s notice. Since the Treaty was fundamental to future Nepal-India relations, use of this escape clause would be a most unfriendly act unless both nations were in full agreement beforehand. India’s concern for the Himalayan region and its even deeper concern about the Chinese build-up in Tibet, made it unlikely that India would willingly agree to a withdrawal.

The Treaty recognized all the Nepalese rights that earlier British treaties had recognized, and perhaps conceded a little more. The Treaty, however, was not all ‘give.’ There was enough ‘take’ in it to make it offensive to Nepalese. An article in the body of the Treaty extended to Indians the same property and business rights in Nepal that Nepalese had. Popular reaction to this was strong. The secret letters of exchange accompanying the Treaty were even more offensive. They contained a modern version of the traditional clause, ‘your enemies will be our enemies, and our enemies will be your enemies.’ The Nepalese had shied away from this principle in all their dealings with the British, and the whole weight of Nepalese history was against accepting it now.
But Mohun was caught. He had set out to prove to Nehru that friendly relations between Nepal and India required no political change in Nepal. With this treaty, Nehru was clearly asking Mohun to prove it. Mohun was vaguely aware that the Treaty of Peace and Friendship had dangerous implications. At the time, however, his major concern was to escape Nehru’s pressure for political change in Nepal. After a diplomatic delay, Mohun sent his son Vijaya Shamsher to Delhi to inform Nehru that he would sign both treaties provided Nehru did not insist that he announce political changes at the signing ceremony. Nehru agreed. Almost unchanged, the treaties were signed in Kathmandu on July 31, 1950.

During his first eighteen months in office, Mohun Shamsher made three classic blunders that proved he failed to understand the strength of the Nepalese desire for change. In May, 1948, he re-confiscated the property of Subarna Shamsher and Mahabir Shamsher and revoked the political rehabilitation that Padma had granted them. These two wealthy ‘C’ class Ranas promptly went off to Calcutta, where they started their own expatriate political party, the Nepali Democratic Congress. Whereas the Nepali National Congress was committed to non-violence, they vowed to use any means at their disposal to overthrow Ram rule in Nepal. In one unthinking action, Mohun had escalated the confrontation.

Mohun’s second blunder was more serious. In October, 1948, when the Nepal People’s Council (the Nepal Praja Panchayat), a fledgling, Kathmandu-based political party, tried to launch a Satyagraha, he had the leaders arrested and beaten. Over two months later, when he learned that B.P. Koirala and other members of the Nepali National Congress were in Kathmandu, Mohun tried to call this tame little Satyagraha a Congress revolutionary plot. Anyone suspected of membership in the Nepal People’s Council was arrested. All were treated harshly, and some were tortured. Mohun’s attempt to brand them as revolutionaries was sheer nonsense, and the people knew it. These simple people wanted only the freedoms the constitution had promised. When Mohun finally published his rules for exercising the freedom of speech and assembly guaranteed by the constitution, popular contempt for Rana rule grew even stronger. Mohun’s rules left no rights remaining other than the right to continue a doubtful existence under Rana rule.

In May, 1949, B.P. Koirala and his colleagues in jail began a hunger strike. Ignorant of the explosive force of a hunger strike, Mohun then committed his third serious blunder. He declared that the prisoners had enough food to eat. If they refused to eat, they were responsible for the consequences.
Mohun was shaken by the Indian response to B.P. Koirala’s hunger strike, but he remained adamant. When the hunger strike entered its twenty-eighth day, Vijaya Shamsher reminded his father that Koirala was a Brahman. If he died, the sin of causing the death of a Brahman would fall on Mohun and his descendants. A strictly orthodox Hindu, Mohun could not face such moral consequences and freed B.P. Later he granted B.P. a long audience in which he tried to explain his hopes for democratizing the Rana family. In India, however, the damage to the Rana public image had been done. The Rana regime had proved to be as obdurate as the Nepali National Congress had painted it.

The political tempo increased. Nepali National Congress leaders sounded out Subarna Shamsher to see if they could combine forces with the Nepali Democratic Congress. They learned that Subarna would work with any Nepalese willing to join in the struggle against the Rana regime. Subarna differed from the Nepali National Congress only over the means. He thought the Congress terribly naive to imagine that Gandhian passive resistance would move Mohun Shamsher to any political change. The Nepalese had been passive for centuries and had achieved nothing but exploitation. Subarna was willing to use any means, peaceful or violent, that would end Rana rule. By this time, the Nepali National Congress leaders had personal experience of Mohun Shamsher’s determination to preserve Nepal as a Rana fief. The problem was Nehru. The Indian Prime Minister was convinced that the best solution for Nepal (and for India) was a Rana regime modified to give the Nepalese a little more political freedom. Nehru also insisted that expatriate agitation be nonviolent. The Nepali National Congress leaders felt that their party could not survive in India if they flouted the Prime Minister’s wishes.

The leaders of the two parties reached a compromise in March, 1950, that made merger possible. M.P. Koirala would be president of the new party. As president, he would lead an open, nonviolent struggle. Secretly, however, B.P. Koirala and Subarna Shamsher would search for weapons and form a liberation army. This proposal was presented to a joint meeting of the two parties in April and approved. The new party, the Nepali Congress, combined the experienced leaders and organization of the old Nepali National Congress and the financial resources of the Nepali Democratic Congress. Joodha Shamsher’s fear that banished ‘C’ class Ranas might ally themselves with expatriate Nepalese against the regime had become a reality.

The Nepali Congress was strong, but still not strong enough to unseat Mohun. They were also politically naive. They failed to appreciate King Tribhuvan as a major actor in the political struggle. They also underesti-
Nehru’s determination to direct political change in Nepal into safe channels. Congress plans carried a note of the fantastic. They planned to spirit King Tribhuvan away from Kathmandu to some remote part of Nepal, where they would declare a new government under the King. They would then use their liberation army, reinforced by defectors from the Nepal army, to overthrow the Rana government.  

Mohun’s response was almost as naive. On September 22nd, he inaugurated the Parliament called for by the constitution. From first to last it was a sham. There were no elected members. Every seat in the Upper and Lower House was assigned to a member of the Rana family or one of their followers. Mohun capped this by announcing that he had appointed a five-member cabinet. He mentioned no names.

In September, 1950, the Nepali Congress sent a team to Kathmandu to prepare for armed insurrection. The secret police arrested them on September 24th. Under questioning, the whole plot quickly unraveled. A secret cache of weapons was discovered, and fellow conspirators were compromised. Suspicion of complicity also fell on the King, because for several weeks the King’s actions had seemed guarded. King Tribhuvan said nothing. He pretended sickness and refused to see even the Prime Minister. His own plans had been laid, and he had no intention of allowing the Prime Minister to badger him into betraying them.

The King’s actions had indeed been guarded. For weeks, Prince Himalaya and Prince Basundhara had been meeting regularly with representatives of the Indian Embassy to coordinate details of the King’s flight from the Palace and Rana control. The two Princes were in constant danger of discovery. The police were alert, and one night they demanded entrance to a house in Chhauni where the Princes were engaged in such a meeting. When the police were admitted, they found a small, friendly group of Indian diplomats chatting in the sitting room. The tension in the room convinced the police that something was wrong, but they dared not search a diplomat’s house. While the diplomats exchanged pleasantries with the police, the two Princes slipped out the back way. There was danger everywhere, but the King’s plans continued to mature.

It was well they did. King Tribhuvan and the Prime Minister came into direct conflict over the punishment to be given to the Congress prisoners captured on September 24th. The Prime Minister was determined to sentence them to the death, but King Tribhuvan refused to ratify such a sentence with his Red Seal. This convinced Mohun that King Tribhuvan was involved with the Congress, and he decided to remove him from the throne. When Crown Prince Mahendra refused to cooperate with such a plan, Mohun considered banishing the Royal Family to Gorkha and putting
King Tribhuvan's four year-old grandson Gyanendra on the throne. Before he could act, King Tribhuvan sized the initiative.

King Tribhuvan's timetable was precise. On November 4, 1950, he asked for and received an appointment with the Prime Minister. He drove alone in his car to the Singha Darbar. He had little chance to drive, and he wanted to be sure he could do it safely. He told the Prime Minister that he would like to take the Royal family for a picnic while the weather remained good. The Prime Minister, surprised that the King wanted a private interview for such a small matter, assumed the King had heard some rumor of his own plans and was trying to sound him out. To avoid arousing the King's suspicions, Mohun readily gave permission. King Tribhuvan ended the interview with a few pleasantries and then drove back to the Palace.

On November 5th, King Tribhuvan sent word to the Prime Minister that he had scheduled the picnic for the following day. The Prime Minister ordered the usual security measures and thought little more about it.

On November 6th, the Royal family set out. King Tribhuvan drove his own car, as arranged. The Princes drove theirs. The motorcade, led by the pilot car and the security guards, set out along the road north. If the security guards noticed an unusual gathering at the gates of Sital Nivas, the temporary Indian Embassy, they failed to remark on it. One of those standing at the gate was the Embassy's Military Attaché. As the lead cars passed, he swung the Embassy gate wide. King Tribhuvan swept off the road and into the Embassy grounds, followed by the Princes. The Attaché clanged the gate shut, and the deed was done. Right on schedule.

The surprised guards spun around and rushed back to report to the Prime Minister. For once Mohun was at a complete loss. He summoned his Council to discuss this turn of events, but then sank into aimless lethargy. His son, Vijaya Shamsher, however, went immediately to the Indian Embassy, where he gained an audience with King Tribhuvan. He agreed with the King that the political situation was serious, but he begged the King to realize that taking asylum in the Indian Embassy was no solution. King Tribhuvan countered that Vijaya Shamsher might more properly offer concrete proposals from the Prime Minister. That concluded the audience. Vijaya Shamsher then rushed to his father, who was consulting his Council. When Vijaya Shamsher returned to the Indian Embassy with limited authority to negotiate, he was treated politely but denied an audience. The Indian Ambassador had realized the danger of allowing him a second audience with the King. With that, the Rana game was lost, and Vijaya Shamsher knew it.
Notes to Chapter Fourteen


1. At this time the Indian Finance Department was considering investment in the development of Nepal’s hydroelectric potential. Nepal’s annual gift had to be capitalized. It would make sense to invest in hydroelectric development, the one area where Nepal had great development potential.

2. The Government of India needed Nepalese rupees to pay the support costs of the British Legation in Nepal and to pay the retirement benefits of ex-Gurkha soldiers as well as the family allowances of those currently serving. The unfavorable exchange rate had doubled the cost of the Legation and halved Gurkha benefits. Gurkha soldiers were dissatisfied because the situation had dragged on for two years and was worsening. The Government of India needed a solution, and the easiest way was to increase the amount of Nepalese currency in circulation.

3. Until this shipment of silver arrived in Calcutta, the Government of India had no hint that Nepal had solved its silver problem. The reaction in India was strong. The authorities assumed that the Nepalese had approached London directly and received a favorable answer. The Government of India immediately cabled London demanding an explanation for this interference in Indian affairs. Why Delhi should have been so unhappy at such a simple solution to the currency crisis is not clear, unless Delhi hoped to gain more from the crisis than a modest profit on the sale of silver. In Tyas Bakhat ko Nepal, Sardar Bhim Bahadur Pandey relates his recollection of this transaction. The details provided here are based on India Office Library records.

4. No analyst of Nepal’s modern development has treated of Nepal’s effort to break out of the sterling bloc and Nepal’s subsequent search for foreign aid as a means of doing so. In this first Mission to the United States, the Nepalese inquired about aid, even though at the time Nepal had ample funds to conduct its own development program. We know from letters on file that the British Exchequer was not anxious to provide hard currency to Nepal in the postwar years. Where was Nepal to get hard currency? We do not know how Nepalese financed their purchases from Japan before World War II. It is possible that these were financed from hard
currency interest payments earned by Rana investments in London and that Ranas were silent partners in the whole import trade.

5. Press Communique, External Affairs Department, New Delhi, May 29, 1947.

6. Padma received additional assurance that Nepal was in good standing with the new India when he learned that the Government of India was as anxious to retain the services of the Gurkhas as the old had been. On August 9, 1947, Nepal, India, and the U.K. signed a tripartite agreement which divided the existing Gurkha regiments: four to the British and six to the Indians. Soon after that, the Government of India authorized a seventh regiment, formed for the most part from Nepalese in the British Gurkhas who preferred service in the Indian army. Rose, Struggle for Survival, p. 181.

7. Previous Rana Prime Ministers had associated a trusted son with their rule, the Hajuria General, who kept an eye on the Darbar and followed up the Prime Minister’s decisions. Padma’s only son Basanta was still in disgrace and could not help Padma in this way. Padma was alone in the Darbar and made to feel alone.

8. After only two years in office Padma was sufficiently wealthy to consider resigning and living abroad. This says much about the Rana Prime Minister’s ability to accumulate wealth while in office.

9. Many in India, including expatriate Nepalese, urged Padma to remain Prime Minister. Indeed, they made a strong case, placing the Prime Minister in a real moral dilemma.

10. The Government of India sold Padma about 40 acres of land in Ranchi at a modest price. The actual choice of land caused some consternation. The plot chosen had served as a makeshift golf course for Ranchi residents.

11. During his visit to the United States in October, 1949, Nehru had spoken to President Truman and declared his determination that India face its problems without conflict. Nehru does not seem to have been concerned with Chinese interests in Tibet at this time. (Foreign Relations of the United States, 1949, vi: The Near East, South Asia and Africa. U.S. Government Printing Office, 1977) Nevertheless, after his return to India, Nehru sent word to Mohun Shamsher that he would like to meet him either in Kathmandu or Delhi, wherever was most convenient. Mohun chose to go to Delhi. Nehru took advantage of this meeting to begin his attempt to settle the issue of Nepalese nationalism without prejudice to Indian interests.

12. ‘Neither Government shall tolerate any threat to the security of the other by a foreign aggressor. To deal with any such threat the two Governments shall consult with each other and devise effective countermeasures.’ Rose, Struggle for Survival, p. 180.

13. For over a month B.P. Koirala remained hidden while he watched and discussed the Satyagraha movement with members of the Nepal People’s Council. During this whole period the secret police kept a close watch on him. Mohun himself knew nothing about B.P.’s presence until B.P. began to move around the city. Mohun then had B.P. and his companions arrested and held in rigorous
confinement. This was a contrast to the mild imprisonment B.P. had suffered while Padma was Prime Minister.

14. In its main outlines, 'the Nepali Congress plan called for (1) the abduction of King Tribhuvan, who would be taken from Kathmandu to Western Nepal, presumably Palpa; (2) the establishment of a constitutional government under the King; and (3) a revolt against the Rana government by sections of the Nepal army. The abduction of King Tribhuvan was to take place in September, during the week-long Indra Jatra festival ... and the revolt in the army was to be sparked by several “C” class Rana and Shah family officers.' Joshi and Rose, *Democratic Innovations*, p. 71.
Epilogue

King Tribhuvan and his family spent four days in the Indian Embassy before Prime Minister Nehru evacuated them by air to New Delhi. During that time Mohun Shamsher and his Council tried to minimize the damage the King had done to Rana rule. On his Council's advice, Mohun declared that King Tribhuvan had abdicated and placed the King's youngest grandson, Prince Gyanendra, on the throne. The Prime Minister would gladly have plowed up every field in Kathmandu Valley capable of landing an airplane to prevent King Tribhuvan's departure, but the Indian Ambassador objected vigorously.

After King Tribhuvan and his family left Kathmandu on November 10, 1950, the battle for control of Nepal began in earnest. That very afternoon, a Nepali Congress plane airdropped leaflets over Kathmandu to announce the Congress revolution and appeal for popular support. The following day, the Congress liberation army raided Birganj and 'liberated' government offices there. On November 12th, the Congress airdropped leaflets over other major towns in Nepal.

Nehru put an end to this. On November 15th, before the Congress could carry out a major attack, the Uttar Pradesh government in India banned the use of Indian railways for paramilitary action against Nepal. The following day, airflights from Indian territory over Nepal were also banned. King Tribhuvan was Nehru's guest, and Nehru intended to use his presence in Delhi to force the Prime Minister, and if necessary the Nepali Congress, to negotiate a peaceful settlement.

Nehru's determination to achieve stability in Nepal stemmed from his determination to maintain peace in the region, not from any particular concern for the welfare of the Nepalese people. He was convinced that communism had swept over China because of poor agrarian conditions. He also believed that during World War II the British had encouraged the Indian communist party as a counterweight to the 'Quit India' campaign launched by the Indian National Congress in 1942. Agrarian conditions in India remained poor. He needed time and peace to strengthen India against those he considered enemies of Indian nationalism.

For Nehru, political stability in Nepal was part of a larger scheme, and he was determined to have it. Concessions would have to be made to satisfy Nepalese political activists. Mohun Shamsher had clearly shown he would not make them. King Tribhuvan, however, had shown he was open to change. In fact, the King had professed his desire to end the autocratic rule.
of the Rana family. This was not part of Nehru’s plan. Nehru wanted a modification of the existing political structure, not a traumatic uprooting of the system that would lead to further unrest. To achieve the solution he thought acceptable, Nehru set himself to engineer a peaceful revolution.

Nehru’s proposal was the ‘Delhi Compromise’. A Constituent Assembly would draw up a new constitution for Nepal. In the interim, Nepal would be governed by a Cabinet comprising an equal number of Rana and popular representatives. A Rana would serve as Prime Minister. King Tribhuvan would remain King of Nepal. When Nehru first suggested the compromise, neither Mohun Shamsher nor the Nepali Congress were willing to accept his conditions. Mohun felt he still had a strong case against King Tribhuvan. The King had clearly abdicated. As soon as the international community recognized his puppet king, Nehru’s leverage would be broken. The Nepali Congress believed only military victory would end a system they were determined to uproot.

Nehru, of course, refused to recognize Gyanendra. Mohun’s case then depended on the reaction of the U.K. and the United States, the only other powers that had diplomatic relations with Nepal. Until the situation in Nepal clarified, the U.K. decided to make no response to Mohun’s announcement of the abdication of King Tribhuvan and the enthronement of Gyanendra. The United States chose to follow England’s lead. Throughout November, 1950, the situation in Kathmandu remained tense. What happened behind the scenes has never been documented, but there were large public demonstrations in Kathmandu in favor of King Tribhuvan on November 26th and 27th. On November 27, 1950, Vijaya Shamsher and Kaiser Shamsher set out for Delhi to begin negotiations.

On December 3, 1950, a British team including Esler Dening, the British Foreign Office Expert on Eastern Affairs, and Francis Robert, Deputy High Commissioner to India, arrived in Kathmandu to assess the situation on the spot. A huge crowd met their aircraft at the Gauchar landing field, and mass demonstrations along their route to the city convinced them that the people wanted King Tribhuvan back. Although some critics accused the Indian Embassy of spending liberally to ensure this large public turnout, the team was convinced that the demonstrations and emotions expressed were genuine. Their report ended Mohun Shamsher’s resistance, and the Delhi negotiations became serious.

The Nepali Congress was not yet ready to negotiate. Despite the Government of India’s restrictions on their activities, the Nepali Congress liberation army launched successful attacks in both East and West Nepal. Former Commander-in-Chief Rudra Shamsher brought the Nepalese army contingents in Palpa over to the Congress side. Events, however, moved too
fast for the Congress. By the time the Congress had these victories to report, Mohun Shamsher had already accepted the Delhi Compromise. The Congress case was further weakened by the fact that there had been no mass uprising in support of the Congress revolution. Observers reported that the people supported King Tribhuvan, not the Nepali Congress. Although the Delhi Compromise denied the Congress the total victory Congress leaders felt necessary to bring about real change in Nepal, they were obliged to accept the Delhi Compromise or be left completely out of the final solution.

Mohun Shamsher and the Nepali Congress were the clear losers in the settlement. These implacable foes were forced to cooperate and work together in an interim government. Neither could hope to succeed in such an arrangement. The beneficiaries were King Tribhuvan and, of course, the Nepalese people, who were spared the scourge of a civil war.

King Tribhuvan returned to Kathmandu on February 15, 1951. On February 18th, he installed an interim Cabinet comprising five Ranas and five popular representatives under the Prime Ministership of Mohun Shamsher. With that, the Rana period ended, and the democratic era began. An interim constitution was later promulgated to serve until the Constituent Assembly could be held.

The Constituent Assembly never met. Democratic institutions did not develop as expected. Nehru’s Delhi Compromise seems to have achieved a balance of diametrically opposed political forces to the point where progress was impossible. Within seven months B.P. Koirala led the popular bloc out of the Cabinet, and Mohun Shamsher was forced to resign.

In the forty years that have passed since then, events have shown that the end of Rana rule was incidental. The real challenge to the Nepalese people was the democratic era. The period of political struggle that followed February 18, 1951, frustrated the hopes of many and satisfied few. King Mahendra indicated his intense dissatisfaction with the direction the political debate had taken by his intervention of December, 1960. In his constitution of 1962, King Mahendra introduced Panchayat democracy in a serious effort to strengthen the voice of the people. Three major amendments to that constitution underlined the difficulty of opening the political debate to the people in a country with such poor communications. Although the bureaucratic elite showed a great reluctance to yield power to the people, the large turnover of elected officials in later panchayat elections suggested that the people had begun to take their future into their own hands. This must have pleased His Majesty King Birendra, who frequently stressed the evolutionary character of panchayat democracy and repeatedly demonstrated his willingness to tune the system to the will of the people – even to the extent of calling a national referendum to determine their will.
popular movement of 1989 that led to a complete change of government and the restoration of parliamentary democracy was a clear sign that the will of the people was not heeded by those then in power. Whether or not the government swept into power by that popular movement will function according to the will of the people remains to be seen. It seems certain, however, that the people, under the guidance of their King, will prevail over the hesitancy of the elite to accept the constraints of a democratic system.
**Glossary**

*A-ni-ko* – A descendant of the royal family of Nepal; even as a youth A-ni-ko was an accomplished bronze-caster. In the year 1260 A.D. he was selected by King Jayabhimadeva to lead a group of 80 artisans sent to Tibet to help erect a golden stupa in Amdo, northeastern Tibet.

*Adalat Goswara* – The supreme court which Jung Bahadur Rana established in 1860 to hear appeal cases. He intended this court to sit in judgment even over Ranas who transgressed the provisions of the *Muluki Ain*.

*Amban* – Representative of the Chinese Emperor, posted in Lhasa.

*Athara Thakurai* – A group of small principalities located in the hills between the Jumuna and Sutlej rivers, now part of India.

*Aul* – A virulent strain of malaria formerly endemic in the Nepal *Tarai*.

*Baise Rajyas* – A group of small principalities located in the Karnali River basin in West Nepal.

*Bandha lands* – Government land mortgaged by the government to a private individual to raise funds.

*Barha Thakurai* – A group of small principalities located between the Jumuna and Sutlej rivers in the hills of North India.

Begum of Lucknow – Begum Hazrat Mahal, one of the wives of Wazid Ali Shah, Nawab of Avadh until deposed on the grounds of misgovernment in 1856. The Begum saw that her son, Birjis Qadar, was crowned to succeed him. Her spirited reply to Queen Victoria's proclamation served to rally the defeated Indian revolutionaries. Her role in the 1857 war was not as direct as that of the Rani of Jhansi, but her influence as mother of the king, around whom the revolutionary government was structured, was great.

*Bharadar* – Literally, one who shares or carries the burden; in Nepal a noble, one who carries the burden of the State

*Birta* – Land grants made by the state to individuals, usually on a tax free and inheritable basis.

*Chaubise Rajyas* – A group of small principalities located in the Gandaki River basin of western Nepal.

*Chaudhuri* – A tax collector in the Tarai who supervised tax collection in a Pargannah.

*Chautaria* – A member of the Royal Family of Nepal in the collateral line, i.e., not in line for the throne.
Chure Range – A low range of hills, 2,000 to 4,000 feet in height, stretching from east to west across the Tarai. Called by geologists the Siwalik Hills.

Dharma Kachahari – A high-level anti-corruption court of justice established by Jung Bahadur Rana to scrutinize all complaints and evidence of bribery or injustice. In theory it had jurisdiction even over the Prime Minister himself.

Dharmadhikar – The supreme arbiter in cases involving the infringement of the laws of caste

Dittha – Chief Justice
Guru – A religious teacher
Hulak – Mail, official mail
Ijara – A contract held by an individual to collect revenue on behalf of the state.
Ijaradar – The holder of an Ijara, or revenue collection contract.
Jagir – Land assigned to a government employee in place of a cash salary.
Jangi Bandobast Adda – A government office established by Prime Minister Chandra Shamsher to monitor the work of all military offices in Nepal.
Jimidar – A private individual serving on behalf of the state as a tax collector in a Tarai village.
Jyapu – Newar farmers of Kathmandu Valley, considered by many to be the most skillful farmers of Nepal.
Kaviraj – A Nepalese doctor using traditional medicines.
Khukuri – A curved steel knife commonly used by the Hill peoples of Nepal both for work and for fighting.
Kitapi Sawal – The set of instructions Prime Minister Chandra Shamsher Rana issued in 1908 to define the processes he expected government officials to follow in the conduct of official business.
Köt – Formerly the army headquarters in Kathmandu, located near the present Kathmandu police office.
Kumari Chowk – Formerly the Audit Office for all government accounts.
Lagat Phant – Land records office.
Lal Mohar – The red seal applied to documents by the King of Nepal to validate them; hence any Royal document bearing this seal.
Limbu – An ethnic group found mainly east of the Arun River in East Nepal. Together with the Rai, the Limbus form the Kiranti, one of the largest ethnic groups in Nepal. Traditionally, Limbu lands were communal lands, not alienable.
Maharajaadhiraj – One of the official titles of the King of Nepal.
Mauja – A revenue unit in the Nepal Tarai, the smallest revenue unit.
Mela – A fair, often a fair held on some religious occasion.
Mohar – A coin equal in value to half a rupee.
Mukhiya – A village headman.
Mukhtiyar – Literally, an agent; in Nepal, the agent of the King.
Mulki Bandobast Adda – An office established by Prime Minister Chandra Shamsher to monitor the work of all civil offices in the Nepalese administration.
Muluki Adda – The Office of Domestic Affairs in the central administration of the Nepalese government.
Muluki Ain – The name popularly given to the code of law published during the reign of King Surendra Bikram by Prime Minister Jung Bahadur Rana.
Muluki Sawal – The administrative code published in January, 1918, by Prime Minister Chandra Shamsher Rana to govern the Nepalese administration.
Nana Saheb – The adopted son of the last Peshwa, Baji Rao II. He lived with the exiled Peshwa at Bithur near Cawnpore. When the Peshwa died in 1853, Lord Dalhousie refused to transfer to him the Peshwa’s princely allowance. The Nana then became bitterly anti-British.
Narayan Hiti – Originally the home of Ranodip Shamsher. Later it became the home of the King of Nepal.
Naya Muluk – The territories in the western Tarai restored to Nepal in 1860 in reward for assisting the British at the time of the Sepoy Mutiny.
Nepal Praja Panchayat – The “Nepal People’s Council,” an early, Kathmandu-based, political party that was severely suppressed by Prime Minister Mohun Shamsher Rana in October, 1948.
Pajani – The annual re-appointment of public officers. The occasion of transfers, promotions, dismissals as well as re-appointment.
Prachanda Gorkha – “Resurgent Gorkha,” a minor anti-Rana conspiracy of 1931. The members of this group were rounded up before they could inflict any damage on the Rana regime.
Praja Parishad – “People’s Council,” a secret political organization in Kathmandu. The nucleus of this party was established in 1935. At the first general election of officers, held in 1940. Tanka Prasad Acharya was chosen president of the party.
Raikar – Lands on which the state collects taxes from individual landholders, traditionally regarded as state-owned lands.
Raj Guru – The royal preceptor; the religious teacher of the King of Nepal.
Raj Sabha – The assembly of nobles who advised the Chief Minister or the Prime Minister of Nepal on important matters.
Rakam – An obligation imposed on tenants to supply specified commodities or labor services.

Rakam Bandobast Adda – An office established by Prime Minister Chandra Shamsher Rana to investigate and report on the different sources of government revenue and to assign monopolies.

Saraf Khana – Government office for exchanging Indian rupees for Nepalese rupees.

Sardar – A high ranking officer of the state, either military or civil.

Sati – The self-immolation of a widow on the funeral pyre of her deceased husband.

Satyagraha – Passive resistance, the application of soul-force based on truth and non-violence for the removal of a social or political grievance.

Shastras – Sacred Hindu scriptures.

Siwalik Hills – A low range of hills, 2,000 to 4,000 feet in height, stretching from east to west across the Tarai.

Subbha – A civilian who held the tax collection contract for a whole revenue district. He exercised the highest authority in the district.

Thapatali – A locality in Kathmandu where Jung Bahadur built his residence, hence Jung Bahadur’s residence.

Tirja – A letter authorizing a Jagir holder to collect the tax from his Jagir lands.
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