**Neutrality is No Free Lunch: Switzerland vs. Nepal**

“Mountains are the land of freedom”, goes a European saying. Switzerland perhaps lives up to this saying, among several neutral small states in Europe, for being mostly mountainous, permanently “neutral” in war and peace time, and economically highly successful. Given Switzerland’s geo-political and territorial similarities with Nepal, people from both the countries seem to have some degree of affinity with each other. In Nepalese geo-political context, always hard-pressed by the Indian and Chinese “suzerainty”, time to time a question arises that “why Nepal could not or cannot become another Switzerland?” Taken at its face value, eyeing the Swiss principle and policy does not seem unreasonable as Switzerland bypassed several wars in the European continent including the Word War I (WWI) and WWII. And so did Nepal in the India-China border war in 1962 except the Gorkha force that fought against China- the Gorkha force was formerly British and now an Indian Army regiment which recruits Nepali citizens along with Indians, inherently causing some identity confusion with regard to ethnic origins and nationalities. However, taking into account the historical backgrounds and the present geo-political contexts of these two states, the comparison seems highly asymmetrical making it just an ideal. Besides, it is fundamental to figure out first what the term neutrality entails in the Nepali understanding vis-à-vis Swiss neutrality and its evolution.

**Neutrality as a starter:**

Despite its small size, one should not discount Swiss military strength which not only successfully protected its 3 forests cantons (provinces/states) by keeping the Habsburg empire and Holy Roman Empire (make easier, Central European Empires) at bay as back as in the period of 13th-18th century, but also made the Allies and the Axis keep guessing about its (Swiss) defense capabilities even as late as in the WW II in the 20th century-currently there are 28 cantons. The Swiss neutrality could be **either choice or necessity later**, but at the onset a **necessity** was it for sure. The fundamental **“political will”** of Swiss people to be together as a nation despite being different peoples (Ernst Renan’s *What is a nation*?; 1882)-the French Swiss, German Swiss and Italian Swiss (and the small minority Romansh) - hinged upon *not* shifting their allegiance to their respective **“big brothers**”. This self-restraint strategy had saved Switzerland from cracking off for good when Europe was mired in the **Catholic-Protestant** war for decades, and so was true in several other events (Charles Kupchan’s *How Enemies Become Friends*; 2010). Several studies attribute the early 19th century, the **Congress of Vienna** (in Austria), as a starting point of Swiss neutrality which became a law later in Paris, but the coming together of several Swiss cantons in the early history shows that it in fact goes further back than that-except under France’s (Napoleon’s) domination when it was dragged into war. **The Hague Convention of 1907 is the source of international law of neutrality.** Some argue that Switzerland always had the psyche of being surrounded by enemies, and its security policy is guided by that (Heinz Gaertner’s Small States and Alliances; Part II: Crisis Management, Engagement and Humanitarian Intervention, Working Paper, 2001).

**Dream or Nightmare:**

It is not that simple though that one declares armed neutrality and the belligerent will spare it? **In the WWI Germany invaded neutral Belgium which dragged Britain into the war (Gaertner, 2001). In the WW II Hitler not only neglected the neutrality of Norway, Denmark, Belgium etc, but also invaded Poland and Czechoslovakia who had security guarantees from the Allied-England and France (Ibid.).** Only Ireland, Sweden, Spain and Switzerland succeeded to remain outside the WWII. In the public mind of Switzerland, till as late as in the 1990s, had the perception that it stood as a “bystander” during the **“the Jewish Catastrophe”** in the WWII (C. Schaer & Vera Sperisen (2010) Switzerland and the Holocaust: teaching contested history, Journal of Curriculum Studies, Vol. 42 Issue 5, p.3). Once France surrendered to Nazi Germany in 1940, Switzerland found itself in the middle of the Fascists and the Nazis, quite close to losing its sovereignty and sharing the Nazi’s crime of “systematic persecution and murder of European Jews” (Ibid.). While Europe was burning, Swiss managed to remain outside through a **“mixture of armed neutrality, economic collaboration, political accommodation, and a good deal of luck” (Ibid.).** While many enjoyed these ideal memories, some were more realistic. As the war-time documents were unearthed, some ground-breaking details turned the neutral bystander Switzerland into a complicit with the Nazi Germany; **because the Swiss government had destroyed the evidences and for many years released only a tampered version of the war history which remained as a truth for many years** (Ibid.). One could only imagine what magnitude of shock such 180 degree turn could yield in a society like Switzerland which is basically **“religious”, “conservative” and “closed” (a Swiss International Law expert used these terms while talking to this scribe once).** The Swiss villages which are still replete with the religious symbols speak for themselves.

Bernhard C Schaer and Vera Sperisen write,

**“This new view focused on the moral challenges that the Nazi regime posed for the country’s leaders. It stressed the importance of Switzerland’s arms industry and transport and financial sectors for the Nazis, as well as the country’s policy of rejecting Jewish asylum-seekers at the border until 1944. This view thus highlighted Switzerland’s economic collaboration with the Nazis and the political adaptation to the regime’s goals.”** (ibid:p. 4)

**Expensive Wurst (Sausage):**

**Marco Wyss** also writes in his article, *The Advocate and Its Wealthy Client: Britain and Switzerland in the Early Cold War*, 2013, in The International History Review, Vol.35, Issue 1, that “Swiss National Bank had purchased stolen gold from the Reichsbank (then central bank of Germany) in exchange for Swiss francs…Berne had regularly complied with the Third Reich’s (then Germany) anti-Semitic (anti-Jews) policy” (Wyss, 2013; p.2) (meanings in brackets are added). **He argues that owing to this Swiss “collaboration” with the Nazi, the US and the USSR were so “vexed” that the US imposed some economic punishment while Russia refused to resume any diplomatic relations with Switzerland (Ibid**). After the war, Switzerland feared a new threat, i.e. the “Bolshevik threat” coming from the East-West conflict, but to its dismay it (Switzerland) found itself in a “neutrality trap”. Then again another Allied state came to its rescue, and i.e. the war-torn UK in a desperate need of money. As long as Switzerland continued to buy British weaponries and aircrafts, British continued to lobby in favor of Switzerland from Moscow to Washington, argues Wyss. However, as the UK’s power continued to decline globally, at some point, **it was the US itself that came to terms with Swiss policies more than what the UK could do in that (ibid.).**

It was the usefulness of the Swiss neutrality both in the eyes of the Allies and the Axis that in the end Switzerland remained neutral in the wars. Both during and after the WWI the westerners had used the neutrality in their favor, and even after the WW **II** Britain used it against the ever expanding European Union, which Britain always feared as a growing **“Franco-German hegemony”.** On the Nazi side, some argue that Hitler had foreseen that in case of the blockade imposed by the Allies, Switzerland could be an outlet. Needless to mention other benefits for the belligerents, such as, a haven for espionage, refugee- solution, financial transactions, industrial products etc. **In fact, the Swiss land and sky were frequently intruded during the WWII by both the Axis and the Allies**. Meanwhile, it was in the inter-war period when Switzerland passed its secret banking bill, particularly “in part to allow Germans (including Jews) to hide or protect their assets from seizure by the newly established Third Reich” (Source: Switzerland during the World Wars on Wikipedia.org, **accessed on 30 August, 2013)**. In the post-WWI the Switzerland-US relations got under huge strain over the matter of the bank accounts of the victims of Nazi persecution which Switzerland continued to have, known as “dormant accounts”. Incidentally, the fear of losing this secret account privilege is palpable these days in all four countries that are still enjoying this extraordinarily lucrative source in Europe; they are **Austria, Switzerland and Lichtenstein, and Luxembourg**.

**Neutrality Bias:**

The neutrality of Switzerland seems to have a plenty of paradoxes. Wyss argues in his article, *Neutrality in the early Cold War: Swiss arms imports and neutrality*, 2011, in Cold War History, Vol.12, Issue 1, p. 25-49, that Swiss armed neutrality needed modern weaponry, and though a neutral state, it continually bought arms and aircrafts only from Britain providing the latter with much-needed francs, who was a major actor of the Allied force. **Switzerland was ideologically and economically inclined towards the West and continued to refuse buying weapons from the east, which on the other hand undermined its armed-neutrality (Wyss, 2011).** Wyss writes that (citing Jussi Hanhimaki) that both Switzerland and Sweden are **“western neutrals”** and both are like a **“military extension of NATO” (ibid: p.3).** The main arm suppliers of Switzerland in the cold war, if not Britain, were the major NATO allies, France and the US. And by now, the “new **NATO**” has successfully brought these small neutral states of Europe, if not through direct membership, then through **“partnership**” such as PfP (Partnership for Peace program) and so on to contribute to the overall objective of the NATO-alliance. **These neutral states, at the end of the day, have participated indirectly in the cases from Kosovo to Afghanistan.** The European integrationist argue that, in the light of changing threat where enemies are not in the next-door but hundreds of miles away and are possibly non-states actors rather than states, Switzerland together with other small states had tangled into neutrality trap which is barring them from the practice of **“security through cooperation**”. In case of Switzerland, even if the elites so desired, it is politically not possible (Gaertner, 2001). However, the pro-neutrals continue to argue in favor of neutrality, for instance in Austria, but accept the evolution that the neutrality before and after are not the same, but neutrality it still is (ibid.).

**Let bygones be bygones:**

The reason that Switzerland did not join the UN till as late as in 2002 is because basically its people- its constitutional practice of “direct democracy” where referendum should be held for any such law-changing decisions- were skeptical of any international environment that would jeopardize the traditional pride of neutrality. On the other hand, the political elites seemed in favor of joining. The same is true of the case of EU. However, it is not that the citizens of other EU members do not complain, but they or at least their elites decided to join the EU club. For instance, the conservative British who still cherish their colonial past incessantly complain about the Polish workers “invasion” of London or the label of EU directives on the products they buy at their own super-market chain Tesco and so on. In any event, at a quick glance, it seems that **Switzerland is sort of a half-hearted EU member**, if not through the accession, but through the bilateral treaties. By now Switzerland has signed almost 300 (rough figure) bilateral treaties with the EU and has the obligations to follow the EU directives in many sectors. It is in the European Economic Community (EEC) since 1991-92, and by 2008 it was already in Shenzhen. Nepalis with a visa to enter Hungary or Poland could enter Switzerland with the same. Tourists take out the Euros (European common currency), not Swiss francs, from their pockets to buy things in St. Mortiz or Engelberg with the equal confidence as the Indians take out their Indian Rupees in Chitwan or Pokhara in Nepal. After all, who in Europe would eternally want to miss out on the economic opportunities and security guarantees the EU offers? Having said that, Switzerland is still not an EU member thus remains out of the Common Foreign and Security Policy of Europe (CFSP), among many other EU policies.

**Swiss secret:**

This study started with the objective to find some underlying factors that had supported the neutrality of Switzerland so that they would be useful to look into the Nepali context. However, the findings show hardly any evidence that, besides Switzerland not explicitly participating in the wars, it is or will be a **neutral in the absolute term.** Neutrality of Switzerland and the interest of the other belligerent states do not seem mutually exclusive, though in the armed-neutrality it was so. **However, one has to give credit to the Swiss people, either for their internal necessity or external choice, for their will of remaining neutral, though porous at times, which at the end of the day shaped the geo-politics in a way that the belligerents had no choice but to accept it**. The key to success, the complex internal balance between the Swiss provinces, would be further clear from the following example which was not discussed above. One of the nine Federal Provinces of present-day Austria, Vorarlberg which shares the border with Switzerland, in the aftermath of WWI when the Austrian empire collapsed, decided to hold a referendum to secede from Austria and to integrate with their linguistic counterparts, the Swiss Germans. The Austrians of that federation voted “yes”, but to their dismay Switzerland replied with a “no”. French Swiss and Italian Swiss prevented it from happening, as argued by some. Last but not the least, the high economic and industrial competitiveness made Switzerland way too important and big in the eyes of the others regardless of its small size.

**Fish n’ chips, Pau bhaji, Chow mein and Dal bhat:**

When we talk about the economic leverage Switzerland possessed which it used for the rationalist bargaining against the belligerents around 19th-20th centuries, we are talking about the then richest and the most powerful continent in the world, Europe. It was only after the WW II the Old Continent was left devastated and the colonial powers started to lose their **“crown provinces**” around the world. **Then their (Europeans) own brethren emerged as the next super power, which is known as the United States of America**. By contrast, the political-economy of Nepal played out in a colonized continent. Still we are surrounded by two giants who house most of all (in millions) the poorest of the poor people of the world. In geographical term, given the natural frontier in the north, India had practically surrounded Nepal from every corner. In those days the Chinese themselves had to ask for British permission to go to Tibet via Calcutta to make the trip shorter (source: Neville Maxwell’s India’s China War Neville, 1970). **No surprise that Nepal from the day one submitted to the domination of India. Maxwell writes that British could not annex Nepal in the post 1814-16 treaty because it had feared Chinese reaction. British saw Nepal as a part of their “chain of protectorates” together with Sikkim and Bhutan thus securing their border up to the southern flank of the Himalayas (Maxwell, 1970.).** British saw that though Nepal rested under Chinese suzerainty, they (British) seemed satisfied that Nepal accepted British sphere of influence (ibid). Some Nepalis commentators also do not seem confident in claiming that Nepal had enjoyed a complete sovereign status vis-à-vis British or post-British India and it was so both during the Rana rule or the Panchayat rule. **Experts claim that the domestic movements in Nepal time to time further invited India’s undue involvement in Nepali politics.**

Maxwell reveals an interesting fact that the Congress party (India) had envisaged a democratic India in the post-British rule, and had so anticipated the policies whereby the neighbors would need not to be wary of India. However, once the British were gone, the party adopted even more aggressive policies towards the cis-Himalayan states, but he did not explain why so. One could derive that though Nepal managed to remain a complete sovereign on paper, the informal understanding at least among Indians, if not Nepalis, regarding Nepal did not defer much from Sikkim’s or Bhutan’s status. India apparently had expected that China would respect that understanding; however, the establishment of diplomatic relations with China changed the game. Besides, commentators claim that Nehru was disappointed over Nepal remaining aloof from the India-China border conflict. ***No surprise that India never endorsed the king Birendra’s Zone of Peace (ZoP) proposal though the idea itself deserved nothing but praise as it sought to secure Nepal’s sovereignty and a peaceful co-existence in the region (see Isabelle Duquesne’s Zone of Peace discussion on telegraphnepal.com).*** First, the proposal apparently contradicted the spirit of 1950 friendship treaty. Second, the supposed informal understanding between Beijing and New Delhi that India would remain silent on Tibet cause and China would reciprocate on India’s domination of Nepal. Third, given the Chinese paranoid in India particularly after China dumped India’s diplomatic romance, for security reasons there seemed no way India would endorse such a desire from the King of whom they were already skeptical- that the king could dilly-dally on the way. According to Saurav, a prominent analyst, “(New) Delhi had perceived that the others’ support of ZoP was being used to put pressure on India”(ekantipur.com/np accessed on 04/09/2013).

**Train on the roof is calling:**

While the hardship to resupply the Jawans (soldiers) up north in 1962 is still fresh in the Indian mind, the smooth **Chinese asphalt** has already reached Nepal. Besides, it is not just a fantasized dream anymore that China could build a railway up to Tatopani border (Nepal-Tibet/China border at a distance of around 120 km from Kathmandu) or in other points-pretty likely to happen sooner or later. Regarding the “wordplay”, the “equi-distance” has apparently changed into **“equi-proximity”,** though some commentators would not easily accept this reality. Anyways, as a corollary of the Chinese proximity, the Indian intelligence, **RAW, has reportedly stepped up its “gesture” in Nepal and will become much bigger in the days ahead**. Since the changing realities make any possible “macro management” out of the question, logically the outsiders have resorted to a “micro management” to safeguard their own interests. Being a buffer state, and given the global dimension of growing Chinese might and the US’s “pivot” to Asia, commentators in Nepal quite reasonably argue that the outsiders’ interference in Nepal will become a part of our life.

While Switzerland, arguably, is preparing itself in the context of changing threats from conventional/military ones to non-military threats, the conditions are predisposing Nepal, to much of its dismay, to bear the brunt of both. The events unfolding clearly provide that signal. Recently in two separate events, Indian Intelligence agencies arrested Abdul Karim Tunda, a Laskar-e-Taiba member and Yasin Bhaktal, a most wanted terrorism suspect, in the India-Nepal border areas; the leading news daily, Kantipur, reported that Bhaktal was actually caught in Kathmandu itself. Talking to the BBC Nepali radio service, the Nepal-India relations expert Gen. Ashok Mehta said that these are the **“biggest catch in Nepal ever”.** On the military side, India has recently bought with the US 10 transport aircrafts, the C-17 Globe Master, capable of lifting tanks to the border in the North and the North East. One of these aircrafts has already touched a base in Uttar Pradesh. It is worth recalling that by building a home-made warship INS Vikrant very recently, which can carry MiG 29K fighters, India has joined the exclusive club of four which have the capability to design and build such a war-ship: Russia, UK, US and France.

Time is definitely not easy for India. **It has got entangled, on one hand, in the economic free fall with 400 million population still under $ 1.25 a day (2010 Data; Source Fareed Zakarias’ Global Poverty is falling, so what’s the problem? on cnn.com), and massive investment on military on the other.** China, with three decades of 2 digit economic growth and the colossal military budget, second to the US, is successfully keeping its opponents guessing at what security strategy China follows? Whether it is the ***“Confucian-Mencian”*** strategy that anticipates the “submission” of enemies without resorting to force or the ***“hard realpolitik…parabellum…offensive strategy”*** to storm the enemies (Alastair Iain Johnston’s Cultural Realism and Strategy in Maoist China in The Culture of National Security, 1996), to India’s dismay, it has no option but to prepare for every eventuality. Needless to say, that all these Indian hardships will most likely befall Nepal.

**So what’s for dessert?**

While Indians point to Nepal’s reluctance to cooperate with India’s security concerns and they say that they have bigger fish to fry, the crux of the matter has been the confusing meaning of that “concerns”. **Experts claim that the security cooperation proposal from India always comes with a string attached.** India’s proposal to king Birendra in 1989-90 and the recent draft treaty on building security posts along the border reinforce the fact that these proposals come with some disturbing clauses also ***(for these proposals and treaties, see www.telegraphnepal.com).*** In the idealist term, for all the good virtues that exist in Nepali society, with regard to the armed-neutrality, Nepal has every possibility to remain neutral if it so desires (*see* Dev Raj Dahal’s Zone of Peace: Revised Concept for Nepal Constitution on telegraphnepal.com). In the security term, both the neighbors’ extra-care for Nepal Army (NA) suggests that the NA would not be in a position to take one side anyway. Finally, in the realist or constructivist term, neutrality in broader terms seems a far cry.