

## Indo-Nepal Treaty of 1950: A Realist Perspective

Ishwori Prasad Kandel<sup>1</sup>, PhD  
Mail: ishworikandel2026@gmail.com

DOI: <https://doi.org/10.3126/jsdpj.v2i2.69561>

### Abstract

The Indo-Nepal Treaty of Peace and Friendship, signed on July 31, 1950, between Nepal and India, was a landmark agreement aimed at fostering strong bilateral relations. The treaty facilitated free movement, residence, and business opportunities across borders, thereby enhancing mutual security and cooperation in the post-colonial South Asian context. Over the years, it has played a crucial role in promoting economic cooperation, defense collaboration, and cultural exchange. However, the treaty has also become a subject of debate due to shifting geopolitical dynamics and internal political shifts. This paper critically explores the treaty's influence on India-Nepal relations, focusing on its contributions to trade, investment, and defense collaboration. Despite these achievements, its relevance is increasingly questioned due to unresolved border disputes, China's growing presence in South Asia, and political instability within Nepal. The analysis suggests that revisiting and revising the treaty's provisions is essential to address these contemporary challenges. Ultimately, the study calls for a pragmatic approach that aligns the treaty with current geopolitical realities, ensuring a resilient and mutually beneficial partnership between India and Nepal. By adopting a realist perspective, this analysis underscores the strategic importance of adapting bilateral agreements to evolving regional dynamics.

**Keywords:** Bilateral relations, treaty analysis, geopolitical challenges, Nepal-India relations, sovereignty, border issues

### Introduction

The India-Nepal Treaty of Peace and Friendship of 1950 represents a significant milestone in the historical and political relations between the two countries. Signed during a period of significant geopolitical changes in South Asia, shortly after World War II, the treaty aimed to establish a framework for peace and mutual cooperation between India and Nepal

---

<sup>1</sup>Associate Professor, Central Department of Political Science, Tribhuvan University

(Dutta, 1993; Nayak, 2010; Thapliyal, 2012). The primary goal was to ensure Nepal's stability and security while fostering economic and strategic collaboration with India, its influential southern neighbor. By setting up a structure for peaceful coexistence, the treaty sought to reduce the likelihood of conflict and contribute to regional stability (Sharma, 2020). Nevertheless, despite its original intention of promoting harmony, the treaty's implementation and subsequent consequences have sparked a range of reactions, revealing the underlying tensions and complexities within this bilateral agreement (Nayak, 2010; Muni, 1995; Thapliyal, 2012).

A critical observation is that the Indo-Nepal friendship has often been shaped by a Nehruvian-colonial legacy, where India's influence tends to dominate. Some scholars argue that a trilateral approach involving Nepal, India, and China could present a viable path forward (Sangroula, 2021). From a realist perspective, such an approach could enhance Nepal's development and international relations by strategically balancing power in the region. The treaty can be understood as a strategic move by both countries to maintain a balance of power in a region undergoing significant geopolitical transformations. For Nepal, aligning with India through the treaty was a pragmatic decision, recognizing the necessity of cooperation with a regional power while safeguarding its sovereignty and security (Pokharel, 2022). The treaty's provisions—focusing on mutual cooperation in security matters and economic collaboration—reflect the realist emphasis on power dynamics and pragmatic alliances in international relations (Ramakant, 1976). The relationship between the two nations, characterized by both cooperation and contention, underscores the intricate challenges of navigating regional geopolitics and implementing agreements in a dynamic political environment (Thapa, 2024).

The impact of the treaty has been a topic of considerable debate, particularly regarding its effectiveness in achieving its intended goals and its implications for Nepal's sovereignty. The evolving political landscape in South Asia has revealed various dimensions of the treaty's influence, highlighting both its contributions to regional stability and the difficulties

in addressing the concerns of all involved parties. Since 1950, Nepal's foreign relations have experienced several turning points and contestations, which have also affected Indo-Nepal relations (Khanal & Paudel, 2021). Through a realist lens, the treaty's role in shaping these relations can be critically assessed, focusing on power balance, strategic interests, and the pursuit of national objectives that have shaped its implementation and ongoing significance in contemporary geopolitics (Bhatta, 2022; Karki & Hari, 2020; Pokharel, 2022).

## **Method and Materials**

The Indo-Nepal Treaty of 1950 has long been a cornerstone of bilateral relations between the two nations. However, it has encountered criticism and challenges, particularly regarding boundary disputes, political tensions, and shifting regional dynamics. These issues have raised questions about the treaty's effectiveness and its relevance in the changing geopolitical landscape. The primary aim of this study is to critically examine the India-Nepal relationship in light of the Indo-Nepal Treaty of 1950. Specifically, it seeks to address the central question: How have political and strategic challenges evolved since the treaty's signing, and how have they affected both countries?

This review-based study will analyze the Indo-Nepal Treaty of 1950 by synthesizing and evaluating existing literature on its historical context, strategic implications, and contemporary relevance through a realist lens. The methodology involves a comprehensive examination of scholarly articles, historical documents, and critical assessments to develop a nuanced understanding of the treaty's influence on bilateral relations. Key themes such as power dynamics, strategic interests, and regional stability will be explored to assess the treaty's role in shaping geopolitical strategies and its impact on Nepal's sovereignty and India's influence in the region (Shah, 2017). By integrating insights from a range of sources, this review will highlight the treaty's effectiveness in achieving its intended objectives and assess its ongoing significance in the context of evolving geopolitical challenges. Grounded in a realist theoretical framework, this study will provide a comprehensive analysis of the treaty's historical and

contemporary implications, offering a critical perspective on its role in the political and strategic relationship between India and Nepal.

## **Result and discussion**

### ***Implications of the Treaty***

The Indo-Nepal Treaty of 1950 has been widely analyzed in academic discourse, highlighting its nuanced and significant effects on the bilateral ties between India and Nepal. Researchers have explored it through diverse lenses, including historical geopolitical dynamics, economic factors, socio-political impacts, and emerging strategic concerns.

### ***Historical and geopolitical context***

The Indo-Nepal Treaty of 1950 emerged during a transformative era for both countries. For India, it was a strategic initiative to consolidate its regional dominance following independence, while Nepal aimed to adjust its foreign policy in response to the remnants of British colonial influence and rising Cold War tensions. Scholars such as Karki and Hari (2020) and Ramakan (1976) view the treaty as a tool for preserving Nepal's sovereignty while aligning with India's strategic interests. Mahar (2024) emphasizes that the treaty represented a practical approach to regional diplomacy, focused on border stability and enhanced cooperation amid changing geopolitical dynamics. Given Nepal's landlocked status and its position between India and China, these strategic efforts are critical. Nonetheless, Bhattarai (2022) highlights that Nepal's intricate geopolitical situation renders true neutrality nearly unattainable, underscoring the delicate balance the country must maintain in its foreign relations.

### ***Economic impact***

The economic dimensions of the Indo-Nepal Treaty of 1950 are significant, as the treaty established a framework for increased economic engagement between the two nations. Dutta (1993) notes that the treaty facilitated Nepal's access to Indian markets and integrated it into India's economic sphere, which is crucial given Nepal's reliance on India for trade and

investment. Muni (2020) highlights specific projects enabled by the treaty, such as infrastructure development and hydropower initiatives, which have been essential for Nepal's economic progress and regional integration. Choudhary and Ghosh (2015) provide a subregional perspective on this economic cooperation, emphasizing the role of trade, infrastructure, and policy frameworks in enhancing regional connectivity and stability. However, recent analysis by Kandel (2020) indicates that Narendra Modi's assertive foreign policy has influenced Nepal-India relations, with events like the 2015 blockade and shifting geopolitical considerations affecting the bilateral dynamic.

### ***Political and social dimensions***

The political and social ramifications of the Indo-Nepal Treaty of 1950 are significant, shaping both Nepal's internal dynamics and its external relations. Bao (2021) examines how the treaty has influenced Nepal's foreign policy, especially its interactions with China and other regional powers, through its strategic framework and mutual security guarantees. Thapa (2024) employs a Realpolitik perspective to highlight how power politics and strategic interests have guided the bilateral relationship, with pragmatic considerations often driving interactions rather than ideological factors. Kushwah and Anand (2023) explore the domestic political impacts of the treaty, noting its role in internal political debates and its effect on Nepal's national sovereignty versus regional cooperation discourse. Socially, the treaty has impacted public perception and the political narrative concerning national identity and foreign policy.

### ***Emerging challenges***

Emerging challenges in Nepal-India relations are driven by a confluence of geopolitical and domestic dynamics. The persistent boundary disputes over regions like Kalapani and Lipulekh reveal deep-seated issues related to national sovereignty and territorial integrity, contributing to ongoing tensions. Nepal's internal political instability compounds these issues, as frequent changes in leadership impede the development of a coherent and consistent foreign policy toward India. The evolving geopolitical landscape, particularly the rise of China and shifting South Asian

dynamics, raises questions about the adequacy of the Indo-Nepal Treaty of 1950 in addressing current strategic and economic concerns (Bao, 2021; Karki & Hari, 2020).

While economic dependence on India has its advantages, it also creates vulnerabilities and power imbalances that can be exploited. The intensifying strategic rivalry between India and China further complicates Nepal's efforts to navigate its relations with these major powers. This complex interplay of territorial disputes, political instability, economic dependency, and regional competition highlights the fragility of the Nepal-India relationship, suggesting that the treaty may need reassessment to remain relevant and effective in today's rapidly changing geopolitical environment (Bhatta, 2019).

### ***Analysis of Nepal-India Relations Post-1950***

The Indo-Nepal Treaty of 1950 has been pivotal in defining the bilateral relationship between India and Nepal, fostering cooperation and exchanges across multiple domains. Despite its foundational role, the treaty has encountered difficulties, particularly when viewed through the realist lens of international relations, which prioritizes the pursuit of national interests and power dynamics. This perspective highlights how the treaty's provisions, while initially beneficial, must contend with evolving power structures and competing national interests that challenge its efficacy and relevance in contemporary geopolitics.

### ***Economic cooperation***

Economic cooperation has been a fundamental aspect of the Indo-Nepal relationship since the signing of the 1950 treaty. As Muni (1995) notes, the treaty established a framework that positioned India as Nepal's primary trade partner and investor, facilitating significant economic interactions. India's investments in infrastructure and hydropower have been essential for Nepal's growth and regional integration (Muni, 1995; Shah, 2017). From a realist perspective, this economic cooperation serves as a strategic tool for India, reinforcing its influence over Nepal and ensuring that Nepal

remains aligned with Indian interests. This dependency underscores the power imbalance in the relationship, where Nepal's economic reliance on India highlights the broader dynamics of influence and control in their bilateral ties.

### ***Defense and security***

The Indo-Nepal Treaty of 1950 has significantly shaped defense and security relations between the two nations, fostering a strong partnership characterized by joint training, military modernization, and strategic consultations. Thapa (2024) highlights how the mutual respect and cooperation between the Indian and Nepali armed forces have bolstered their strategic alliance. From a realist perspective, this partnership reflects Nepal's strategic maneuver to align with a more powerful neighbor for enhanced security against external threats and internal instability. Conversely, India benefits from a stable, cooperative neighbor, which contributes to its regional security posture. This dynamic illustrates the realist principle of leveraging alliances to achieve security objectives and balance power within the regional context.

### ***Cultural and educational exchanges***

The Indo-Nepal Treaty of 1950 has significantly advanced cultural and educational exchanges, bolstering people-to-people relations through initiatives such as scholarships for Nepali students and various cultural programs (Kushwah & Anand, 2023; Manhas & Sharma, 2014; Ramakant, 1976). These exchanges not only foster goodwill and mutual understanding but also serve strategic interests from a realist perspective. By promoting educational and cultural connections, India enhances its influence over Nepal's emerging leaders and decision-makers, thus aligning cultural diplomacy with broader geopolitical goals. This approach reflects a softer dimension of realism, where cultural initiatives support strategic objectives and reinforce a stable, cooperative relationship between the two countries.

### ***Political Challenges in the Indo-Nepal Relationship***

Despite the cooperative framework established by the Indo-Nepal Treaty of 1950, political challenges have surfaced that highlight the complexities and limitations of the bilateral relationship (Kushwah & Anand, 2023; Manhas & Sharma, 2014). These challenges underscore realist concerns regarding power dynamics, territorial disputes, and evolving geopolitical shifts, illustrating the ongoing tension between national interests and regional stability.

#### *Boundary disputes:*

One of the most enduring political challenges in Indo-Nepal relations is the boundary dispute concerning the source of the Kali River. The uncertainty over the river's origin has led to conflicting territorial claims, causing ongoing diplomatic tensions and friction (Aryal & Pulami, 2024). This dispute underscores a fundamental realist concern: territorial integrity and sovereignty. Resolving such disputes is crucial for both nations to safeguard national pride and secure strategic and economic interests. The persistence of this dispute exemplifies the realist view that territorial conflicts are deeply entrenched and difficult to resolve, especially when tied to national interests and historical claims (Baral, 2018).

#### *Geopolitical dynamics:*

The ascent of China as a prominent regional power has added complexity to the Indo-Nepal relationship. Nepal's expanding ties with China, marked by significant economic and infrastructural investments, have triggered apprehension in India (Bhattarai, 2022). This situation illustrates a core realist principle: the balance of power. As China amplifies its influence in South Asia, India views this as a threat to its regional dominance and strategic interests. The evolving geopolitical landscape complicates bilateral relations, with Nepal's diversification of international partnerships causing unease in India. The realist perspective highlights how the involvement of external powers can reshape bilateral dynamics, particularly by disrupting the regional balance of power and strategic calculations.



### *Domestic political issues*

Internal political challenges within Nepal have notably affected the Indo-Nepal Treaty of 1950's efficacy. Issues such as persistent political instability, corruption, and the politicization of governmental institutions have hampered the effective implementation of the treaty's provisions (Kushwah & Anand, 2023; Manhas & Sharma, 2014). Additionally, problems like public mistrust in political leadership and issues such as human trafficking have further strained the relationship. From a realist perspective, these domestic issues are crucial as they impact Nepal's ability to maintain a stable foreign policy and uphold international agreements. Political instability and governance challenges can weaken Nepal's negotiating stance and disrupt its diplomatic engagements, illustrating how internal factors significantly shape a country's foreign relations and its capacity for effective diplomacy.

### **Conclusion**

The Indo-Nepal Treaty of 1950 has been a crucial element in shaping the diplomatic and strategic ties between India and Nepal. Initiated during a period of significant transformation for both nations, the treaty has fostered peace and cooperation through various channels. It has facilitated the free movement of people, expanded economic relations, and supported joint defense initiatives. Despite its foundational role in strengthening bilateral relations, the treaty's relevance is increasingly questioned due to evolving geopolitical and internal challenges.

The emergence of China as a prominent regional power and the shifting dynamics within South Asia have added new layers of complexity to the Indo-Nepal relationship. The increasing influence of external actors and ongoing boundary disputes, coupled with Nepal's domestic political issues, underscore the necessity for a review of the treaty's terms. The realist perspective emphasizes the importance of adapting to changing power dynamics and addressing strategic interests to maintain a stable and mutually beneficial relationship.

To sustain the Indo-Nepal partnership effectively, it is crucial to tackle unresolved disputes and enhance cooperation in key areas such as trade, security, and cultural exchange. Both countries must adopt a proactive approach to resolve conflicts and adjust to new geopolitical realities. By addressing these issues collaboratively, India and Nepal can strengthen their relationship and contribute to regional stability and mutual prosperity. The treaty's future success will depend on its ability to evolve and stay relevant amidst shifting global and regional conditions.

## References

- Aryal, S. K., & Pulami, M. J. (2024). The trajectory between territorial disputes, nationalism, and geopolitics: A case study of the Kalapani border dispute between India and Nepal. *Geopolitics*, 29(2), 691-713.
- Bao, B. L. (2021). Trilateral relations among China, Nepal and India: Opportunities, Challenges and Prospects. *Journal of Humanities and Social Sciences Studies*, 3(7), 05-14.
- Baral, T. N. (2018). Border disputes and its impact on bilateral relation: a case of Nepal-India international border management. *Journal of APF Command and Staff College*, 1(1), 28-36.
- Bhatt, S.C. (1996). *The Triangle India Nepal China: A Study of Treaty Relations*. Gyan Publishing House.
- Bhatta, C. D. (2019). Emerging powers, soft power, and future of regional cooperation in South Asia. *Asian Journal of Political Science*, 27(1), 1-16.
- Bhatta, C. D. (2022). Understanding Nepal's Geopolitical Dynamics: Connected History Disconnected Future. *Journal of Foreign Affairs*, 2(01),89-106.
- Bhattarai, G. (2022). *Nepal between China and India: Difficulty of Being Neutral*. Springer Nature.
- Bhattarai, R. (2005), *Geopolitics of Nepal and Internal Response to Conflict Transformation*. FFP Publications.
- Choudhary, N., & Ghosh, A. (2015). Indo-Nepal economic cooperation: a sub-regional perspective. *Asia-Pacific Development Journal*, 21(2), 23-52.
- Dahal, R. (2064 B.S.) *Nepal and International Relations*. Dikshyanta Prakashan.
- Dutta, V.P.,(1993). *India's Foreign Policy*. Vikas Publishing House.
- Kandel, I. P. (2020). Nepal-India Relationship after the Rise of Modi. *Historical Journal*, 11(1), 8-15.

- Karki, K. K., & Hari, K. C. (2020). Nepal-India relations: Beyond realist and liberal theoretical prisms. *Journal of International Affairs*, 3(1),84-102.
- Khanal, P. R., & Paudel, I. (2021). Nepal's Foreign Policy since 1950. In *Routledge Handbook on South Asian Foreign Policy* (pp. 66-80). Routledge.
- Kushwah, K., & Anand, A. (2023). The Indo–Nepal Treaty of Peace and Friendship, 1950: Revisiting the Tale of Two Nations. *Prayagraj Law Review*, 1(2), 1-14.
- Mackinder, H. J. (1942). *Democratic ideals and reality*. West View Press.
- Mahar, N. S. (2024). Nepal-India Political Relations: A Comprehensive Analysis of Historical Dynamics, Contemporary Challenges, and Future Prospects. *Pragya Darshan प्रज्ञा दर्शन*, 6(1), 71-79.
- Majumdar, K.M. (1975). *Nepal and the nationalist movement in India*. Calcutta: Forward Books.
- Malik, A. R. (2010). *The emerging dimensions of Pakistan-Nepal Trade*. IPRI.
- Manhas, N., & Sharma, M. (2014). The 1950 treaty of peace & friendship: An issue of contention between India and Nepal. *International Journal of Scientific and Research Publications*, 4(11), 1-5.
- Muni, S. D. (1995). *India and Nepal, a Challenging Relationship*. Konark Publishers Ltd.
- Muni, S. D. (2020). India's "Neighbourhood First" Policy and the Chinese Challenge: The cases of Bangladesh, Nepal, and Sri Lanka. In *India's Great Power Politics* (pp. 103-121). Routledge India.
- Nayak, N. (2010). India–Nepal Peace and Friendship Treaty (1950): Does it Require Revision?. *Strategic Analysis*, 34(4), 579-593.
- Pokharel, A. P. (2022). India-Nepal Relations: Prisms That Go Beyond Liberal and Realist Theories. *International Journal of Innovative Research in Engineering & Management*, 9(4), 74-78.
- Ramakant, (1976). *Nepal –China and India*. Abhinav Publication Foreign Affairs.
- Sangroula, Y. (2021). Seven Decades of Indo-Nepal Relations: A Critical Review of Nehruvian-Colonial Legacy, Trilateralism as a Way Forward. *Asian Journal of International Affairs*, 1(1), 5-54.
- Shah, S. H. (2017). Indo-Nepal relations: A bilateral paradox. *IUP Journal of International Relations*, 11(4), 28-48.
- Thapa, S. (2024). Realpolitik of Indo-Nepal Relations. Research Association for Interdisciplinary Studies. *RAIS Conference Proceedings*, April 4-5, 2024. DOI:10.5281/zenodo.11123236
- Thapliyal, S. (2012). India and Nepal treaty of 1950: The continuing discourse. *India Quarterly*, 68(2), 119-133.