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To cite this article: Andrew Reynolds (2010) Electoral Democratisation in Nepal, , 40:3, 509-519, DOI: [10.1080/00472331003798517](https://doi.org/10.1080/00472331003798517)

To link to this article: <https://doi.org/10.1080/00472331003798517>



Published online: 15 Jun 2010.



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## COMMENTARY

# Electoral Democratisation in Nepal

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Patterns of democratisation and political stability in Asia have been decidedly mixed over the last 20 years. Indeed, according to Freedom House (<http://www.freedomhouse.org>) and Polity (<http://www.systemicpeace.org/polity/polity4.htm>) aggregate measures of democracy, Asia ranks alongside Africa as the least democratic continent. Communist authoritarian regimes with severely curtailed popular participation persist in China, Vietnam and Laos; constrained pseudo-democracies endure in Singapore, Malaysia and Cambodia; while Pakistan, Bangladesh and Thailand alternate between corrupt and inept military and civilian administrations. Burma appears to have edged further away from a democratic future since the brief hopeful days of 1990. But juxtaposed against such a gloomy picture are the fragile but developing democracies of Indonesia and the Philippines, the adolescent democracies in Taiwan and South Korea, and the mature democracies of Japan and India.

A quarter of a century ago Lucian Pye (in *Asian Power and Politics: The Cultural Dimensions of Authority*, Cambridge: Harvard University Press, 1985) argued that Asian nations would never evolve politically along the lines of Western liberal democracies because Asian cultures lacked the focus on individualism and personal suspicion of authority that had driven and sustained the existence of democracy in the West. However, as Larry Diamond (in *The Spirit of Democracy*, New York: Henry Holt, 2008) notes, there is considerable evidence that, even if it was present in earlier times, such Asian exceptionalism has eroded considerably since Pye made his culturally based claims. There are now significant signs that Asians value individual autonomy, accountability and the rule of law at least as much as others.

It is not only Asian states that have wrestled mightily with electoral democracy, it is also true that post-conflict states have found the institutionalisation of democratic norms troublesome. Such polities have been riven by communal violence and polarisation that is often exacerbated by electoral competition. The classic

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“winner-take-all” Westminster politics, left as a poison chalice by colonial masters, proved to be particularly unsuitable in Burma, Mongolia, Pakistan and Bangladesh, while adaptations on the majoritarian theme have proved equally unhelpful in Afghanistan, Timor Leste, Sri Lanka and Cambodia.

Against such a background of political trauma and democratic experiment, post-conflict Nepal is a fascinating test case to assess whether electoral democracy can be established not only in a poor state, but also in one with a background of violent conflict and regional-ethnic hostility. For the analyst of electoral engineering, Nepal is an especially important case: democratic stability may be the *sine qua non* of conflict resolution and economic growth in that country, but Nepal has a plethora of characteristics that make it an unlikely candidate. It is deeply fragmented along the lines of ethnicity, region and, tellingly, class and caste. It also is one of the poorest nations in the world, with a third of people living below the poverty line; one of the highest income inequality rates in Asia and the fourth lowest human development index in Asia. Agriculture remains the dominant industry, employing over 70% of the population; with only half the adult population able to read and write. An emergent middle class, to which theorists often point as the driving force behind democratisation, remains small and inchoate. Furthermore, wealth and development are unlikely to increase anytime soon, as there are no known untapped natural resources and a very weak state infrastructure run by weak or failing institutions. Compounding these negatives is Nepal’s recent history of violent conflict and deep distrust between the ideological and ethnic groups who now compete for power. Nepal has had, at best, a limited experience with democracy (1959 and 1991-99) and that experience was far from happy.

Democracy should not necessarily flourish in Nepal but, as this article will argue, the country’s first post-conflict steps have proceeded surprisingly well. Democratisation involves climbing a ladder of steps; an early step in the process is often universal franchise elections to choose a constituent assembly. This is a step that has tripped up many peace processes but in the Nepali case the step was surmounted in the most efficient means possible. That is not to say that hurdles do not remain to consolidating democracy and stability in Nepal: they clearly do. On the democratic design front the new Constituent Assembly needs to agree upon an appropriate federal model to reassure marginalised parts of the country that they will have some control over their own affairs. They must consider whether restraints on majority rule are required in the national parliament, and get the balance right when adapting the Constituent Assembly electoral system for use in the permanent (and smaller) assembly. Even while a new constitution was being drafted, in May 2009, the Maoist-led government collapsed in the face of the President’s opposition to the Prime Minister’s removal of the Army chief, and the impasse in the constitutional design process continued in March 2010.

### **Nepal’s Tumultuous Political History**

As noted earlier, Nepal does not have a political history which one would expect to be conducive to swift and successful democratisation. The small, landlocked country has had exceptionally low levels of human development, rooted in abject poverty, under-education and the suffocating absolutist rule of monarchs. After centuries of

royal and elite rule, democracy lasted less than a year in 1959-60 before the King imposed a no-party system based on politicians beholden to his patronage. Competitive elections were reintroduced in 1990, but Maoists began an armed insurrection in the countryside against the monarchist government in 1995. The decade-long “people’s war” left over 12,000 dead and an estimated 100,000 Nepalis displaced from the rural areas where the Maoist militias were strongest.

In 2001, Nepal imploded with the shocking patricide of King Birendra, along with the murder of his queen and seven other members of the royal family, by Crown Prince Dipendra, who subsequently died of self-inflicted wounds. This led to the accession to the throne of Dipendra’s uncle, the deeply unpopular Gyanendra. The Maoist campaign became increasingly violent, but at the same time more favourably viewed by poor Nepalis in the hinterlands. In desperation, Gyanendra seized absolute power from 2002 to 2003, worsening the situation, and then again, after failed peace talks, in 2005. The King’s last bid as leviathan proved his undoing, as seven of the leading democratic Nepali parties joined with the Maoists to demand elections for an assembly to write a new constitution. After the King’s dismissal of the demands, hundreds of thousands of Nepalis demonstrated on the streets and he was forced to step aside in April 2006. The path to a new power-sharing government remained strewn with obstacles, however, with violence breaking out in the southern region of Terai where the Madhesi people demanded increased self-governance. After a breakdown in the peace process between the Maoists and the Nepali Congress-led government, Constituent Assembly elections were pushed back from May 2007 to November 2007 and then again to April 2008.

### **Electoral System Design**

The election system used for the 2008 Constituent Assembly (CA) elections in Nepal was complex but ultimately integral to moving the peace and democratisation process forward. Before 2008, Nepal had used the first-past-the-post (FPTP) system inherited from the British colonial administration. Multi-party FPTP elections were held in 1959, 1991, 1994 and 1999, with a turnout of 43% in 1959 and between 62% and 66% in the 1990s.

Initially, the Communist Party of Nepal-Unified Marxist-Leninist (CPN-UML) had favoured a mixed member proportional (MMP) system in which the List Proportional Representation seats would compensate parties for any disproportionality coming out of the FPTP side (as in New Zealand or Germany). The Nepali Congress (NC), on the other hand, wanted a parallel system with as many FPTP seats as possible. While the Communist Party of Nepal-Maoists were more flexible over the MMP versus parallel choice, they did insist on two ballots to allow for split-ticket voting between the single-member constituencies and the party list vote.

During 2006 and 2007, negotiators for the Maoists, NC and the UML compromised on a parallel, “mixed” electoral system, reminiscent of Japan and Russia (although distinctive in its inclusive treatment of minorities and women) for the CA elections. In parallel systems, some of the seats (often roughly half) are FPTP, single-member constituencies, while the rest of the members of parliament

(MPs) are elected from lists on a basis proportionate to each party's vote share (usually on the national level).

After increasing the number of FPTP seats from 205 (the existing size of the legislature) to 240, in order to increase the representation of the Madhesi in the Terai region, the Constituent Assembly was comprised of 601 members. Of these, 40% (240) were elected by FPTP, 56% (335) by list proportional representation from a single national constituency, with the remaining 26 appointed by the cabinet after the election. The Maoists and UML were particularly concerned that the new Nepali Assembly be substantially more inclusive along the lines of ethnicity, region, caste and gender than it had been in the past. Thus, an elaborate quota system was put into place for "marginalised" groups. For the PR seats any party contesting had to ensure that half its candidates were women. Any party with more than 100 candidates on its PR list had to also ensure that a given number of representatives of specified marginalised groups were included (Table 1): Dalits (untouchables), Janajatis (oppressed communities and indigenous groups), backward regions (Achaham, Kalikot, Jararkot, Jumla, Dolpa, Bajahang, Bajura, Mugu and Humla), Madhesi (from the Terai region) and "others" (any group not mentioned in the schedule, including high-caste Brahmin). While the quotas for women and minorities applied to the list seats, they did not apply to the single-member constituencies.

Furthermore, there were three quirks to the system. First, the party candidate lists were unranked, meaning that party leaders could choose their elected MPs from anywhere on the list after the election. The system gives overwhelming control over MPs to party leaders and is only used in Guyana and Serbia. Secondly, candidates could run for two FPTP seats simultaneously. If a candidate won both, by-elections would be held for one of the seats; this occurred in five cases in 2008. Thirdly, the ballots for both the FPTP and PR seats included only candidate or party symbols (no words at all); this is traditional in single member constituency elections in South Asia (e.g. in Nepal, India and Pakistan), but unusual for elections using party lists.

Two elements of circumstance aided the success of the elections. First, Nepali elites crafted a system largely by themselves with very little foreign advice or meddling and certainly no external imposition. The experience of superpower imposition or colonial "gifting" of electoral institutions has proved disastrous in a myriad of cases, including the national list PR election system in Iraq in January 2005, which shut the minority Sunnis out of representation, and the wave of post-colonial African states that inherited Westminster systems in the 1960s. Secondly,

**Table 1.** Reserved seats for marginalised groups on PR lists (%)

Group	Women	Men	Total
Dalit	6.5	6.5	13.0
Janajatis	18.9	18.9	37.8
Backward regions	2.0	2.0	4.0
Madhesi	15.6	15.6	31.2
Others	15.1	15.1	30.2

the veil of ignorance around the 2008 elections, where the true electoral strength of each party had never been tested, led each of the top three parties to believe that they were going to, if not win, do very well. The Nepali Congress believed they would dominate the single-member constituencies (as they had done in the 1990s). The Maoists assumed that they could reap the popular support of the poor and the marginalised and, even if they were unsuccessful in the constituencies, they would win a substantial share of the popular vote in the PR race. While the UML believed they had the most robust grassroots network of activist cadres, the Nepali Congress had been de-legitimised by their support for the monarchy, and the Maoists were too rooted in conflict to be a viable electoral force. This misplaced optimism allowed all three groups to commit themselves to the elections: Even as the results disappointed them (some more than others), the system left each party validated and hopeful to a certain degree.

### **The Consequences of Electoral System Design**

First elections, especially those that choose a body to draft a new constitution, have somewhat distinct criteria for success from regular elections. While the Nepal CA acts as the parliament and government of the day, the primary goals of the 2008 elections were to move forward the peace process, to establish popular democracy as the governing rubric for conflict resolution, and to draft a permanent constitution acceptable to all significant groups. Thus, to be deemed successful, the 2008 election had to: produce an Assembly which maximised inclusion, even if that inclusiveness came at the expense of some degree of parliamentary coherence; give rise to results that were transparent, legitimate and reassuring to majorities and minorities; allow the political elites to be invested in the democratic process and have agency to govern.

While there were problematic areas of the electoral process overall, the system performed very well in the criteria noted above. When compared to other recent cases of founding elections in post-conflict cases, such as Afghanistan in 2005, Iraq in January 2005 and Congo in 2006, Nepal represents a model of success to be replicated. As noted earlier, elections are merely a first step in a long process of building trust and democratic institutions. Other steps must follow, but, compared with many other cases, this was a bold and positive first step.

In terms of representativeness, the electoral system produced a high level of inclusion along the dimensions of ideology, geography, ethnicity, caste and gender. As the election results in Table 2 show, 25 parties and two independent candidates won seats in the CA. The Maoists received the largest seat bonus from the FPTP elections, but they still won only 38% of the assembly seats, necessitating coalitions to govern. The index of disproportionality was 8.3 (based on seats won compared to the national list PR vote), which compares favourably with other parallel electoral systems used for national legislative elections.

The representation of the historically marginalised mountainous and southern regions was significantly improved over previous parliaments. The Madhesi from the Terai region did particularly well, winning over a third of assembly seats, with representatives of all the main parties, along with the regionally based Madhesi People's Rights Forum (MPRF) and Terai Madhes Loktantrik Party (TMLP).

**Table 2.** Election results, Constituent Assembly, April 2008

	List PR seats ( <i>n</i> = 335)		FPTP seats ( <i>n</i> = 240)		Total ( <i>n</i> = 575)	
	( <i>n</i> )	(%)	( <i>n</i> )	(%)	( <i>n</i> )	(%)
CPN-Maoists	100	30	120	50	220	38
NC	73	22	37	15	110	19
CPN-UML	70	21	33	14	103	18
MPRF	22	7	30	12	52	9
TMLP	11	3	9	4	20	3
Others	59	18	11	5	70	13

CPN-Maoists, Communist Party of Nepal-Maoist; NC, Nepali Congress; CPN-UML, Communist Party of Nepal Unified Marxist-Leninist; MPRF, Madhesi People's Rights Forum; TMLP, Tarai Madhes Loktantrik Party; Others, 20 parties and two independents.

Further, the assembly is one of the most ethnically inclusive in the world. Vollan estimates that the PR quota was a significant aid to minority inclusion; in addition previously marginalised groups won FPTP seats even where no quota was applied. Madhesi won 34%, Dalits 8%, Janajatis 33%, and candidates from "backward regions" won 4% of seats (K. Vollan, "The System of Representation for the Constituent Assembly Elections in Nepal," unpublished paper, Kathmandu, 17 June 2008). Overall, women won 191 (33%) of the Assembly seats, giving Nepal the fifteenth highest percentage of women MPs in the world and the highest proportion in Asia (the next closest being East Timor, with 29% in 2008).

As noted earlier, it was paramount that the elections were viewed ultimately as a fair and legitimate expression of the Nepali people's will. The election itself was monitored by over 60,000 domestic observers and 900 internationals, representing Europe, North America and Asia. In general, the climate leading up to the vote itself was reminiscent of most campaigns held amidst the fragility of peace processes. In Nepal's case, these included acts of political violence and intimidation, mostly blamed on insurgent Madhesi groups in the Terai and the Young Communist League, the youth wing of the Maoists. Many parties and candidates were precluded from campaigning in areas controlled by their opponents. Nevertheless, election day itself passed off remarkably free of violence and all observation missions ratified the election as substantially free and fair, despite the great logistical difficulties involved in running a national election in the geographically diverse nation of Nepal. The turnout was 63% of registered voters.

While the vote itself was clearly a success, there were significant problems borne of an incomplete voters' register and a lackadaisical checking of voters' identities against the register that did exist. But voters and parties accepted both the process and the results as legitimate enough for them to take their places in the democratic institutions. This was testament to the remarkable job done by the Nepali Election Commission under its chair, Bhojraj Pokheral. Crucially, the popular perception of Pokheral and the Commission was one of trustworthiness and neutrality; this enabled the elections to proceed even after multiple postponements and threats of boycotts. The value of having a trusted and competent electoral administration in place has been demonstrated in countless post-conflict cases, but no more so than in

Nepal when the preceding election commission was forced to resign because of its handling of deeply flawed municipal elections in 2006.

Nevertheless, there remain significant areas of questionable legitimacy within the electoral system itself. These have the potential to retard democratic progress in Nepal. First, the unranked, or “hidden,” lists allowed the elites to insulate themselves from voters’ views of which individual candidates should represent their chosen party in parliament. When party leaders get to choose their MPs from anywhere on the list, they reward the biggest donors and most subservient loyalists. Such a system freezes the power structures that pervade politics and, in Nepal, a relatively small elite (drawn from all parties) has dominated power for centuries. Many women’s groups and minority communities felt that while they had “members” in the Assembly, they were not necessarily the individuals the community would have chosen as the most legitimate advocates for their group. The largest parties argued, however, that trying to order their lists pre-election was a focal point for intra-party factional conflict. Leaders desired MPs to be accountable primarily to them rather than to the electorate as a whole (interviews with Bhim Rawal [CPN-UML], Prakash Saran Mahat [NC], and Khim Lal Devokota [CPN-Maoists], Kathmandu, 17-21 July 2008).

Secondly, the comparatively high spoilt ballot rate (5.2% for the FPTP vote; 3.7% for the list PR vote) suggests that voter education did not adequately address the complexity of introducing a two-ballot system. The vast majority of the spoilt ballots in the FPTP races were double-marked, indicating that voters knew they had two votes, but used both on the first ballot they were given. This behaviour may have been avoided had ballots included names and photographs rather than only symbols. The distinction between the district and party ballots would have been much clearer. Even if symbols are retained to aid illiterate voters there is no real argument why words cannot be included, especially on the party list ballot. Thirdly, the 26 appointed seats were a hangover of elite control of the system. They were explicitly designed to be drawn from distinguished persons and from under-represented ethnic groups. But unsurprisingly, when appointed in 2008, they were by and large given to cronies of the Maoists, UML and NC, rather than to the representatives of the very small minority groups who had failed to win seats in the CA.

The 2008 CA elections did a better job of facilitating a continuing peace process than of allowing for a coherent government. Nepal demonstrates the classic trade-off between inclusion and legislative fragmentation, on the one hand, exclusion and majority government on the other. All the significant players in the conflict were given voice in the CA, because no single party has a majority of the legislature, accommodation is the rubric for progress. Indeed, one positive aspect of the unranked list may be that party leaders have significant leverage over their caucuses to broker the difficult deals which are the *sine qua non* of crafting a constitution in a divided nation.

But, the very lack of one-party dominance in the Assembly has meant that government formation and decision making has been a painfully slow process. It took six months for the Maoists to form a cabinet with the UML and Madhesi Front, with the Nepali Congress choosing to lead the opposition block. The work of the Constitutional Assembly (supposedly to take no more than two-and-a-half years) appears unlikely to be completed by the end of 2010.

### **Future Electoral System Reforms**

As noted earlier, the electoral system requirements for future parliamentary elections are somewhat different than those for the CA elections of 2008. Discussions among politicians and civil society have focused on four areas of potential reform: (a) whether the system should move from being a parallel system to a fully proportional list or MMP system; (b) whether the ethnic and gender quota system be streamlined or abolished completely; (c) whether parliament remain over 600 members or be dramatically reduced in size; and (d) if a threshold for representation is necessary to reduce party fragmentation in the legislature.

#### *MMP, Parallel or Regional List PR?*

There are strong arguments for making the 335 PR seats in the mixed system compensatory and thus create a mixed member proportional (MMP) system. In the current parallel system, the list PR seats are disconnected from the FPTP seats. By increasing the overall proportionality of the system, the consequences of fraud and intimidation in the single-member constituencies would be reduced and the overall parliament would better reflect nationwide preferences. Based on 2008 vote shares, an MMP system would reduce the number of Maoist seats by 51, increase the NC caucus by 13 seats, increase the UML share by 15 seats and decrease the number of MPRF MPs from 52 to 37. On the basis of their inclusive ideology, the Maoists argued in 2007 for a fully proportional system. But after the 2008 results it now seems unlikely they would opt to reduce their potential power in future governments. Before the April 2008 elections, the Nepali Congress believed that the FPTP system would benefit them, as it turned out though, they would have been advantaged by any proportional system that reduced the weight of the FPTP seats. The UML had an inclusive “proportional” ideology similar to the Maoists and have maintained the view that an MMP system would be best (interview with Bhim Rawal, Kathmandu, 17 July 2008). Nevertheless, after the amount of time and effort which was put into the minutiae of the 2008 parallel system, the party negotiators are reticent to revisit the issue again.

The FPTP seats in the existing parallel system, however, are a wild card which could destabilise future administrations. The unpredictability of single-member races is well known in Asia and elsewhere, and that capriciousness is magnified where races are close and small swings in vote share make large differences to seat outcomes. Highly marginal constituencies are those where the difference between first and second place is less than 5%. In the UK in 2001, 55 of the 659 seats were highly marginal (8.3%), while in Canada’s tightly contested general election of 2006, the figure was 49 of 308 (15.9%). In 2008 in Nepal, 82 of the 240 FPTP seats were won with less than 5% majorities (34.2%). Indeed, only 24 of the 240 seats were won with more than 50% of the vote, while in the USA in 2004 all bar two of the 435 seats were won with an absolute majority. The tightness of the single-member constituency races in Nepal indicates that very small swings in votes could dramatically affect the final outcome, or more troubling, that there is a great incentive for fraud, manipulation and vote stealing. Table 3 demonstrates that any of

**Table 3.** Marginal FPTP seats

Party	First place	Second place
NC	22	24
CPN-Maoists	22	18
CPN-UML	16	27
MPRF	11	5
TMLP	6	5
Others	5	3
Totals	82	82

the big three parties could make substantial seat gains if they were to win a few more strategically distributed votes.

*Difficulties of Quota Implementation*

As noted earlier, the Nepali CA is one of the most inclusive representative bodies in the world, and this is largely due to the detailed quota law that was accepted and implemented by all political parties. But, in the future, the law will be revisited for reasons of ideology, effectiveness and complexity. First, any multi-ethnic post-conflict nation must balance the need for segmental inclusion with the danger of entrenching ethnic polarisation through defining electoral politics in simply ethnic terms. How can ethnic, or caste or regional, differences become less divisive when groups are encouraged to mobilise along those lines in order to be represented?

Secondly, time will tell how effective the reserved seats actually are in protecting minority interests. Are the scheduled minority members the most legitimate and vibrant representatives of their community or are they merely tokens placed on party lists by elites who have little intention of taking minority rights seriously? Indeed, who decides which groups are marginalised minorities and who is a member of such a group? Nearly 30 smaller minority groups made claims for representation but none of them was included in the final CA. Some of the problems with the reserved seats were matters of definition – the Madhesi can be of low or high caste, and the “other” category includes Brahmins who are the antithesis of a marginalised group. Thirdly, the complexity of the system caused massive headaches for the parties and electoral commission in 2008. It is not clear whether the system could be successfully managed as well in the future. The rule that any list with less than 100 candidates does not need to abide by the quotas also gives the incentive for parties to manipulate the rules in the future. A large party that wants to by-pass the quotas merely needs to split into two – with the PR seat allocation such splitting becomes possible.

*Parliamentary Size*

A lower house of parliament of over 600 members would be an oversize outlier in any nation-state, let alone in one the size of Nepal with a population of only 26 million. Until 1999, the Nepal parliament had 205 members, which increased in 2007 to 240 members with the creation of 35 new seats to accommodate the Madhesi in

the Terai. Taagepera and Shugart (*Seats and Votes*, New Haven: Yale University Press, 1989) find that most parliaments fit on an axis given by the formula:

$$\text{Parliamentary size} = (2P_a)^{1/3}$$

$$P_a = PLW$$

where  $P$  is the population,  $L$  is the literacy rate and  $W$  is the working age proportion of the population. That formula –  $(2 \times [0.5 \times 0.5 \times 28.9 \text{ million}])^{1/3}$  – would predict a lower house of 244 members in Nepal.

There is little doubt that the peace process was significantly enhanced by the inclusiveness that the large parliament allowed for in 2008, but in subsequent elections, issues of cost and efficiency suggest that the parliament should be much smaller. However, MPs rarely vote for their own membership to be reduced and controversies around districting may limit any reduction in size. The effort in 2007 to redraw boundaries led to an additional 35 seats being allocated; if the 240 FPTP seats are too sensitive to redistrict, then the only way of reducing parliament's size is to reduce the number of list PR seats. This would not only reduce overall proportionality and exaggerate the vote-seat swings inherent in FPTP; it also would reduce the impact of reserved seats for women and marginalised groups. For example, in 2008 only 30 women won FPTP seats (12.5%) but 161 were elected with the help of the 50% quota from the 335 list members (48%), giving a total of 191 out of 601 (33%). If parliament had been 350 members there would have been only 110 list PR seats, with women winning 83 (28%).

### *Imposing a Threshold?*

The vast majority of countries using list PR systems have an imposed threshold of votes cast that parties must surmount to be eligible to win seats. In Germany and New Zealand, the threshold is 5%, in Israel it is 2% and in Turkey it is a high 10%. In Nepal, no threshold was imposed and the smallest parties won PR seats with considerably less than 1% of the national vote. If the electoral system designers wish to reduce party fragmentation they could impose a threshold of perhaps 5% on the list PR side of the election. Under such a rule 20 MPs from parties outside of the big four (the Maoists, NC, UML and MPRF) would still have won FPTP seats, but the 70 list PR seats that these 21 parties won would have been distributed among the big four parties. With a 5% threshold in 2008, the Maoists would have won 41% of the CA seats instead of 38%.

### **Future Challenges beyond Electoral System Design**

As noted at the beginning of this article, multi-party elections are component parts of peace processes which also act as the first steps toward democratisation. When the first step is flawed, the institutionalisation of democratic norms has a weak basis to build upon. It becomes vulnerable to what Diamond calls the “democratic recession” (L. Diamond, *The Spirit of Democracy*, New York: Henry Holt, 2008: 56). But stability requires much more than well-conducted competitive elections:

trust needs to be built through well-functioning democratic institutions, and social stability strengthens as demilitarisation and socio-economic development proceed.

Nepal faces a myriad of challenges beyond elections. At the political level, a new constitution must be drafted by an assembly, which may be boldly inclusive, but over a year after its election the assembly had yet to begin the process of drafting. A multi-party government was formed in the summer of 2008, led by the Maoists and including the UML and the Madhesi Front (representing nearly two-thirds of parliament). But leading members of the Maoists have gone on record about their ambivalence regarding a commitment to liberal democracy. In September 2008, the newly elected Maoist Prime Minister, Pushpa Kamal Dahal, argued that communism could be fused with democracy in Nepal, but the next month Politburo member Mohan Vaidya called for a communist people's government and controlled economy. Federalism remains a broadly supported slogan, but it is deeply controversial in its details. Should the Terai be one province and have enhanced self-governing powers (as in the asymmetrical federalism of Canada or Spain) or should the region be segmented into multiple states as part of a broad symmetrical federal arrangement? Perhaps there is no more symbolic demonstration of a nation-building process than the integration of competing armies. In 2008 a committee of the CA began to investigate the means of integrating the Maoist militias into the Nepali army. In May 2009 a lack of progress on that front led Prime Minister Dahal to fire the army chief, but widespread opposition to the dismissal led to the Prime Minister's resignation and a Maoist exit from government. As the cases of Northern Ireland, Sierra Leone and Guatemala vividly demonstrate, the demobilisation of insurgent groups speaks more to trust in the peace process than almost any other endeavour.