

# Political Exclusion and the Lack of Democratisation: Cross-National Evaluation of Nepali Institutions using a Majoritarian–Consensus Framework

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**ABSTRACT** *Going beyond examining single institutions, which is not sufficient to establish a polity's effect on exclusion, the article adapts Lijphart's majoritarian–consensus framework, which analyses ten influential institutions, to evaluate the Nepali polity. The cross-national evaluation shows that the Nepali institutions are not inclusive. As some individual Nepali institutions are exclusionary, combining individual and collective analysis establishes the net effect of political institutions as exclusionary. This study demonstrates that collective political institutions in new multicultural democracies can be evaluated in terms of inclusion/exclusion. Such evaluations are useful in providing the basis for reforming polities to include minorities and consolidate and deepen democracy.*

**KEY WORDS:** Political exclusion/inclusion, majoritarian–consensus democracy, political institutions, Nepal, ethnic politics

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Many of the third wave democracies that have not consolidated are multicultural societies. According to the Freedom House survey 'a state with a dominant ethnic group is some three times more likely to be Free than a multi-ethnic one' (Karatnycky, 2002: 475). These observations support earlier studies that had argued the difficulty of consolidating democracies in multicultural societies. Scholars have shown that political exclusion and inequalities among cultural groups often lead to conflict and erosion of democracies (Gurr, 1993, 2000; Horowitz, 2000a; Linz & Stepan, 1996). Others have identified that political institutions facilitate political exclusion (Cohen, 1997; Lijphart, 1977; Saideman *et al.*, 2002).

The studies on the effect of political institutions on political exclusion have, however, largely identified a single or a couple of institutions that facilitate exclusion. This may be useful but is not sufficient to ascertain the net effect of institutions on exclusion because some institutions operating in a polity may contribute toward exclusion while others may push toward inclusion, sometimes even producing a more or less balanced result. Thus to find out the overall effect of institutions on exclusion/inclusion, one needs to investigate the major institutions of a polity. The interaction of various institutions and its effect on exclusion/inclusion also make it necessary to evaluate the institutions collectively. The analysis of collective institutions becomes especially necessary in new democracies because such polities may adopt some inclusive institutions but continue with other exclusionary institutions as well. Further, combining analysis of collective institutions and individual institutions will provide more information on the effect of institutions on exclusion, if any.<sup>1</sup>

In this context, this study aims to evaluate the effect of collective institutions on political exclusion/inclusion in Nepal using Lijphart's majoritarian and consensus framework. The aim is to find out whether institutions can be collectively evaluated for their role in political exclusion.

### **Inclusion and Democracy**

Democratisation is a continuous process and after procedural aspects like periodic elections and adult franchise have been achieved in a society, democratisation requires 'the authentic political inclusion of different groups and categories, for which formal political equality can hide continued exclusion and oppression' (Dryzek, 1996: 475). Democratisation may remain incomplete when sub-groups of people are politically excluded.

Following Young and Dryzek (Young, 2000; Dryzek, 1996), I consider political inclusion consisting of (1) effective participation in the decision-making process and (2) public policies that address the needs and aspirations of different groups in polities. Inclusion in the decision-making process is a condition

but may not be sufficient for inclusive public policies. Inclusive democracy requires the fulfilment of both conditions.

Democratic theorists argue that for decisions to become binding to someone, they or their representatives have to be involved in the decision-making process (Dahl, 1989; Dryzek, 1996; Pateman, 1970; Young, 2000). Inclusion of various groups, especially in the decision-making process, is important because non-members, in some specific issues, may not be able to represent interests and perspectives of groups whose values, experience and lifestyles are different. To arrive at decisions that are fair and just, all perspectives should be deliberated and weighed (Kymlicka, 1995; Mahajan, 1998; Parekh, 1994; Young, 1990). When someone is deprived of an equal voice, the chances are quite high that his or her 'interests will not be given the same attention as the interests of those who do have a voice' (Dahl, 1989: 76). It may lead to not meeting the needs and aspirations of the excluded groups and may even result in insensitive and harmful policies. Thus, democracy may become less meaningful to the excluded groups. Hence, many democratic theorists consider inclusion a fundamental aspect of democracy (Dahl, 1989; Lewis, 1965; Phillips, 1996; Young, 2000).

#### *Democratisation, Political Institutions, and Exclusion*

In emerging multicultural democracies, consolidation of democracy may become tricky if the question of the state (appropriate institutions) is not settled (Linz & Stepan, 1996: chapter 2). Holding periodic elections may not be sufficient in multicultural societies to consolidate democracies. Accommodative political institutions are required to address the cultural cleavages (Reynolds, 2002). Unfortunately, despite the availability of scholarly knowledge on accommodative institutions, multicultural countries often have not adopted the appropriate institutions to accommodate different groups (Horowitz, 2000b).

Majoritarian institutions are a major cause of political exclusion (Gurr, 1993; Horowitz, 1994; Lewis, 1965; UNDP, 2000). Cross-national studies of a large number of countries have confirmed that countries with a first-past-the-post (FPTP) electoral system and a unitary state face more violent conflict than countries that have adopted some form of proportional electoral system and federalism. The FPTP and unitary structure generally favour larger groups and marginalise minorities (Cohen, 1997; Saideman *et al.*, 2002).

The role of political institutions in political exclusion can also be verified indirectly. Scholars have shown that accommodative structures lead to the inclusion of different groups and management of ethnic conflict. Lijphart (1977) called polities with accommodative institutions consociational democracies.<sup>2</sup> Horowitz and Gurr also, among others, recommend power-sharing

institutions for protection of minority rights and management of ethnic conflict (Gurr, 1993; Horowitz, 2000a). The proportional representation electoral method, federalism, grand coalitional executives and the constitutional protection of minority rights are often recommended for the accommodation of different groups in multicultural societies. Power-sharing institutions have addressed cultural cleavages in established multicultural democracies whereas problems of exclusion have occurred in many culturally plural countries with majoritarian institutions (Cohen, 1997; Harris & Reilly, 1998; Horowitz, 1994; Lewis, 1965; Taylor, 1998).

### **Majoritarian and Consensus Democratic Forms**

Arend Lijphart broadly categorises institutions found in established democracies into consensus and majoritarian forms (Lijphart, 1984; 1999: 225). Lijphart's classification is based on the study of 10 major institutions in 36 western and non-western and developed as well as developing democracies. The majoritarian and consensus institution contrast are presented in Table 1.

A major difference between the two forms is that the majoritarian institutions concentrate whereas the consensus institutions diffuse power. Majoritarian institutions allow a bare majority to control governance structures whereas the consensus institutions seek to maximise the size of the majorities. By broadening the majority requirement, consensus institutions facilitate the participation of more people in governance. They divide and share power among different levels of government, political institutions and

**Table 1.** Majoritarian and consensus institutions

Institutions	Majoritarian	Consensus
Party system	Two-party systems	Multiparty systems
Cabinet	Concentration of executive power	Sharing of executive power
Executive–legislative relation	Dominance of executive	Balance of power between executives and legislature
Electoral system	Majority and plurality methods	Proportional representation
Interest group	Pluralism	Corporatism
Division of power	Unitary and centralised	Federal and decentralised
Parliament	Concentration of legislative power	Division of legislative power
Constitution	Amendment flexibility	Amendment rigidity
Judicial review	Absence of judicial review	High judicial review
Central bank	Dependent	Independent

*Source:* Lijphart, 1999.

actors, and socio-cultural groups. Switzerland, Belgium, the Netherlands, Papua New Guinea, India, Germany, and Austria are consensus polities. The UK, New Zealand (before 1996), and Botswana are, on the other hand, prototypes of the majoritarian model. The majoritarian institutions concentrate power by making the executive strong and facilitating single party control. In the real world, however, there are many established democracies with mixed institutions. Sweden and the US are examples of countries with mixed institutions.

The winner-take-all majoritarian political institutions facilitate exclusion of the losers. In such polities, it is likely that the majority may formulate policies based on their values and priorities. Some of the policies may become harmful to the minorities. The harm may not be long term if the majority changes, as in political-economic issues in non-plural societies. However, if the majority-minority distinction is based on perennial cultural factors, the harm may be long term. Thus the minorities may become permanent losers in culturally plural societies with majoritarian institutions.

Majoritarian institutions have addressed class cleavages and consolidated democracies in non-plural societies where cultural cleavages are not salient but have failed to do so in multicultural polities because they cannot address cultural cleavages (Lewis, 1965; Lijphart, 1977; 1984). Consensus institutions, on the other hand, can address both class and cultural cleavages.

Scholars have called the consensus-majoritarian framework a path-breaking concept (Norris, 2002). Lane and Ersson (2000: 207) go further and say that it is 'perhaps the most influential institutional text in political science during the post-war period'. Lijphart's framework has a number of advantages over other institutional choice models for analysing political systems. First, this framework does not limit itself to a few institutions such as presidentialism-parliamentarism or proportional-plurality electoral systems for explaining the political phenomena. It analyses ten influential institutions. Complex phenomena like political systems can be better explained by models that incorporate more variables that influence it.

Second, this approach also does not deal with only one type of democracy, as federalism and consociationalism do, but analyses the power distribution by contrasting two principally opposite democratic institutions. It allows, as in the current study, to see where a particular polity may belong in the majoritarian-consensus continuum.

Third, and more important for us, the underlying basis of the consensus model, as will be discussed in the next section, is the accommodation of different groups in the polity. The consensus model incorporates institutions such as federalism and proportional electoral systems that have been established as inclusive (Cohen, 1997; Schmidt, 2002). Hence the majoritarian-consensus framework can be adapted to assess inclusive/exclusionary characteristics of polities.

Fourth, the consensus model overcomes the shortcomings of the consociational model, its precursor. The consensus model does not rely heavily on elite accommodation nor does it freeze/reify minority identities. It is based on mass electoral competition, within certain inclusive institutional parameters that maximise majorities, to distribute power. Thus, this framework is better in taking account of the dynamics of identity changes, patterns of mass mobilisation and people's preferences.

### *Consensus Democracy and Inclusion*

Lijphart reduces the ten institutions to two dimensions using factor analysis. The two dimensions (executive–parties and federal–unitary) of democracy provide us with four clusters: consensus and majoritarian as two opposite clusters and unitary–consensus and federal–majoritarian as mixed ones. Lijphart found that the majoritarian cluster mostly had non-plural democracies (nine non-plural and three plural) and the consensus cluster mostly plural democracies (six plural and one non-plural).<sup>3</sup> The consensus–unitary (six plural and six non-plural) and federal–majoritarian (three plural and two non-plural) clusters have a more or less equal number of plural and non-plural democracies.

Of the 18 established plural democracies in Lijphart's study, six are in the consensus cluster (Switzerland, Germany, Netherlands, Austria, India, and Papua New Guinea), three in federal–majoritarian (the US, Canada, and Spain), six in consensus–unitary (Finland, Belgium, Italy, Mauritius, Israel, and Luxembourg), and three in the majoritarian cluster (France, Colombia, and Trinidad and Tobago). Of the plural democracies 83.33 per cent have some consensus institutions, either in the executives–parties, federal–unitary dimensions, or both.<sup>4</sup>

Even the three plural democracies that are in the majoritarian cluster do not exhibit strong majoritarian positions on Figure 1. Colombia has shifted in the consensus direction on both dimensions (comparison between pre- and post-1971 years). France has also become less majoritarian with greater decentralisation in 1981 and active judicial review since 1974 (Lijphart, 1999: 255). Thus a trend towards becoming less majoritarian (except for Trinidad and Tobago in the executives–parties dimension) can be observed in the plural democracies found in the majoritarian cluster. With a population of 1,287,000 (1995 count), Trinidad and Tobago's institutions are susceptible to the influence of its small size. It has less necessity for decentralisation–federalism, a major consensus element.

Lijphart found the degree of cultural pluralism explained the clustering of the institutions more. In both the dimensions, plurality was the weaker explanatory variable but since the stronger variables, British political heritage

and population size of countries, are significant predictors only on one dimension (executives–parties and federal–unitary, respectively), plurality becomes a stronger predictor when both dimensions are considered (Lijphart, 1999: 250–253).

The evolution of different type of institutions in the established plural (consensus) and non-plural (majoritarian) democracies means that the institutions found in culturally plural democracies have emerged to address the cultural cleavages in such societies. Representation of women is higher and public policies are more inclusive in polities with consensus institutions (Lijphart, 1999: chapter 16). Lijphart also demonstrates that consensus polities are gentler and kinder and they formulate policies that are more favourable to disadvantaged groups and minorities. Without including different groups, democracies would not have become established in multicultural societies. Thus, it can be safely assumed that the consensus institutions are inclusive. Extending the logic, we can say that if new democracies adopt consensus institutions they may have better chances of including different groups and subsequently consolidating democracy.

### **The Collective Effect of Nepali Institutions on Exclusion**

Are the Nepali institutions inclusive or not? This study conducts a cross-national evaluation of ten influential political institutions collectively as well as individually to seek an answer. Before that, however, it is essential to describe the Nepali context.

#### *Brief Political History of Nepal*

The House of Gorkha conquered different kingdoms, principalities, and indigenous peoples from 1769 to form what later on became the kingdom of Nepal. The monarchy weakened after 1846 for a century when the Rana family effectively assumed autocratic control of the governance of the country. The Ranas introduced a Civil Code in 1854 that imposed the Hindu caste hierarchy on non-Hindus. The Ranas were thrown out in 1951, after which the polity remained open for a decade. The first parliamentary election was held in 1959 but after 18 months King Mahendra deposed the democratic government and introduced the Panchayat system, a guided democracy that lasted for 30 years. During these periods, the dominant ethnic/caste group consolidated its position in the polity and society at the cost of other groups.

The restoration of democracy in 1990 opened up the polity again. Three general and two local elections were held up to 1999, after which successive governments were unable to conduct elections across the country due to the ongoing Maoist insurgency. The post-1990 democratic epoch witnessed

widespread corruption, the politicisation of administration, and the continued exclusion of minorities from the governance of the polity. The Maoist insurgency, launched in February 1996, grew rapidly with the support and participation of a large section of the alienated population, including the excluded ethnic/caste groups (Lawoti, 2003). The King dismissed the elected government in 2002 and began ruling directly from February 2005 until popular mobilisation forced him to return power in April 2006.

### *Political Exclusion in Nepal*

I consider the indigenous nationalities (*adibasi-janajati*), *madhesi* (people of the Terai plains), *dalit* (traditionally considered 'untouchable' Hindus), and women as the excluded groups.<sup>5</sup> Broadly, these groups face domination in cultural spheres and in accessing resources (material well-being, political access and positions, and influence). This is despite the indigenous nationalities, *dalit* and *madhesi* collectively constituting more than two-thirds of the population. The cultural and resource-wise dominant group, the Caste Hill Hindu Elite Males (CHHEM) consisting of *Bahun*, *Chhetri*,<sup>6</sup> *Thakuri* and *Sanyasi*, is not a numerical majority.<sup>7</sup> The Newar, an indigenous group from the capital, is also better off economically and politically but faces cultural discrimination.

The restoration of democracy in 1990 that lifted the ban on political parties and introduced considerable political rights and civil liberties did not significantly improve the position of these groups in the governance of the country. This was despite the explosion of identity movements (Gellner, 1997; Hangen, 2000; Pfaff-Czarnecka, 1999). In fact, the political exclusion of some of the groups in the Parliament and administration increased after 1990 compared to the 1959–1960 democratic period and the undemocratic Panchayat epoch (Lawoti, 2005; Neupane, 2000).

The marginalised position of various socio-cultural groups becomes evident if we examine their representation in influential government and societal positions. Neupane found that the CHHE<sup>8</sup> dominated politics, executive, judiciary, Parliament, civil administration, academia, industry and commerce, civil society, local government, and educational and cultural leadership (Neupane, 2000). Jointly the CHHE (30.89 per cent) and *Newar* (5.48 per cent) are 36.37 per cent of the population, but in 1999 they were holding more than 80 per cent of the leadership positions in the important arenas of governance. Even the relatively more open realms such as the media, civil society, and politics demonstrate the high exclusion of traditionally marginalised groups. Women's presence in public positions, including that of CHHE women, has been insignificant as well. Women's representation never passed six per cent in the House of Representatives (HOR) formed in 1991, 1994, and 1999. Some of the cabinets had no women at all. In 1997 women accounted for

five and four per cent respectively in the gazetted civil service and judiciary respectively (Acharya, 2003; FWLD, 2000).<sup>9</sup>

The extreme level of exclusion prevalent in Nepal can be better understood with the case of the *dalit*. Only one dalit got elected to the HOR and not a single dalit was made a cabinet member during the democratic epoch from 1990 to 2002.

### **Methodology and Data**

I adapt Lijphart's majoritarian–consensus framework to find out whether the overall Nepali institutions are inclusive or exclusionary, measure Nepali institutions following Lijphart's method and compare them with his 36 established democracies. As discussed earlier, different types of political institutions have facilitated consolidation of democracies in culturally plural and non-plural societies. Since political institutions in the established plural democracies contributed to the consolidation of those democracies, among other ways, by including different groups in governance, those institutions can be considered inclusive. Thus, if the institutions in new democracies are similar to the institutions found in established plural democracies, they will be deemed inclusive.

Here my claim is not that political institutions alone determine political exclusion or inclusion. Rather, the article accepts that the interactions of formal with informal institutions, of rules with norms, practices and conventions, and of actors' strategies with both formal and informal institutions provide a better and more complete explanation of the exclusions or inclusions that are observed. The aim of this article, however, is to determine the role of the institutions in inclusion or exclusion, and that can be achieved by comparing the Nepali institutions with Lijphart's institutions. The strategies of the actors and informal institutions had also interacted and affected the institutions in Lijphart's study. Despite those interactions and impacts, there was a clear clustering of culturally plural and non-plural democracies based on institutional forms. When we measure the Nepali institutions and compare them to institutions from 36 democracies, the effect of informal institutions and actors' strategies remain constant.

We have to keep in mind, however, that Nepal is not an established democracy. The effect of the Nepali institutions may not be similar to that in established democracies. After all, the established democracies consolidated because they had certain characteristics and institutions that were different from those of non-established democracies. Hence, when the varying degrees of democracies produce differential effects, they will be pointed out.

Evaluating new democracies using Lijphart's framework is not problematic either. We are not aiming to contest or revise Lijphart's model or develop an

alternative empirical theory on democratic forms. Evaluations are often conducted by comparing the object with ideal or established standards.

Additionally, we should be aware that Lijphart's framework includes some institutions like the central bank and interest groups that do not directly capture inclusion or exclusion of cultural groups. They capture power sharing or concentration but power sharing may not always lead to inclusion. Power can be shared by members of the dominant group belonging to different ideological factions while excluding members of other groups.

Lijphart's definition and selection of democracies allows us to test the inclusive or exclusionary characteristics of institutions. First, Lijphart analysed only those countries that were fully 'Free' in the Freedom House ratings. The 'Partly Free' countries like Nepal were not included in the analysis. Second, all his democracies have lasted for at least 19 years without interruption. The long range allows analysis of the effects of institutions on the polity. Institutional effects take time to manifest. Evaluation of the polities for long periods ensures that the measurement really reflects democracy and not a fluke behaviour in a particular period. The two criteria ensure that the countries are established democracies. The advanced democracy 'yields a set of clear and unquestionable cases of democracy on which we can base our comparative analysis' (Lijphart, 1984: 38).

Specifically, we will see in which quadrant of the majoritarian–consensus distribution the Nepali institutions fall, or in other words are the Nepali institutions similar to majoritarian, consensus, or mixed institutions. If the Nepali institutions fall in the consensus quadrant, they can be deemed inclusive. They will be considered non-inclusive if they fall in the majoritarian quadrant. If they fall in the consensus–unitary or federal–majoritarian quadrants, they will be deemed inclusive in one dimension of democracy while non-inclusive in the other. The logic for the comparison is summarised below:

- Institutions contribute toward consolidation of democracies because without appropriate institutions, democracies would not have consolidated.
- Democratic institutions found in established plural democracies are different from those found in non-plural ones. Established plural democracies can be deemed inclusive because if they had not included different groups, they would not have consolidated.
- If the Nepali institutions are similar to those found in established plural democracies, they can be deemed inclusive.

### **Measuring Nepali Political Institutions**

The indices for Nepali institutions, the highest majoritarian and consensus values, and the mean values of institutions for plural, non-plural, and 36

democracies are given in Table 2 (the detailed calculations of the indices can be provided upon request). The values help us to see where a particular Nepali institution lies. If the values are higher or lower than the mean plural or non-plural democracies, I consider the value to be highly majoritarian or consensus. On the other hand, if the Nepali institution's value is in between the mean values of consensus and majoritarian countries, then I consider it as a moderate value. I term it either majoritarian or consensus depending on which mean values it is closer to.

*Division of power* measures the centralisation and decentralisation.<sup>10</sup> The most decentralised states are federal decentralised polities whereas the most centralised states are centralised unitary states. This can measure exclusion/inclusion because if a state is a federal system, different ethnic groups may enjoy autonomy. Nepal got the highest index of centralisation (1 out of 5) reflecting its non-inclusive characteristic in this respect.

*Electoral system's* degree of disproportionality measures the difference between a party's vote share and seat share in elections. If the degree of

**Table 2.** Indices of Nepali institutions in comparative perspective

Institution	Max. maj. Index	Max. cons. Index	Mean of 36	Mean non-plural	Mean plural	Nepali index
Party system: effective number of parties	1.35	5.98	3.17	2.65	3.69	3.14
Cabinets: minimal winning %	100	4.1	69.99	76.19	43.06	54.99
Executive–legislative relation: domination or balance	5.52	1	3.32	3.74	2.9	-
Electoral system: disproportionality %	21.08	1.3	8.26	8.64	7.88	10.47
Interest group: pluralism or corporatism	3.56	0.44	2.24	2.42	2.06	3
Division of power	1	5	2.27	1.61	2.93	1
Parliament	1	4	2.21	1.91	2.51	2.13
Constitution: rigidity in amendment	1	4	2.6	2.35	2.84	1*
Judicial review	1	4	2.17	1.94	2.4	1*
Central bank: independent or dependent	0.17	0.69	0.38	0.33	0.41	0.36

\* revised index.

Sources: Lijphart (1999) and fieldwork in Nepal, 2000–2001.

disproportionality is low, then the political parties get seats closely proportionate to their vote share. If the disadvantaged groups are mobilised and ethnic political parties exist, the degree of disproportionality can help to gauge inclusion/exclusion. If the disadvantaged groups have smaller parties and the electoral system favours larger parties, a high disproportionality would indicate that disadvantaged groups are probably excluded. If the disproportionality is low, it may suggest that the smaller disadvantaged group parties would get seats proportionate to their vote share. The disproportionality index for Nepal is 10.47. It is higher than the average for non-plural democracies, indicating a highly majoritarian value.

*Party system* is measured by the effective number of political parties in a polity, based on the proportion of seats of the political parties in the legislature. If the effective number of parties is more than two, then the party system consists of more than two influential political parties. A multiparty system has higher chances of having political parties representing the interests of disadvantaged groups than a two-party system. Thus, a multiparty system may promote inclusion whereas a two-party system may not. In Nepal, the effective number of parties is 3.14. It is a multiparty system.<sup>11</sup>

*Cameral structure* measures whether a country has a unicameral or bicameral system that is balanced (more or less equal power and legitimacy between two chambers representing different constituencies). Balanced bicameral system can represent the interests of disadvantaged groups, especially if one of the chambers represents different ethnic groups or regions. Nepal has an index of 2.13 in a range of 1 to 4, where 1 represents a unicameral legislature and 4 a balanced and incongruent Parliament. Nepal has weak bicameralism.

*Cabinets* can be consensus or majoritarian in terms of their formation. A coalition cabinet would facilitate power sharing among a number of constituent parties whereas if a majority party forms a cabinet, power would be concentrated. If effective ethnic parties or parties with strong linkages with social groups exist and if coalition cabinets involving those parties are formed, then inclusion would be facilitated. Lijphart measured power concentration/sharing in a cabinet by the proportion of time one-party cabinets were formed. The institution would be the most majoritarian if a country formed one-party cabinets all the time (100 per cent), whereas it would be consensus if it were less so. The Nepali index of 54.99 per cent shows that Nepali cabinets have moderate power-sharing attributes. It is closer to the mean of plural than non-plural democracies.<sup>12</sup>

*Central bank* independence means less power to the executive. It is 'yet another way of dividing power' (Lijphart, 1999: 233). This institution, like the interest group pluralism discussed below, does not have direct consequences for inclusion/exclusion. However, it has indirect influences. If the

central bank is not under the rule of the cabinet that is controlled by the dominant group, the dominant group will face more difficulty in exploiting it for its group interests or filling the bank with dominant group members. Further, it can indirectly facilitate inclusion by diffusing power. The index for central bank independence for Nepal is 0.36. It is higher than but close to the average of the non-plural countries. It shows moderate majoritarian characteristics, reflecting the dependence of the central bank on the executive.

*Interest group system* measures power sharing or concentration among interest groups. Interest group pluralism is majoritarian because a resourceful group can influence a decision all the way. On the other hand, interest group corporatism facilitates power sharing by requiring coordination of several groups' interests in major policy realms. For instance, in corporate democracies labour, business, and government representatives regularly consult to arrive at binding comprehensive agreements. The index for interest group pluralism for Nepal is 3 in a range of 0 to 4. It is highly majoritarian.

Despite the lack of direct relevance of central bank independence and interest group system, I have included these two institutions in the cross-national evaluation because the use of as many institutions/variables as the original framework would make the analysis more robust.

### *Adapting the Measurements to the Nepali Context*

Some problems surfaced in measuring some of the institutions. The first problem is that some institutions' indices misrepresent their actual effect on the disadvantaged groups. Judicial review and rigidity in the constitutional amendment process are cases in point. In established democracies, *judicial reviews* protect minority rights by restraining the majoritarian impulses of the polity. Often judicial reviews safeguard the minority rights that are protected in the Constitution. The high judicial review in Nepal, on the other hand, instead of protecting minority rights, has often facilitated domination by minorities. This is primarily because the Constitution contains articles that discriminate against the disadvantaged groups. For instance, the Constitution declares the Kingdom a Hindu State, bans ethnic political parties, limits education in non-Nepali native languages to primary level only and permits citizenship only through male descent (Lawoti, 2005; Subba *et al.*, 2000). Additionally, the CHHEM justices, who overwhelmingly dominate the Supreme Court, are unable to look beyond their caste/gender values and interests while interpreting the articles of the Constitution (Pro-Public, 2000).<sup>13</sup>

Likewise, *rigidity in constitutional amendment* process generally protects the rights of minorities in established democracies by making it difficult to

amend constitutional articles that protect minority rights. However, since the articles of the Constitution discriminate against minorities in Nepal, the rigidity in the amendment process facilitates the domination of CHHEM. It creates difficulties in amending the constitutional discrimination toward the indigenous nationalities, *madhesi*, and women.

These two institutions have facilitated the continued domination of the disadvantaged groups. The straightforward measurement and interpretation of these institutions would misrepresent Lijphart's conceptualisation and formulation. This problem can be resolved by awarding the two Nepali institutions majoritarian values. Then the indices would reflect their effect in the polity: concentration of power and facilitation of the exclusion. Hence, I have given both judicial review and constitutional rigidity the majoritarian score of 1.

The second problem is the inability of the methodology to capture the inclusion/exclusion of minorities even when the institutions share power.<sup>14</sup> The measure of *executive-legislative relations* shows a high consensus index but is, however, unable to reflect inclusion/exclusion in Nepal. Executive-legislative relations would be consensual if the cabinet and the legislature balanced power, and majoritarian if the cabinet dominated. Lijphart uses the length of the cabinets as the indicator of the relative power of the executive. The logic is that 'A cabinet that stays in power for a long time is likely to be dominant vis-à-vis the legislature, and a short lived cabinet is likely to be relatively weak' (Lijphart, 1999: 129). Due to frequent government changes (11 governments from 1991 to 2001), Nepal shows non-dominance of the cabinet. However, the weak representation of disadvantaged groups in the Parliament and the cabinet means that even when power is shared between legislature and the executive, disadvantaged groups do not access it. The dominant group members, who control the major political parties, shared power among themselves. This demonstrates that power sharing may not necessarily lead to inclusion.

Secondly, the frequent government change in Nepal is largely due to politicians' hunger for power. It is not due to formal institutional mechanisms. Despite the misrepresentation, it is not easy to revise the index as we do not know how much this contributed to the exclusion, unlike in the case of rigidity of amendment and judicial review, where their role in exclusion was obvious and significant. Thus, I have dropped this variable from the comparison.

### **Cross-national Evaluation: Exclusionary Nepali Polity**

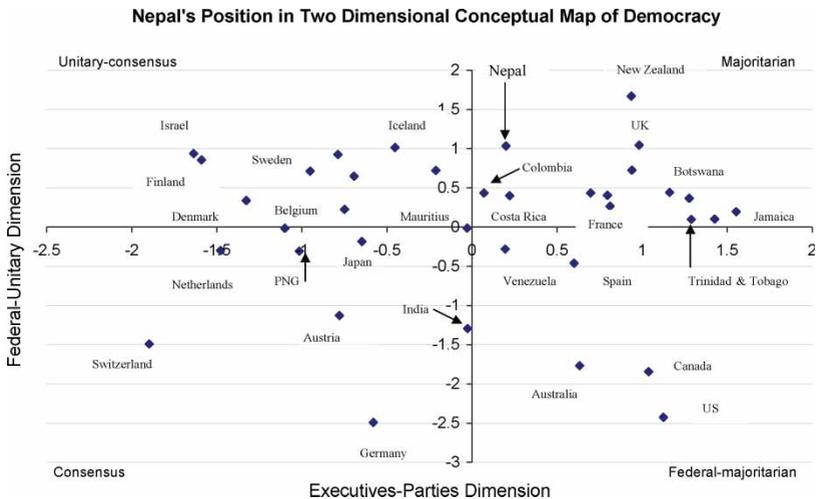
Factor analysis calculated the value of the executive-parties and federal unitary dimensions for Nepal as 0.20 and 1.03 respectively. The values

of the two dimensions for the 36 established democracies are found in Appendix A in Lijphart (Lijphart, 1999: 312). The position of Nepal in the two-dimensional map of democracy is shown in Figure 1. The addition of Nepal to Lijphart's 36 established democracies did not make any significant difference to the factor loadings. Dropping the executive-legislative relations variable also did not affect the factor loading significantly: there are only slight changes in the executives-parties dimensions.<sup>15</sup>

Nepali political institutions lie fully on the majoritarian cluster in the two-dimensional map: it is majoritarian in both the federal-unitary and executives-parties dimensions.<sup>16</sup> The institutions are not similar to those found in established plural democracies. Thus the Nepali institutions can be deemed not inclusive.

The extent of exclusion in Nepal is higher than suggested by its position on the two-dimensional map. Some of the institutions showed consensus attributes, despite not including the marginalised groups. In other words, the position of Nepal in the two-dimensional map of democracy is conservative in terms of majoritarianism. In addition, analyses of individual institutions show that not a single institution included marginalised groups, despite some showing power-sharing attributes. If there had been some inclusive institutions, they might have negated some of the exclusionary effect.

More important, as discussed earlier, studies have shown the constitutional articles, the unitary structure, and the electoral system in Nepal to be



**Figure 1.** Nepal's position in two-dimensional conceptual map of democracy

exclusionary (Bhattachan, 2000; Gurung *et al.*, 2000; Lawoti, 2005). For instance, the unitary state has meant the absence of autonomy for ethnic groups. Likewise, compared to the proportional representation system, the FPTP electoral system has favoured the large political parties controlled by the dominant group denying proportionate representation to small ethnic-oriented parties. Similarly, as discussed earlier, constitutional articles discriminate against the disadvantaged groups.

The combination of individual and collective analysis of institutions permits us to say that the overall effect of the institutions is exclusionary. Some single institutions have been shown to be exclusionary whereas the collective effect of the institutions are non-inclusive. The net effect is exclusionary.

The exclusionary institutions further reinforce the exclusionary effect of the socio-historical factors. The exclusionary institutions also obstruct efforts the disadvantaged groups make towards inclusion. Thus, even the 'explosion' of identity movements after 1990 did not increase the presence of disadvantaged groups in influential governance positions.

## **Conclusion**

This study has provided several academic and policy-relevant insights into the effects of political institutions on democratisation. First, it shows that the political institutions in Nepal are exclusionary. Despite being culturally diverse, Nepal adopted majoritarian institutions in 1990. That is a major underlying cause of the exclusion of numerous socio-cultural groups during the democratic epoch.

The exclusion of a substantial population from the polity is not a good sign for a new democracy. The excluded groups may become alienated and the 'democratic' polity may no longer remain legitimate to them. They may support anti-democratic forces, as has become clear in Nepal. The substantial support of the disadvantaged groups for the Maoist insurgency is a clear sign of this. Likewise, some leaders of ethnic parties joined the various royal governments formed after the dismissal of the elected government in October 2002. Further, like the rest of the common people, the disadvantaged groups' organisations did not formally support the anti-regression movement launched by the major political parties against the King's interventions.<sup>17</sup>

Second, the analysis of individual institutions provides interesting insights that can have academic and policy relevance beyond Nepal. Some of the institutions did not include different groups despite showing power-sharing attributes. It indicates that while proposing inclusive institutions, in some

cases we may have to go beyond consensus institutions and specifically propose institutions that clearly accommodate different groups.

The study also shows that to evaluate the role of institutions in exclusion/inclusion, ideally only the institutions that directly include or exclude should be considered. Lijphart's framework can be adapted for such a purpose by dropping less relevant variables. Developing an entirely a new framework for evaluation may not be possible in a short time, especially because comparable data is needed. Lijphart's method, despite a certain lack of fit, is not a significant problem because in any quantitative study, the methodology and its operation may not be able to capture the specificities of particular countries.

Third, and more important, this study demonstrates that the inclusive/exclusionary attributes of major institutions can be collectively assessed. The evaluation of Nepali institutions demonstrates that the consensus-majoritarian framework is useful for evaluating institutions' role on exclusion/inclusion. In that sense it demonstrates the further usefulness of the consensus-majoritarian model. However, the measurement of some institutions may have to be revised to take into consideration each country's institutional idiosyncrasies. Combined with attention to a country's individual institutions' effects, a cross-national evaluation can provide a more comprehensive picture.

Finally, this study has significant policy relevance in today's world where many emerging multicultural democracies are facing problems in consolidating their democracies due to inappropriate political institutions. Adopting political institutions that merely guarantee political rights and periodic elections may not be sufficient to consolidate democracies in multicultural societies. The inclusion of different social cultural groups in the governance of polity is essential to prevent violent conflict and to consolidate democracy. Evaluating political institutions in multicultural democracies that are floundering may allow us to determine whether the political institutions are a cause of the problem or not. Thus, the evaluation model developed here can have wide policy implications.

Even older democracies can benefit from institutional evaluations. They can deepen their democracies if the evaluation finds that they do not have appropriate institutions. Gurr (2000) found that established democracies had higher economic inequality among ethnic groups compared to new and transitional democracies. Political reforms could address the inequalities by ensuring the inclusion of minorities in policy-making positions.

Political structures, especially those analysed here, are basic institutions that lay down norms and rules for the operation of the polity. When such fundamental institutions are exclusionary in nature, exclusion will continue and the excluded groups may become alienated, leading to greater

support for antidemocratic elements. In such situations, democracy is put at risk.

## Notes

1. The focus of this article is on exclusion at the governance level and not on exclusion in relation to citizenship or adult franchise.
2. Consociational democracy explains power sharing, autonomy, and accommodation in culturally diverse societies in terms of federalism, mutual veto, proportional electoral system, grand coalition, and rigidity in constitutional amendment to safeguard minority rights.
3. Lijphart's plural and semi-plural democracies have been lumped together as plural here.
4. Even the remaining 16.67 per cent of the plural democracies with majoritarian features have some inclusive institutions. For instance, France and Colombia have a high judicial review (3 out of 4) and balanced bicameralism (3 and 3.1 respectively out of 4) and Trinidad and Tobago has high constitutional amendment rigidity (3 out of 4).
5. According to the 2001 census, indigenous nationalities made up 36.31 per cent (mountain = 0.82%, hill = 26.51%, Inner Tarai = 1.11%, and Tarai = 7.85%), *madhesi* (Tarai indigenous nationalities, dalit, and Muslim = 4.29) 32.29 per cent; and the *dalit* (hill = 7.09, Tarai = 6.74) 14.99 per cent of the population (Bhattachan, 2003).
6. *Economic indicators* show that *Chhetris* do not fare well. This is largely because *Khasa* of the west, who are extremely poor, are included in the *Chhetri* category. A prominent anthropologist like Bista has argued that the *Khasa* are a different people (Bista, 1996). Even if the *Khasa* are not categorised separately, it should be acknowledged that the *Khasa*'s performance is much worse than *Chhetris* of other areas. Conservative estimates say *Khasa* are at least 4 per cent of the population.
7. *Thakuri* (1.47%), *Sanyasi* (0.88%), *Bahun* (12.74%), and *Chhetri* (15.8%) form the dominant group. The latter two are the largest ethnic/caste groups, and are the hill Brahmin and *Kshatriya* respectively.
8. CHHE denotes the dominant group, including women.
9. The position of women in public administration has steadily increased since 1971. It was 4.2 per cent in 1971, 6.6 per cent in 1981, and 9.3 per cent in 1991 (Acharya, 1994).
10. See Lijphart (1999) for theoretical discussion and detailed operation of the ten institutions.
11. The multiparty system in Nepal is largely the reflection of ideological diversity rather than cultural diversity. In 1999, the CHHE dominated the three largest political parties with 67.5 per cent. The three parties won 94 per cent of the seats in the Parliament in the 1999 election, thus influencing the effective number of parties (Neupane, 2000: 71).
12. However, despite capturing power sharing among different political actors, the method was unable to measure inclusion/exclusion in Nepal. In 1999, 62 per cent of the cabinet members belonged to the CHHE. This was largely due to the negligible presence of marginalised groups in the major political parties.
13. Eighteen of the 20 Supreme Court justices in 1999 belonged to the dominant group (Neupane, 2000).
14. The discussion of the lack of fit between Lijphart's method and Nepali institutions is not an attempt to argue against the Lijphartian framework. Since Nepali democracy is 'Partly Free', as designated by Freedom House, whereas Lijphart's generalisations are based on

- an analysis of 'Free' countries with uninterrupted democratic practices for at least two decades, the Nepali data cannot be used to question the concept.
15. The factor loading of effective number of parties and cabinets (0.04 and 0.03 respectively) increased slightly and that of the electoral system and interest group pluralism (0.05 in each variable) increased slightly.
  16. Ireland moved to the majoritarian cluster from the unitary–consensus cluster with the addition of Nepal in the analysis. All other countries remained in the same clusters as in the analysis of 36 democracies even though their positions slightly changed. For example, Austria and India are further apart. For the more precise positions of the democracies, Lijphart (1999: 248) should be consulted.
  17. Some professional and disadvantaged groups' organisations supported the movement after April 2004 after the political leaders apologised for the mistakes they had made since 1990 and the King's commitment toward democracy began to be suspect when he showed an inclination to be involved in governance.

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