



Australian Government
Refugee Review Tribunal

Country Advice

Nepal

Nepal – NPL39722 – Young Communist
League – Extortion

11 January 2012

- 1. Please provide information as to whether the Young Communist League (YCL) seeks ‘donations’ from businesses in Nepal and, if so, is there reporting of the YCL requesting ‘donations’ by letter and/or engaging in extortion?**

The Young Communist League (YCL) is the youth wing of the Unified Communist Party of Nepal (Maoist) (UCPN (M)). The YCL was re-activated in 2006, and appears to be the largest of the political party youth wings in Nepal. The activities of the YCL are directed by the leadership of the Maoist party and coordinated at a peer level with the youth wing.¹ The International Crisis Group reports that the YCL was established “to provide the Maoists with muscle in everyday politics”.²

In recent years, the YCL has engaged in extortion, including demanding donations from local businesses.³ Limited information was located on whether such donations are demanded by letter, although one source notes that non-governmental organisations have received donation letters from the Maoist party.⁴ In October 2011, Nepali Congress President Shushil Koirala publicly called for the Maoists to dismantle the YCL and completely cease engaging in extortion, suggesting that such activities were continuing.⁵

A 2011 report by the Carter Center states that the YCL has been “implicated in extortion, intimidation and violent activities”. Such activities were particularly prevalent in the lead up to the 2008 Constituent Assembly election in Nepal. Carter Center observers in Nepal from June 2009 to January 2011 “heard many reports of negative youth wing activities, primarily involving the YCL...which are aimed at obtaining financial gain...In many districts, the YCL [has] interfered in contract tender processes, been complicit in smuggling [and] solicited forced donations”.⁶

Government officials, businessmen and ordinary citizens reported to the Carter Center that the YCL sought forced donations and engaged in unlawful taxation. YCL cadres allegedly

¹ The Carter Center 2011, *Political Party Youth Wings in Nepal*, 28 February, p.12

http://www.cartercenter.org/resources/pdfs/news/peace_publications/democracy/nepal-political-party-youth-wings-022811-en.pdf – Accessed 17 March 2011

² International Crisis Group 2010, *Nepal's Political Rites of Passage*, Asia Report N°194, 29 September, p.10

³ The Carter Center 2011, *Political Party Youth Wings in Nepal*, 28 February, p.12

http://www.cartercenter.org/resources/pdfs/news/peace_publications/democracy/nepal-political-party-youth-wings-022811-en.pdf – Accessed 17 March 2011

⁴ Office for the Coordination of Humanitarian Affairs Nepal 2010, ‘Situation Report: United Communist Party of Nepal-Maoist (UCPN-M) General Strike’, Issue No. 1, ReliefWeb, 7 May, p.2

http://reliefweb.int/sites/reliefweb.int/files/resources/CF1AE71BE222737C4925771C00223D9A-Full_Report.pdf – Accessed 6 January 2012

⁵ ‘Maoists not committed to peace: Koirala’ 2011, *Repubblica*, 2 October

⁶ The Carter Center 2011, *Political Party Youth Wings in Nepal*, 28 February, pp.1-3

http://www.cartercenter.org/resources/pdfs/news/peace_publications/democracy/nepal-political-party-youth-wings-022811-en.pdf – Accessed 17 March 2011

“pressured citizens, shopkeepers, and wealthy businessmen for donations ranging from in-kind food and housing contributions up to approximately 500,000 NRs [Nepalese Rupees]”.^{7 8} A number of sources reportedly advised Carter Center observers that individuals are compelled to give donations due to “the implicit threat that accompanies persistent YCL requests”. According to one interviewee, those targeted do not speak openly about such requests for fear of reprisal.⁹

In April 2011, the International Crisis Group (ICG) noted “continuing extortion by the [Maoist] party’s various wings”, and lists “targeted extortion of businesses” as a source of revenue for the Maoist party. The report states that following the end of the civil war in 2006, the YCL was “at the frontline of Maoist economic activity, involved in extortion and various industries...and trades”. The YCL is reportedly “still organised along economic lines”, with a number of active units whose activities either support the party or expand the influence of individuals within the party.¹⁰

The ICG reported in September 2010 that the Maoists demand donations for specific programs, and that youth wings of political parties in general “are involved in forceful protests like strikes, extortion, kidnapping, killings and clashes over tenders”. Extortion by armed gangs is particularly prevalent in the Terai region, where the majority of victims are “small businessmen or families who are sent remittances by relatives abroad”.¹¹ The US Department of State similarly reports that throughout 2010, “[t]he YCL occasionally conducted illegal forced searches of businesses, civilian homes, and property”. In the Terai region, the YCL and other Maoists “frequently committed acts of violence, extortion, and intimidation”.¹²

The Himalayan Times reported in May 2010 that Maoist cadres, including members of the YCL, were extorting money and food commodities from many businesses in Kathmandu, forcing many shopkeepers to close out of fear. The ‘donation drive’ targeted numerous businesses in many areas of the capital. Shopkeepers reported being threatened with violence if they failed to comply with donation demands, despite the Maoists publicly announcing that donations were voluntary.¹³ Also in May 2010, non-governmental organisations and community leaders in various districts reported receiving letters from the Maoist party

⁷ The Carter Center 2011, *Political Party Youth Wings in Nepal*, 28 February, p.12

http://www.cartercenter.org/resources/pdfs/news/peace_publications/democracy/nepal-political-party-youth-wings-022811-en.pdf – Accessed 17 March 2011

⁸ According to the World Bank, Nepal’s current GDP per capita is US\$490, approximately 41,427 NRs. The World Bank 2011, ‘Nepal Country Overview 2011’, 21 September <http://go.worldbank.org/4IZG6P9JI0> – Accessed 9 January 2012; ‘(USD/NPR) US Dollar to Nepalese Rupee Rate’ 2011, XE.com, 9 January

<http://www.xe.com/ucc/convert/?Amount=490&From=USD&To=NPR> – Accessed 9 January 2012

⁹ The Carter Center 2011, *Political Party Youth Wings in Nepal*, 28 February, p.12

http://www.cartercenter.org/resources/pdfs/news/peace_publications/democracy/nepal-political-party-youth-wings-022811-en.pdf – Accessed 17 March 2011

¹⁰ International Crisis Group 2011, *Nepal’s Fitful Peace Process*, Asia Briefing N°120, 7 April, pp.1, 11

¹¹ International Crisis Group 2010, *Nepal’s Political Rites of Passage*, Asia Report N°194, 29 September, pp.10, 13, 21, 26

¹² US Department of State 2011, *Country Reports on Human Rights Practices for 2010 – Nepal*, 8 April, Sections 1f,

1g

¹³ ‘Maoists strike donation fear into shopkeepers’ 2010, *The Himalayan Times*, 1 May

<http://site.thehimalayantimes.com/fullNews.php?headline=Maoists+strike++donation+fear+into+shopkeepers&NewsID=242137> – Accessed 28 April 2011

demanding donations. One staff member was allegedly attacked for failing to provide a donation.¹⁴

Furthermore, the ICG reports that a ban by the Maoists on illegal taxation has led former YCL cadres to become involved in extortion and illegal taxation with other armed groups.¹⁵ Recent news reports describe extortion attempts by various gangs and wings of other political parties, including by issuing letters to businesses demanding donations.^{16 17 18 19}

A number of reports indicate that YCL members have been arrested for extortion. In May 2011, *The Kathmandu Post* reported that three YCL members had been arrested for extortion after threatening locals in Lalitpur via telephone with severe consequences if they failed to provide them with “hefty sums of money”.²⁰ In November 2010, the same source reported that seven YCL members were detained “on suspicion of their involvement in extortion and torture of innocent people”, and released after 11 hours of interrogation.²¹ *The Himalayan Times* also reported in November 2010 that another YCL member in Kathmandu was arrested for extortion after “issuing death and abduction threats [by telephone] to businessmen and well-off families”.²²

Nevertheless, the YCL’s extortion activities have reportedly decreased in recent years. In August 2011 it was reported that the YCL, notorious until “a year ago” for carrying out extortion drives, among other things, is now “conspicuously absent from the popular media”. According to YCL coordinator Ganeshman Pun, the YCL has been deactivated by the Maoists for a number of reasons, including factionalism within the party, the growing disillusionment of the youths, and “demands by other political parties to disband its paramilitary structure”.²³

The Carter Center reported in February 2011 that the overall extortion activities of the YCL had decreased since May 2010; however, donation requests remained common.²⁴ Also in

¹⁴ Office for the Coordination of Humanitarian Affairs Nepal 2010, ‘Situation Report: United Communist Party of Nepal-Maoist (UCPN-M) General Strike’, Issue No. 1, ReliefWeb, 7 May, p.2
http://reliefweb.int/sites/reliefweb.int/files/resources/CF1AE71BE222737C4925771C00223D9A-Full_Report.pdf – Accessed 6 January 2012

¹⁵ International Crisis Group 2010, *Nepal’s Political Rites of Passage*, Asia Report N°194, 29 September, p.17

¹⁶ ‘Gang member held in extortion bid’ 2011, *The Himalayan Times*, 14 November
<http://www.thehimalayantimes.com/fullNews.php?headline=Gang+member+held++in+extortion+bid+&NewsID=309273> – Accessed 5 January 2012

¹⁷ ‘Police arrest extortionists’ 2011, *The Himalayan Times*, 22 September
<http://www.thehimalayantimes.com/fullNews.php?headline=Police+arrest+extortionists&NewsID=303625> – Accessed 5 January 2012

¹⁸ ‘Stop extortion: Dharan tycoons’ 2011, *The Himalayan Times*, 24 August
<http://www.thehimalayantimes.com/fullNews.php?headline=Stop+extortion%3A+Dharan+tycoons&NewsID=300509> – Accessed 5 January 2012

¹⁹ ‘Man in police net for extortion attempt’ 2011, *The Himalayan Times*, 7 July
<http://www.thehimalayantimes.com/fullNews.php?headline=Man+in+police+net+for++extortion+attempt+&NewsID=294652> – Accessed 5 January 2012

²⁰ ‘Crime watch: ‘Extortionist’ YCL cadres in police net’ 2011, *The Kathmandu Post*, 10 May

²¹ ‘YCL activists held, released’ 2010, *The Kathmandu Post*, 28 November <http://www.ekantipur.com/the-kathmandu-post/2010/11/28/nation/ycl-activists-held-released/215398/> – Accessed 28 April 2011

²² ‘YCL cadre held for bid to extort’ 2010, *The Himalayan Times*, 25 November
<http://www.thehimalayantimes.com/fullNews.php?headline=YCL+cadre+held+for+bid+to+extort&NewsID=266955> – Accessed 5 January 2012

²³ ‘What went wrong with YCL?’ 2011, *Republica*, 11 August

²⁴ The Carter Center 2011, *Political Party Youth Wings in Nepal*, 28 February, p.12
http://www.cartercenter.org/resources/pdfs/news/peace_publications/democracy/nepal-political-party-youth-wings-022811-en.pdf – Accessed 17 March 2011

February 2011, *The Himalayan Times* reported “a lull in extortion”, due to a police “crackdown on major extortion rackets”. According to the Nepali Police, no complaints of extortion were filed over the previous month in Kathmandu, compared to an average of four cases a week being filed previously. The crackdown reportedly followed pressure from the business community for the police to provide security. Nevertheless, some cases may go unreported due to threats and the fear of retribution.²⁵

Furthermore, the ICG cites an April 2010 survey, which found that the “majority of respondents believed that extortion, political violence and organised crime had fallen”. In addition, the survey noted that 75.3 per cent of respondents felt that “Maoist and YCL behaviour has improved”.²⁶

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²⁵ ‘Extortion threat on the decline’ 2011, *The Himalayan Times*, 9 February
<http://www.thehimalayantimes.com/fullNews.php?headline=Extortion+threat+on+the+decline+&NewsID=275848> – Accessed 28 April 2011

²⁶ International Crisis Group 2010, *Nepal’s Political Rites of Passage*, Asia Report N°194, 29 September, pp.11, 31

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<http://www.xe.com/ucc/convert/?Amount=490&From=USD&To=NPR> – Accessed 9 January 2012.
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<http://www.ekantipur.com/the-kathmandu-post/2010/11/28/nation/ycl-activists-held-released/215398/> – Accessed 28 April 2011. (CISNET Nepal CX263538)
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<http://www.thehimalayantimes.com/fullNews.php?headline=YCL+cadre+held+for+bid+to+extort&NewsID=266955> – Accessed 5 January 2012.
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http://reliefweb.int/sites/reliefweb.int/files/resources/CF1AE71BE222737C4925771C00223D9A-Full_Report.pdf – Accessed 6 January 2012.

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