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Review Article
Nepal in Crisis: Growth & Stagnation at the Periphery.

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Political Economy of a Crisis

Nepal in Crisis: Growth and Stagnation at the Periphery (henceforth Crisis) by Piers Blakie, John Cameron and David Seddon is an ambitious work. A skill to draw up and work out on a vast canvas, a nose for the significant and the immense, and a not-inconsiderable theoretical sophistication clearly mark out Crisis as one of the most important books on Nepal published during the last three decades.

The basic objective of Crisis is two-fold. The first objective is to draw up an historically-informed model of Nepal's political economy in so far as it relates to Nepal's underdeveloped productive basis at the 'national' level. The first section of the book is devoted to this end. The second objective of Crisis is to provide an intensive understanding of the Western Development Region as a case study of underdevelopment at the 'periphery.' This case study of the Western Development Region forms the subject matter of the remaining two sections of the book.

Crisis opens with a general enunciation of the problems facing Nepal today. As the authors formulate it,

> Nepal in the mid-1970s is not just a very poor country that appears to be increasingly unable to provide adequately for its now rapidly growing population--that would be a misleading oversimplification, and in some respects an understatement, of the problems that exist. The country is now in a period of crisis, whose major components, over the next decade, will include serious over-population relative to employment opportunities, ecological collapse in the densely populated and highly vulnerable hill areas ... and the elimination of certain important 'natural' resources ... both in the

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> hills and in the plains. These will be associated with an increasing inability to pay for imported commodities with growing food shortages, and consequently with the development of widespread unrest in both rural and urban areas, which together will threaten the viability of the prevailing political system and even Nepal's position as an independent state (pp. 13-4).

As the authors elaborate it elsewhere, the overwhelming reliance on agriculture, especially 'peasant agriculture', and a generally degenerating industrial capability are the other major elements of the crisis. Of course, as the authors note in course of their study of the Western Development Region, there have been certain 'growth sectors' in Nepali economic life as manifested in the growth of towns and transportation networks and in the massive expansion of the bureaucracy. These 'growth,' however, are 'spurious' and 'fail to alter the fundamental characteristics of underdevelopment, mask them and, in some cases, even strengthen them' (pp. 7-8). Essentially, since the equation of growth with development is not valid (p. 101), these apparent growths cannot be taken to have laid the groundwork for 'development.'

This crisis of Nepal's present, the authors argue, is 'fundamentally rooted in a failure of the productive organization associated with its economic and political underdevelopment' (p. 5) which is itself attributable to certain historically coexisting ('from the late eighteenth century onwards;' p. 24) 'constraints' on Nepal's political economy. The essentially 'non-progressive' (p. 45) quality of Nepal's political and administrative structure constitutes the second constraint. The third constraint is related to transnational and intra-national dependency relationships between the 'centre' and the 'periphery.' At the transnational level, the authors note, this dependency relationship is manifested in the 'semi-colonial experience' (p. 5) of Nepal vis-a-vis the British, and later, independent India. At the intra-national level this constraint is manifested in the existence of dominance-and-dependency relationships between Kathmandu on the one hand and the outlying areas of Nepal on the other. These coexisting and simultaneously-operating constraints, since they lie at the root of the archaic political economy of Nepal, have 'tragically constrained the possibilities of development (of Nepal)' (p. 24).

There can be little doubt that the basic conceptual framework of Crisis--and the arguments presented therein--bear considerable validity. The utilization political-economic categories to understand the present crisis of Nepal is refreshing, given the overwhelming 'tendency' among Nepalese as well as international researchers to explain the crisis at the idealistic, and the ideo-

logical, level. It is to the credit to the authors of Crisis that they cast a bold and 'new' conceptual framework to understand the very difficult state Nepal finds itself in.

This is not to say, however, that Crisis is not ridden with a number of major theoretical-factual gaps and oversimplifications. To begin with, the authors of Crisis, despite their historical orientation, visualize modern Nepalese history statically. The last two hundred years of Nepal's history is just about frozen intc a synchronic frame. (The early Nepalese history is even more summarily treated; p. 25-6). The assertion that 'there is a crucial continuity in the nature of Nepalese economy and the Nepalese State from the late eighteenth century onwards,' (p. 24) is imbibed with a potential for oversimplification and thus of distortion. Unfortunately, Crisis bears its share of this weakness. This freeze-the-time outlook--which is clearly manifested in the breathless and occasionally overgeneralizing style of the first section of Crisis--leads to a distorted understanding of the crisis by freeing the authors from the responsibility of providing a dialectical treatment of the topic at hand. Indeed, given that a crisis is not a 'static point towards which (some) societies move,' (p. 5) it becomes even more obligatory on the part of the investigators to specify the dialectics of structural contradictions and/or their manifestations at each of the major temporal-structural disjunctions in the course of the dynamics of the crisis. Take the case of population growth and ecological deterioration--two of the most important elements of the crisis--for example. (Alternatively, one could also take the example of the opening-up of the tarai and the fantastic migratory patterns of the recent years, both of which are of no mean political-economic significance). We know that the rate of growth of both population and ecological deterioration became much more acute beginning in the 1950s. That is, there was a major disjunction in the dynamics of population and ecology beginning in the 1950s compared to that in the previous one hundred years. How does one explain this 'sudden' acute dynamics of certain major elements of the crisis ? How does a 'chronic' crisis (p. 5) become acute ? Or, how and under what condition does a movement toward a crisis become 'inexorable' (p. 14) ? Clearly, a particular configuration of political-economic conceptual categories, although fairly sufficient to account for a crisis at a given point in time, is not necessarily fairly sufficient to account for the crisis at another point in time.

Crisis, despite its theoretical sophistication, has not been altogether successful in utilizing its conceptual framework to the full. Take the case of 'overpopulation' again. It would have been highly creditable on the part of the authors of Crisis had they been able to consider population and population growth as an intrinsic aspect of political economy. Clearly, a framework which can provide a meaningful understanding of the organization of pro-

duction in everyday life also has to be able to provide a meaningful understanding of reproduction in everyday life, including the reproduction of human beings. The mode of utilization of the political-economic framework in Crisis divests itself from the realization of this potentiality. Parameters of population, instead, are invariably hypostatized. The result is a weaker, and considerably distorted, reading of the dialectics of the crisis.

The implied, and yet adamant, commitment of Crisis to the capitalistic mode of development is another of its drawbacks. The authors of Crisis do not even provide a working definition of 'development' (or of 'underdevelopment' for that matter), but it is clear from their utilization of certain terminologies, e.g. 'accumulation,' 'number of labourers employed,' that they envision a flowering of capitalistic development in Nepal should it overcome the crisis. Indeed, and paradoxically (given that only a miniscule proportion of the population is enmeshed within the capitalistic relations of production; pp. 46-74), the authors appear to argue that the adoption of capitalistic praxis might be the only way out of the crisis. One wonders of this argument is based on the principle of the historical inevitability of the systematic succession of the different modes of organization of production. Or, is the miniscule capitalism in existence in Nepal an evidence of the structural principles and the real tendencies (cf. Lukacs, 1971: 155) of a full-blown capitalism of the future ? It is apparent that Crisis would have done much better had it examined the potential compatibilities of Nepal's political-economic contours in relation to the various other alternative forms of 'development.'

Crisis is also an uneven and internally-split work. The second and the third sections, which focus exclusively on the Western Development Region, are indeed well-documented at the empirical level. However, their theoretical fit with the first section is weak and tenuous. The overall theoretical model outlined in the first section fails to find an explicit and concrete expression in the study of the Western Development Region. A painstaking documentation is no substitute for precision and specification, which is what one would have expected in following the lines adopted in Section One. Even the authors' self-conscious use of three prefaces to go with the three sections of the book--which was basically meant to pull Sections Two and Three closer to Section One--has not been altogether effective in binding the three sections together into a thematic whole. In addition, the last two sections also witness the authors engage in ad hoc and simplistic theorizing in contradistinction to the abstract and parsimonious utilization of the theoretical framework in the first section. How else is one to understand the authors' assertion that 'special circumstances of demand or the ability to adapt techniques or utilize technology' has enabled some industries in

the Western Development Region to slow down their decline (p, 188)? One equally wonders at the political-economic implication embedded in the assertion that growth in the size of given hotels and catering houses in certain towns in the Western Development Region 'depends largely on the personality of the proprietor' (p. 197).

Certain 'facts', and inferences drawn from such 'facts', in Crisis are also open to question. Crisis, for example, notes that 'the vast bulk of production in agriculture is undertaken by peasant producers' (i.e., peasants who till their own land; p. 47), basing itself on the statistics collected by Zaman (1973). It is noted that only 'about 20 percent of the peasants (are) involved in sharecropping or renting some or all of their land from a larger landowner' (p. 47). The figure for the proportion of tenants in Zaman (1973), as well as Crisis, appears disquietingly low given that 60 percent of the cultivated land, around 1950, was 'tenanted by farmers paying rent to various categories of intermediary owners' (Zaman, 1973: 8). The proportion of tenanted land could not, in all likelihood, have decreased very much by 1973. One is left to surmise on whether 60 percent of total cultivated land could have been operated on by only 20 percent of the producers. Given this apparent disparity, one is compelled to suspect that Zaman's 'tenants' include only those who are officially certified as such. Thus, Crisis, given as it is to the empiricistic definition of tenancy, appears to exclude a substantial proportion of direct (tenant) producers from the rank of tenants. It is little wonder that it has to deal with an artificially swelled rank of 'independent peasantry.' This unwarranted emphasis (see especially pp. 47-53) assumes a grotesque note when confronted with the fact that 83 percent of the total number of households in Nepal control only 28 percent of the total land and that another 28 percent of the total land is controlled by mere two percent of the total number of households (cf. Zaman, 1973: 88). It is regrettable that the authors of Crisis fail to incorporate this particular aspect of Nepal's agrarian structure into their theoretical framework.

The outline of pre-modern history drawn in Crisis also rests on shaky grounds. Pastoralism as a productive type was probably pushed to the background well before the nineteenth century (cf. p. 30) in many of the hill areas. Records indicate that pastoral taxes were neither a characteristic nor a prominent feature of the fourteenth century Khas political economy (cf. Pokharel, 1971: 9, 15, 24). The assertion that maize was introduced during the nineteenth century (p. 30) also appears to be incorrect. The introduction of maize in Nepal dates back to 1330 A.D. (cf. Gopālrāj-vamshāvalī: 46A). (It is possible, of course, that maize as a major staple in the hill areas is a relatively recent phenomenon). The implication that sedentary settlement as well as terracing is relatively new to Nepal (p. 214) does not sound credible. The highly organized economic and military activities of the Khasas

clearly hint at a fairly developed agrarian sedentary culture. Records also indicate that the Khas agrarian culture also included terrace-farming (cf. Pokharel, 1971: 13-4).

These shortcomings notwithstanding, Crisis is an excellent work. It successfully breaks new grounds towards unravelling the predicament of present-day Nepal. It is to be hoped that Crisis will stimulate its readers to cast a critical look into the structure of the crisis.

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