



OPINION:
Dipak Gyawali



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DR. KISHOR UPRETY



INTERVIEW:
Dr. Alexander Spachis

New

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From The Editor

Nepal has been passing through a very critical period of uncertainty with no possibility of any political compromise soon. If the political parties fail to agree on what to do after November 22, the nation will inevitably face another political and constitutional crisis. The political situation is likely to be more chaotic. In this context, we have looked at the ongoing political stalemate and crisis looming in the horizon. We have often said that prolonged political crisis is a gift of Nepal's geo-strategic location. However, geostrategic location is the security shield of Nepal's continuity as an independent and sovereign nation as well. Had Nepal's political leaders shown maturity and moved cautiously, Nepal would not have landed in the present mess. If they fail to reckon the past mistakes, the country will suffer again. This political story is the cover story of this week. We analyze pros and cons of the coming crisis in store for times after November 27. Similarly, there is also the coverage on the prospect of Nepal's agriculture in the context of the World Food Day. Along with this, this issue also includes economic and development agenda and regular columns. As all the Nepalese are in a festive mode, we would like to express our happy Dipawali, New Year and Chhath greetings to all our customers.

Keshab

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Editor



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Nepal Army Chief Rana Visits Australia

Chief of Nepal Army (NA) Gaurav SJB Rana visited Australia and participated in 15th Annual Chiefs of Defense (CHOD) Conference.

The annual conference of the military leaders of the Asia and the Pacific region saw the participation of military leaders of 27 countries, said NA by issuing a press statement.

Gaurav SJB Rana is being accompanied by his spouse who left for

Sydney on Sunday.

The conference is organised jointly by the Pacific Command of the US Army and Australian Defence Force, said Nepal Army.



India provides Rs. 30.45 million for construction of school building

India agreed to provide Rs. 30.45 million to Nepal for construction of school building. Embassy of India, Kathmandu, District Development Committee, Sunsari and Shree Bhagawati Secondary School signed a Memorandum of Understanding (MoU) for providing Indian grant assistance of NRs. 30.45 million for the construction of a three - storied school building under Nepal-India Economic Cooperation Program.

Established as a Lower Secondary School in 1952 and subsequently upgraded as Secondary level in 1958, Shree Bhagawati Secondary School, situated at Inaruwa Municipality, is one of the oldest schools in Sunsari District. Its existing infrastructure is dilapidated and inadequate to meet the growing requirements of the students as well as faculty members. The new building will help in the development of better facilities for over 1300 students, about 50% of whom are girls. The upgraded facility would create improved environment for learning by the students and contribute towards the further development of the education sector in the District.

UK announced Chevening South Asia Journalism Program

The UK's Foreign and Commonwealth Office announces an exclusive Scholarships Programme, the Chevening South Asia Journalism Programme with the theme 'Good Governance in a Changing World: challenges to the media, politics and accountability.'

Aimed at high-flying, mid-career journalists, it is an eight week fully-

funded scholarship at the Department of Journalism and Mass Communication at Westminster University, London.

Israeli Clown in Nepal

Smadar Harpak, a trained medical clown from Israel, is on a visit to Nepal, to add some more smiles to the faces of children and elderly people. Ms. Harpak, who has theater background and more than 10 year experience in the field of medical clowning, is on a three day campaign to Nepal. Her mission is to spread happiness and interact with street children at Heart Beat organization, elderly at Old age Home in Pashupatinath and children from Orphanage Home and Child Protection Center with her skill learnt through medical clowning.

Two doctors from Bir Hospital are accompanying Ms. Harpak in her mission. During the session, children and elderly will receive free medical check-ups and medicines along with a little fun and play. On her concluding day, Ms. Harpak will be visiting the Pediatric Department at Dhulikhel Hospital and working with the children there.

Chinese Ambassador Yang Houlan Visited Western Districts

Chinese Ambassador Yang Houlan went to Kaski, Baglung,



Myagdi, Syangja and Parbat districts located in Mountainous Areas of Central and Northern Nepal, and visited Bandichour Secondary School, Ranibhume Primary School Ram Chandra School and Annapurna School, as well as the Gurung Village in Syangja. Peng Wenlin, Director of Politic and Press Section of Chinese Embassy in Nepal accompanied Ambassador Yang.

According to Chinese Embassy Website, Gurung villagers welcomed Yang with traditional dance. Yang had friendly communications with the local officials, villagers, school principals, teachers and students. Yang introduced the development of China and the history, status, prospect of China-Nepal relations from different angles. Yang communicated with the local villagers, teachers and students in Parbat.

European Union and UNHCR provide uniforms to refugee students in Eastern Nepal

The European Union (EU) and UNHCR funded school uniforms were distributed to the refugee students in the Beldangi and Sanischare camps in eastern Nepal. Some 9,800 children between the age group of 6 and 16 will be receiving the uniforms.

Giap Dang, Trade and Economic Advisor of the EU Delegation to Nepal said, "Using your time to study is the best investment that you can make for your future. Education is also your best passport for life. I wear these uniforms with happiness, and I wish that they bring you luck and will help you in your commitment to study well in school."

School uniforms are an on-going need for the refugee children and since they do not have the money to buy new ones, for many this is their only clothing. It was in 2009 that students last received their uniforms and since then it could not be provided due to lack of funding.

"We are very grateful to the European Union for their continued support to the Nepal programme and particularly for the donation of school uniforms which is a great support and help to the refugee children," said Mads Madsen, UNHCR Acting Head of Sub-Office Damak. He also thanked CARITAS Nepal for their untiring support for the education of refugee children and undertaking the task of procuring and distributing the school uniforms very efficiently and successfully. ■

"Budget Must Not Be Made A Political Issue"

SURAJ VAIDYA

President of the Federation of Nepalese Chambers of Commerce and Industry (FNCCI)

What do you think about the politicization of budget?

Budget is an economic issue and it must not be made a political issue. Every political party should forge consensus to bring budget. Promulgation of budget should not be delayed at any cost as budget is the lifeline of a country. If the political parties fail to forge consensus soon it might make the country a failed state. If not other things, at least there should be consensus on the budget to take the economy of the nation forward.



What kind of message does budget send to the foreign investors?

A budget is a necessity. It is needed even to ensure a predictable environment for investors. Without budget, nobody will be willing to invest here. We are made to pay taxes when there is no environment for proper expenditure. This will send a very bad message to the international community.

What effects does the lack of budget have on the private sector?

Lack of clear fiscal policy has pushed the private sector and foreign investors into uncertainties, thereby affecting flow of investment, industrial expansion and job creation. The government is not just a motivator but also the biggest consumer. So poor government spending has led to a decline in demand in the market. Instead of relying on meeting with the top political leadership, we will go for mass mobilization for budget this time. We may go to an extent of not paying the taxes as there is no guarantee that the taxes we pay will be spent in proper places in the absence of budget.

How do you see the prospects of the Investment Year 2012/13?

Achieving its goals will not be easy. We don't know whether the election will take place. We don't know whether the constitution will be written. Even if the election happens, we don't know who will lead the government and how the basic policies and laws will be framed in the country. Confusion on these matters could easily deter the potential foreign investors. For investment year to be successful, the government must reform labor laws, restrict destructive forms of strikes that affect production process, work out reliable power supply mechanism for industries, and provide attractive incentives to the investors. Hence, the Investment Year 2012/13 program does not excite us the way it should. (Based on daily newspapers)

Government WB Review Portfolio

The Government of Nepal and the World Bank carried out a joint review of the bank supported projects in Nepal. The meeting, the second joint portfolio review this year, was chaired by Krishna Hari Baskota, secretary at the Ministry of Finance. Ms. Tahseen Sayed, World Bank Country Manager for Nepal, led the World Bank team while Lal Shankar Ghimire, joint secretary/chief, FACD Ministry of Finance, coordinated the proceedings. Senior officials from various ministries attended the meeting.

The World Bank currently supports 17 projects in Nepal

through concessional and grant financing amounting to US\$ 1.3 billion. The meeting noted Nepal's good development results including progress in poverty reduction, gender parity in education, reduction in maternal mortality, improved infrastructure access, among others.

Air Asia's 100 Days In Nepal

Within a very short span of time, Air Asia has been able to lure a large number of inbound and outbound passengers of Nepal. Recipient of the World's Best Budget Airline in three consecutive years, Air Asia has proved that it is also the best budget airline flying to and from Kathmandu. Last month, Air Asia celebrated its one hundred days of flight to Nepal.

Celebrating its hundred days, the airlines provided one way ticket to Kathmandu-Kualalumpur for just a 100 dollar bill. According to Air Asia's Kathmandu based GSA, Incentive Tours and Travels, Air Asia has three flights a week from Kulalumpur and it added additional flights during the Dashian festival.



Prime minister Baburam Bhattarai congratulated Air Asia for completing one hundred maiden flights to Nepal. The Prime Minister thanked Air Asia for providing cheaper tickets to Nepalese foreign workers abroad. Although the airline applied four years ago to start its flights to Kathmandu, Air Asia was permitted to fly to Kathmandu during the tenure of prime minister Bhattarai.

Air Asia's Station Manager Kenith Chan, country manager Sarjit Singh and executive chairman of Incentive Travels and Tours Hariman Lama and director Manju Lama were also present on the occasion. During the meeting, a domy plane of Air Asia was handed over to prime minister Bhattarai along with a token of love by director of operations of Air Asia Moses Devanayagam. Nepal: ADB Vice president expressed commitment to Support Nepal

Speaking at the end of his five-day visit to Nepal, Asian Development Bank (ADB) Vice President for Finance and Administration Thierry de Longuemar expressed ADB's commitment to continue to support Nepal's development efforts and stressed the need to develop Nepal's capital and bond markets to attract and promote private investments.

During his visit to Nepal, he met with Minister of Finance Barsha Man Pun, Governor of Nepal Rastra Bank Dr. Yuba Raj Khatiwada, Chief Secretary Lila Mani Poudel, Secretary Ministry of Finance Shanta Raj Subedi and other senior government officials. He also discussed ADB operations in the country and emphasized the need to urgently address infrastructure deficits, particularly of power, transport, and water, by establishing enabling policy environment, building capacities, and promoting private sector investment.

"Nepal has the potential to achieve stronger economic growth rate, given its natural resource endowments, human capital and strategic geographic location. Achieving stronger growth is also imperative for reducing poverty and establishing lasting peace and stability. This will require substantial increase in investments by both the public and private sectors," said de Longuemar. ■

Kangressi Doldrums



By DIPAK GYAWALI

The primary angst before liberal-minded Nepali believers in an open society is: can Kangress rejuvenate itself politically? It is after all the party that has been at the center-stage of Nepali politics and its democratization for almost six decades, in power and out of it. Unfortunately, its most effective politics has been oppositional when, out of power, it captured the national imagination against Rana rule or active monarchy. In power, it has failed to impress with what it really stood for: rhetoric aside, corruption and political expediency compromising its core values of democratic socialism are its dismal legacy on record.

In 1959, its over two-thirds victory in parliament was quickly squandered with the Indian vegetable "Dalda ghee" scandal involving the younger Koirala brothers, an early attempt at very un-socialist "liberalization" with massive negative impact on the poor hill farmers across the country whose only cash income was selling livestock ghee in the informal economy. It allowed traditionalists such as Yogi Naraharinath to mount a massive campaign of civic unrest leading to King Mahendra dismissing the parliament using Article 55 of the then constitution and establishing the Panchayat system with the help of mainly anti-Koirala Kangress stalwarts, a fact conveniently ignored today.

Its second go at democracy in the 1990s was similarly squandered with iconic corruption scandals such as Lauda, Pajero and the like, as well as party infighting not on ideology but personality issues and the spoils of office. Unlike in 1959, this time around, its behaviour in power allowed the communists, especially the extreme Left Maoists to derail parliamentary democracy with an India-based insurgency. In its third go in 2006, it quickly disappointed its voters with Darfur, passport and other such scandals; but by then, the Left had already displaced the Kangress from its top position in Nepali politics, forcing the party to follow the communist lead.

In asking if Kangress can rejuvenate itself and lead Nepali politics anew, its disappointed army of supporters and voters have to ask where it went wrong and if there exists leadership capability within the party that is not tainted with past sins, hopelessly compromised ideologically or has the moral strength to admit mistakes and thus begin the process of correction. Despite the obviously negative answers to these questions, there are faint glimmers of hope that allows its supporters not to give up on the Kangress completely. Latest surveys show that, even with almost fifty percent of the voters

undecided or too disappointed to want to vote, Nepali Kangress still retains the highest number of committed voters compared to all other parties when asked whom they will vote for in the next election. (The Maoists have slipped to second position even before their split and Kamal Thapa's RPP-Nepal has climbed up to fourth position ahead of all the Madhesh-based parties, a remarkable turn of events for both the Maoists and the RPP-N since the last CA elections.)

One reason for this "hope against hope" among such voters is that the liberal, democratic, mildly socialist ideology that the Kangress still formally adheres to seems to appeal to Nepalis much more than radical politics across the demographic spectra. Compared to the politics of radical change promised by the communists (and disappointed with them severely in recent years) or that of the ethno-radicals, the belief among such voters seems to be that the Kangress may not do much good but that it cannot do much harm while the communists and others may promise much but their radicalism can plunge an easy-going, mild society into much harm. It is this belief, more entrenched since the maverick



Political Leaders

experiments of the Maoists in power, that allowed the Kangress to "blackmail" this lot of majority voters, arguing that they could not vote for the communist or the discredited former Panchas and hence had no choice but to vote Kangress, no matter how corrupt their leaders. Indeed, the word-of-mouth slogan in traditionally Kangress strongholds such as Lamjung or Tanahun during the third parliamentary

elections in 1999 (when the Kangress won back a majority) was "Mukhlai hoionu Rukhlai vote" (i.e. "vote for the party symbol of the tree, not for the disgusting face of the corrupt Kangress candidates"). For a party with such a glorious past, it was a pretty low standard to uphold!

Besides corruption, it being even more unbridled with the current Maoist-led dispensation, where did the Kangress go wrong and where should it start the process of course correction? The first is its coterie politics. Scholars such as Ludwig Stiller had argued to this essayist that politics in Nepal is essentially not national but family politics. Indeed, one cultural indicator is that the multi-cult, varied forms of Hinduism practiced by the majority are primarily family, secondarily clan and only very weakly a national religion. Which is why, when Nepal was curiously declared secular with no one really making such demands in the agitation of spring 2006, there was no national-scale protest since nothing families did, and continue to do, was affected. (It is unthinkable

for such a declaration to be made in, say Pakistan or Britain, without major social agitations. It is also this family-based aspect that is the strength of the religion that has allowed it to survive alien rule of the Moghuls or the Raj.) This culture has seeped into "doing politics" essentially for the family or coterie with a vengeance since the party was taken over by Girija Koirala. It is this political culture of the Kangress (and even the Maoists) that acts as a glass ceiling preventing a Bhim Bahadur Tamang or a K. B. Gurung face in their rise to the top, and puts a discredited Sujata ahead of them in leadership contention.

The second reason for decline is when politics becomes not a public service but is either a full-time profession or a business of patronage dispensing. Young Kangress leader Gagan Thapa is right when he says a Kangressi (or for that matter any other) politician must have a primary profession they should engage in (and come back to after their stint at holding public office is over) if politics is to remain honest. It is, however, more than that: it goes to the heart of a political culture that the Kangress should stand for to distinguish itself from the communists with their cadre-based "whole-timers". It is also the hallmark of liberal democratic polity of "politics as public service" versus "politics as profession" that the Kangress, in its competition with the communists, seems to have forgotten. It is this culture that would appeal to a rising Nepali middle class if only the Kangress could believe in and then articulate it.

In Nepal with Dassain, similar to the fiscal year of July to July, the political year ends and a new cycle begins that climaxes before the onset of the monsoon: the flow of people back home for the family festivities ensures that it is a time for exchange of political view between the capital and rural hinterlands, between the diaspora and the mother country. The conversations this Dassain clearly indicated that there is currently confusion within the Kangressi ranks, with a significant section believing that the party made a mistake in signing the 12-point Delhi deal with a political force that does not believe in democracy, and in throwing out the 1990 democratic constitution that the Kangress was able to win for the nation after four decades of struggle. There is also a feeling that the party has betrayed the creed of national reconciliation (especially with traditional forces) that was espoused by BP Koirala, an act that has weakened the nation and invited unprecedented foreign intervention in Nepal. Unfortunately, the party does not seem to have any leader that has the courage to correct course and stop being a second fiddle to the Maoists or their foreign backers. Without reforms in the Kangress culture, the political doldrums and the muddling along may continue for long despite the receding hope of many for a decisive breakthrough. ■

GDP

Battered Growth

Inability to bring in full fledged budget has already cost the economic growth by half a percent, say officials

By A CORRESPONDENT

For a second time in less than three years, Nepal is facing similar budget crisis.

As government and the opposition fail to see eye to eye, the term of one-third budget passed back in July is coming to an end soon.

For every 25 rupees of spending by the government, the private sector spends 75 rupees. As such when the government does not spend its quota of 25 percent, the 75 percent spending by private sector is also completely affected.

Agro Agonies

Many economists believe that even the estimate by the government of around 4.5 percent growth is unlikely to be met this year.

They point to the impact of weak/erratic monsoon and scarcity of



Deependra Bahadur Chhetri, vice chairperson of NPC

The policy instability, lack of predictability and, overall, lack of government investment has led to an environment of overall gloom in growth estimates.

"We had thought that there would be 5 percent growth this fiscal. But now due to the absence of full fledged budget, we now estimate the growth to be just around 4.5 percent," said Deependra Bahadur Chhetri, vice chairperson of National Planning Commission (NPC).

The main reason for such stunted growth, he said, was due to the government's inability to spend on development projects.

The psychological impact of an incomplete budget has been total. And so has been its impact on the propensity of spending by the private sector.

fertilizer on the agricultural output.

Last year, too, the government had predicted five percent of growth. But it was later revised to be 4.5 percent.

That was when there was a bumper paddy and wheat harvest.

This year the weak agriculture is set to severely impact the growth that is already compounded by political instability.

"There was an acute shortage of chemical fertilizer at the peak season. The monsoon was also erratic. So, farmers may not be able to harvest handsomely. As such, we are assuming the growth to come down to between 3 and 3.5 percent," said economist Dr. Chiranjibi Nepal.

But such a low growth trajectory could prove to be a major handicap in Nepal's quest for poverty alleviation and development. ■

POLITICS

In Reverse Gear

As November 22 comes closer, Nepalese politics will heat up. From the rumor of a coup d'état, to the dismissal of the present government and revival of the Constituent Assembly, everything conceivable seems to be cooking up in the heat. Given Nepal's complex geostrategic position, nothing will be likely to bring absolute political stability. The level of intensity of political crisis will depend upon the ability of leaders, who are in decisive positions of power, to prevent derailment of the constitutional process

By KESHAB POUDEL

As November 22 is coming closer, Nepal's politics is heading towards a more confrontational course. Political rumors, engineered or spontaneous, are travelling hours after hours pushing the country towards more political chaos and uncertainty. At a time when leaders of major political parties have shown no mood for a compromise, political clashes seem to be inevitable in the days to come.

"If the President dislodges the government, there will be a blood bath. If the prime minister is a caretaker one, President Dr. Ram Baran Yadav, who is also elected by the dissolved Constituent Assembly, does have the same status," said Agni Sapkota, spokesperson of UCPN-Maoist. "We have reliable reports that President Dr. Yadav is conspiring to

do a coup d'état," Sapkota told New Spotlight.

Although President Dr. Ram Baran Yadav has already made it clear that he wanted to play the role of a guardian of the constitution and he did not have any intention to get involved in active politics, UCPN-Maoist leaders are angry over President Dr. Yadav's stand that he would not accept the budget ordinance until there was a political consensus.

Finance Minister Barsha Man Pun went a step further. "President Dr. Yadav discussed with high ranking security officials about the possible coup. However, his effort was foiled following the denial by the security officers, including Army," Barshaman Pun

Ananta firmly expressed his view in a daily newspaper.

If the prime minister's proposed election date for the CA passes on November 22 without the announcement of another new date, a constitutional question will inevitably come up and president Dr. Yadav, willingly or unwillingly, has to jump in. This is a possible scenario that the two main opposition parties, Nepali Congress and CPN-UML, are waiting for. "The president will dismiss the current caretaker government and announce a new all-party national government and a new date for elections," said CPN-UML chairman Jhalnath Khanal. "We are still trying to woo UCPN-Maoist leaders and prime minister Baburam Bhattarai to

resign and pave the way for smooth functioning of the interim constitution.”

Even the Civil Society Group, led by prominent personalities, including senior journalists, human rights activists, lawyers and leaders of professional organizations like the chairman of Nepal Bar Association, Nepal Medical Association, Federation of Nepali Journalists and Nepal Engineering Association, Federation of Non Governmental Organizations and Nepal Teachers Association have called a civil gathering on November 22.

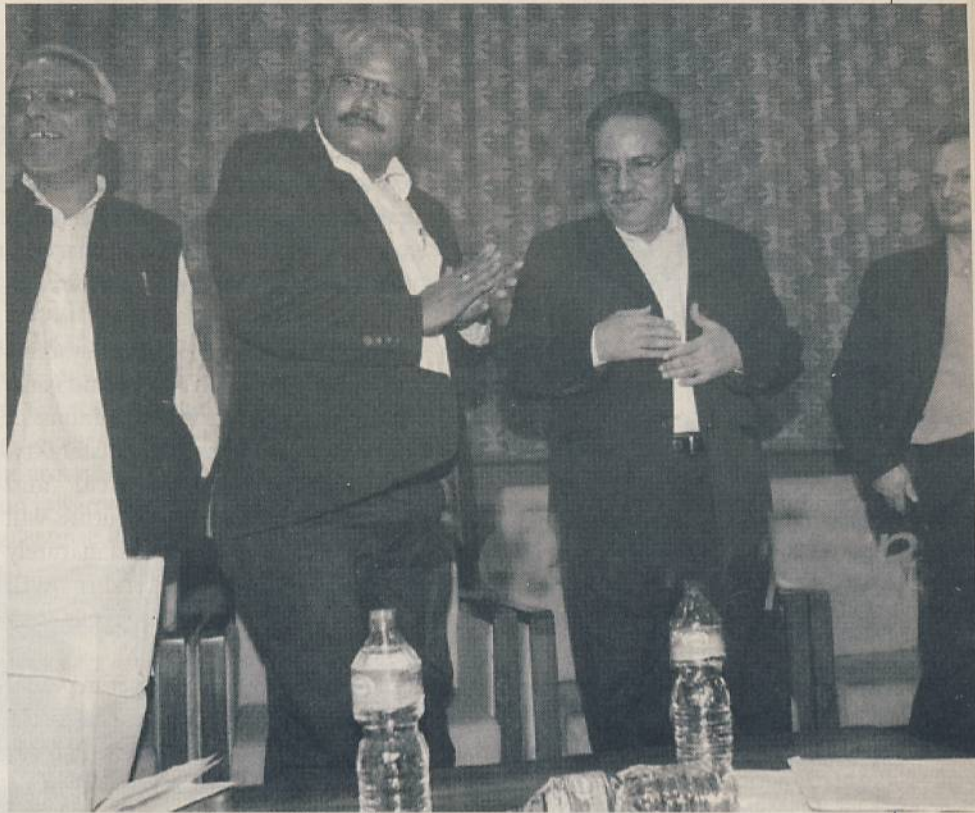
Psychologically, politics is already divided in extremes and political leaders in the ruling and opposition sides are standing their grounds. Given their political stances, there is no sign from either side to budge to prevent the major clashes which will ultimately push Nepal into another phase of constitutional crisis.

External Context

As the late Leo Rose, a prominent American scholar, writes it is a phenomenon for the foreign policy of any society to be strongly affected by domestic political and economic factors. But the reverse principle—namely, that international factors have a strong and often decisive impact on Kathmandu's domestic politics — is even more apparent. This is a painful fact of life for many Nepalis and one that some of them would prefer to ignore.

Along with the internal environment, Nepal's politics is often decided by the external environment. The present uncertainty and complexity is not a new one. Situated in a very complex geo-strategic position between two rising but competitive powers, India and China, Nepal's internal politics is very much linked with its geo-strategic surroundings.

Imminent constitutional lawyer and political analyst Ganesh Raj Sharma is used to seeing Nepal's political crisis in the regional context. According to him, the competition of two big neighbors is responsible for Nepal's internal political turmoil of the last six decades. Sharma holds the view that the equally powerful two neighbors have been security shields of Nepal's continuity as an independent nation for such a long time.



Leaders of ruling alliance

As Nepal's northern neighbor is in the process of a leadership change, and to the South the government's popularity is being tested as elections for state assembly are going on in India, Nepal's current political crisis, which will not make any harm to them, will continue. All the countries around the world were, in fact, watching the fierce competitive elections of the United States of America, and the re-election of President Barack Obama is of great interest throughout the global community. It is somewhat unbelievable to consider that the United States have seen two elections in the time that Nepal has been waiting for one.

Western powers have been making every effort to bring the constitutional process back on the right track in Nepal so that they can support Nepal's development programs to uplift poorer people. There is a limitation for them.

Power crisis

Following the dissolution of the Constituent Assembly, the political power is nowhere close as political leaders have agreed on everything but seem unable to broker any political deal for the interest of the country.

After May 27, political leaders gathered in various places roaming from party offices, hotels, residences of political leaders and President Secretariat. However, nothing came about of this. Party leaders have spent almost five months indulging in the debate over revival of Constituent Assembly or Elections. They agreed on one agenda, that is, bringing another matter for disagreement. All of the leaders agreed that fresh elections were the only way out. However, they are indulging in a dispute over the leadership of the elections government.

UCPN-Maoist leader, Samyukta Loktantrik Madheshi Front and prime minister Baburam Bhattarai are urging other political leaders to join this government to make it a national consensus government. However, Nepali Congress and CPN-UML are insisting on the resignation of prime minister Baburam Bhattarai. Thus, the political stalemate continues.

Prime minister In Trouble

Among other things, the removal of the prime minister is one of the key demands of the opposition parties. Names like Surya Bahadur Thapa of



President Dr. Ram Baran Yadav

Janashakti party, Mahanta Thakur of Tarai Madhesh Loktantrik Party and Sher Bahadur Deuba of NC are being floated in the news as probable candidates to replace prime minister Bhattarai. Even the name of civil society leader Damannath Dhungana has been doing the round as a possible candidate to lead the national consensus government to hold the elections in April.

Given the international scenario, the change of prime minister Baburam Bhattarai is unlikely for some time to come. As there are divisions in all major political parties over the selection of the Prime Ministerial candidate, the strong backing of Madheshi Front makes Baburam's position look stronger.

Confusing Situation

Till the elected Constituent Assembly remained, political leaders had a venue to institutionally change the political leadership. Even on the basis of head count, there was a visible power center. Now the situation is that nobody knows where the power is.

In the absence of an open and accountable system to make and break the government, conspiracy and maneuvering will replace all other logic. The recent rumors of a coup d'état or dismissal of present government by president or rumor about UCPN-Maoist capturing state power are the two examples.

"The accusation by some UCPN-Maoist leaders against President Dr. Ram Baran Yadav is conspiratory and engineered," told Rajendra Dahal, press advisor of the president to New Spotlight.

"He has done nothing against the letter and spirit of the Interim Constitution as a guardian of the constitution. Maoists want to divert the attention of people."

President Dr. Ram Baran Yadav expressed his anger and frustration against party leaders. Party leaders expressed anger and hatred against each other. However, the current situation will continue for some time to come.

Although several political systems and constitutions have come and gone, what Nepal inherits is a continuity of political crisis and political instability. The intensity of political and constitutional crisis in the future will depend on how carefully and maturely Nepal's political leadership will compromise on issues to prevent such moves.

The first four years of interim period has shown that no alliance can bring the political stability. Whether the all party government led by Girija Prasad Koirala in 2006-08, or another elected coalition government led by Maoist leader Prachanda, CPN-UML, Madheshi Janadhikar Forum, Madhav Kumar led CPN-UML, NC and Madheshi alliance, Jhalnath Khanal led CPN-UML, Madheshi Forum and Maoist alliance or present UCPN-Maoist and Madheshi alliance, no alliance overcame the instability. Even though all the parties have agreed to form the national consensus government, the words won't be translated into action easily. Breakaway CPN-Maoist has already made it clear that they will not accept the incumbent establishment leaders and the possible alliance of Madheshi Forum and Janjatis, raising more challenges.

Nepal has already paid a heavy price due to the failure of its leadership to comprehend the situation. Force of instability is there and will be there for a long time to come. However, the coming political situation will be determined by how calculative and mature political leaders will be. If political parties are unable to announce the next election date to avert the constitutional crisis, the history will repeat and the politics will go back to the stage of 2002. ■

FORMER KING GYANENDRA'S VISIT

Different Note

Addressing a big mass meeting in Nawalparasi, former King Gyanendra charts a new course

By A CORRESPONDENT

A few days ago, Nepali Congress president Sushil Koirala threatened UCPN-Maoist leader Prachanda with the fate of former King Gyanendra. Koirala may have meant turning Prachanda powerless.

The event in Nawalparashi shows otherwise. Flanked and welcomed by thousands in the southern border region, former King Gyanendra showed monarchy in Nepal has not lost its cultural and religious glory, nor the respect of the people.



Former King Gyanendra

After the removal of monarchy, the former King has lost his political power, but he still retains his glory, respect and prestige in some quarters. Along with its identity, Nepali Congress party, instead, has lost its political power and glory, which it had in the past.

Invited to inaugurate the Gorkhnath temple, former King Gyanendra went to Nawalparasi, a constituency of leader of Terai Madhesh Loktantrik Party Hridayesh Tripathi, in a car. Escorted by youths, former King Gyanendra received a warm welcome while on the way to the terai district.

Last month, former King received the same kind of a grand welcome when he visited Kaski, Parbat, and Syangja and received a warm welcome on his way to Pokhara and back home to Kathmandu.

Although monarchy is an institution which does not contest the elections and its base is not on the popular vote like the president of the republican state, monarchy always retains the glory and majesty and the institution has very much the attachment with the people. This is what he is getting. ■



Politics of Power

By YUBARAJ GHIMIRE

There is very little substance in Nepali politics. It is all about power, and even what looks like rigid and principled posturing at times is absolutely for power, if not for absolute power. Every so called big party or group including the Unified Communist Party of Nepal-Maoists, Nepali Congress, Communist Party of Nepal-Unified Marxist Leninist and Madhes Front has one agenda—to get to the power. And in the process, each one of them exaggerates their strength. But what one has witnessed in the past six years is: at the end Maoists wins. Will it be different this time around?

The UCPN-M that heads the coalition government has now been fulminating and gesticulating against President Ram Baran Yadav and two major parties—the NC and the UML—saying they are conspiring to oust the government from power. This harsh allegation, if one goes by the trend, is only labeled for hard political bargain by the Maoists. If the NC and the UML continue to take a tough stance for some more days, the tone and tenor of the Maoists will change, and instead, they will say 'we will demonstrate utmost flexibility to save the peace and the constitution making process'. And if going for a vote on account or partial budget will save the current government, Maoists will be content with that.

President Ram Baran Yadav has time and again said that he will not approve the full budget ordinance if the government brought it without the support of four major political parties. He has also told Prime Minister Bhattarai that November 21—the day Bhattarai promised to hold election for the next Constituent assembly—should be his last day in the office. Political morality and ethics are almost alien to Bhattarai, and therefore, it is doubtful if he will listen to the president.

In the Past six years, Maoists have gained politically through deceit, and through the policy of surrender that the Congress and the UML have adopted. It has accurately assessed the weakness and greed of the leaders of these two parties. Prachanda could get Nepali Congress to adopt a pro-republic line by promising the President's office to G P Koirala. But with G P agreeing to unconstitutionally remove the monarch in May 2008, he was left with a humiliating option to join the contest with Ramraja Prasad Singh, something G P K could not venture.

NC again lost to Maoists game when the latter moved to

extend the tenure of the constituent assembly in November 2011. The divided NC ultimately gave in, and the House term was extended again until May 2012 although it died a sad death without being able to deliver the constitution. But the politics of deceit that the Maoists played after that has annoyed a major section of the international community, mainly the European Union and the United States, with their clearly doubting the Maoists sincerity to complete the peace and the constitution making process. In the current phase, the international community that clear stand in favour of the Maoist led government include India and the Scandinavian countries, mainly Norway and Denmark.



Political Leaders

It is believed that the EU, as a crucial stake holder in Nepal's peace and reconstruction process, has been assessing the mood of other international players including neighboring countries on the next political course that Nepal should follow in order to stop it from being a failed state. Maoists, no doubt command the support of India, but it is in absolute minority. This

is a clear sign that Delhi, the mediator in the 12 point understanding, the basis of the Maoists and the other seven political parties of Nepal working together, is no more acceptable as a 'Lead player' as far as the international community is concerned. Moreover, it is isolated, and its days of almost decisive influence in Nepal, are over. The reason is simple: Its assessment of the post 2006 policy has gone wrong, and alienated the Nepalese people, not only in Kathmandu and the hills, but also in Terai, a fact that India has not yet acknowledged and tried to rectify.

With the failure of the Maoist Party to push through the budget and hold election in time, it will be seen more like an anti-democratic Party. Its anti-democratic credential and likely climb down will however, not mean automatic victory of the NC and the UML as they have made many compromises in the past, and blindly followed the Maoists policy. Unless the NC and the UML review the policy and programs they have followed in the past six years including on Monarchy, secularism and Federalism in the manner they did, and made necessary correction, Nepalese people will continue to treat them as the extended family of the Maoists. It requires enough guts and character, but politics is not always about betraying people and pushing the nation into bigger vacuum. ■

CIVIL SERVICE

Yes, Minister!

Mired by politics, transfer of secretaries and other high level officials are happening at the interest of minister

By A CORRESPONDENT

The recent transfer of secretaries sent some to the high profile ministries and others to the low profile ones. However, to Krishna Hari Baskota, where he was sent made no difference. He came to the cabinet secretariat from the high profile Finance Ministry.

Instead of expressing frustration or



Chief secretary Leela Mani Paudyal

anger, secretary Baskota seems to have taken his new position as an opportunity. As soon as he was transferred to the cabinet secretariat, he got the task as a coordinator of the Kathmandu Valley Road Expansion project. Chief secretary Leela Mani Paudyal used to head the department. "I know my bottom-line. Wherever I go, my position and salary will remain the same," said Baskota.

The road work is happening at the initiative of prime minister Dr. Baburam Bhattarai. Baskota, who is familiar with the prime minister's test, now has to present him the progress report. This is the reason, on Monday (6 November) afternoon, Baskota was the first secretary to enter prime minister Baburam Bhattarai's office to brief about the progress. After taking the responsibility of the program, secretary Baskota has already visited the sites several times and briefed prime minister Bhattarai about the progress.

"My posting does not make any difference in my performance. I was given a much bigger responsibility, that is, to look after the Valley's road expansion," Baskota told the media. Along with other secretaries, he has been

visiting different spots and taking the progress note since his new posting to the cabinet secretariat. One of the advantages for Baskota is that he will have a direct access to the prime minister after chief secretary Leelamani Paudyal.

As other sectors, prolonged political instability is shaking the country's permanent institutions like civil service. If last week's decision was any indication, it shows that the government does not mind removing the secretaries on the whims of the ministers.

By making five transfers within just over a couple of days, the government has shown how it will function in the coming days. Although chief secretary Paudyal took a firm stand in the promotion of secretaries, allowing seniority to be the criteria, the transfer



Secretary Sushil Ghimire

row shaken the civil service badly and the exposed the inability of the chief secretary to contain ministers' influence.

Earlier, Dhruva Sharma, who held the position of secretary at the Ministry of Peace and Reconstruction, was transferred to the President's Office. However, he was recalled again in his old ministry posting secretary from the Ministry of Federal and Local Development Shital Babu Regmi in his place at the President's Office. Regmi was replaced by Shanta Bahadur Shrestha who served his entire career in various positions in the departments under the Finance Ministry. Deputy prime minister Narayankazi Shrestha reportedly favored him.

In the process of transfer, Sushil



Secretary Krishna Hari Baskota

Ghimire, who was posted to the Ministry of Peace and Reconstruction, was transferred to the Ministry of Land Reforms, another victim. Little known in the economic sector, Santaraj Subedi, who also served at various places under



Secretary Dhruva Sharma

the Finance Ministry, is one of the luckiest fellows in the recent promotion as he acquired the plum secretary post at the Ministry of Finance replacing finance secretary Krishna Hari Baskota. Subedi's basic qualification is said to



Secretary Shital Babu Regmi

be his earlier political connection as a member of CPN-Masal, the mother party of all Maoists.

Given the present trends, nobody can predict the coming scenario in the civil service where ministers' blessing and party's affiliation are pre-qualifications for position rather than working experiences. ■

"It Is An Honour For 500 Million Citizens Of Europe"

DR. ALEXANDER SPACHIS

After Nobel Peace Prize was awarded to the EU, DR. ALEXANDER SPACHIS, Ambassador, Head of Delegation, Delegation of the European Union to Nepal spoke to NEW SPOTLIGHT. Excerpts:

What do you think is the importance of the Nobel Peace Prize award in the present context?

It is a tremendous honour for all the 500 million citizens of Europe, Member States and European Union (EU) institutions to be awarded the 2012 Nobel Peace Prize. This prize shows that even in difficult times the EU remains an inspiration for countries and people all over the world and that the international community needs a strong European Union. Overall, this is a very important message to Europe and abroad. The European Union is something very precious, that we should cherish; this prize is a justified recognition of a unique project that works both for the benefit of its citizens and also for the good of the whole international community.

Are there some 'lessons learned' that the European Union could share with Nepal as the country is entering a new phase of political transformation?

There are very deep political motives behind the EU: it is a unique effort by more and more European states to overcome regional conflict and divisions, and to jointly forge a continent of peace and prosperity. I believe that some of the lessons learned from the EU experience could certainly apply to Nepal with its rich and diverse cultures - and indeed the South Asian region as a whole. Our key underlying principle is that there is 'strength in diversity'. The EU has been working closely with the Government of Nepal and other stakeholders for many years now and will continue to assist Nepal in this process of political transformation. There is also a very important role to play for key regional institutions such as SAARC, and we are working to strengthen the existing cooperation between the EU and SAARC.

Despite the economic crisis, the

European Union is one of the biggest donors of the world and one of the major development partners of Nepal. What can Nepal expect from the EU in the future?

In Europe we managed to find a way to keep peace and build mutual respect - it's called the EU project. With our development policy we want to share the benefits of our peaceful progress. EU development aid is dedicated to giving every citizen a fair chance and hope for a better future. We are active in the regions where our work is needed the most. It is important to emphasize that the economic crisis at home should not be used as an excuse to cut aid abroad. At the moment, the EU as a whole - including the EU Delegation and the EU Member States - is the most generous donor of development assistance and humanitarian aid to Nepal. Over the last four decades of EU-Nepal cooperation there has in fact been a significant increase in the volume of aid, which will continue in the future as more of our resources are shifted towards the Least Developed Countries (LDCs).

Nepal has made a major progress in the democratization process in the last few years but it is yet to achieve political stability. Given EU's global recognition for its approach of reconciliation to bring long lasting peace, don't you think Nepal too needs reconciliation to consolidate the progress achieved?

In post-conflict situations, truth and reconciliation are powerful elements of any successful peace process. Justice is an important element in reconciliation. It is vital that any Truth and Reconciliation Commission (TRC) established in Nepal does not grant amnesty to perpetrators of serious human rights abuses, because experience across the world has shown the corrosive effect that such impunity has on the rule of law, civic trust, and the likelihood of further violence. Impunity also ignores the rights of victims. We therefore urge the government and all political parties



to ensure that the TRC meets the standards required by the Comprehensive Peace Agreement of 2006 and by international law.

To what extent are the core values of the European Union (including human rights) applicable to Nepal?

The EU, together with other donors, encourages a stable system in Nepal that is based around values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights. The EU is highly committed to these values and works to ensure they are respected universally. Human rights in particular have been made a central aspect of our external relations: in the political dialogues the EU holds with third countries, including Nepal; through its development policy and assistance; or through its action in multilateral forums, such as the United Nations. EU-Nepal political and economic relations are no different as they are guided by the fundamental principles of peace, stability, democracy, human rights and prosperity. As such, our support for a vibrant civil society is and will remain one of the key pillars of our assistance to Nepal, particularly through our thematic programme 'the European Instrument for Democracy and Human Rights (EIDHR)'. ■

Regional Approach to Development : Prospects for Cross-Border Agenda

By DR. KISHOR UPRETY



A Region is a broad geographic area containing a population possessing sufficient historical, cultural, economic, or social homogeneity. Regionalism, on the other hand, is an approach which can integrate specific policy and management skills to attain a defined objective for the benefit of the entire region. Looking beyond political and jurisdictional boundaries, regionalism can embrace a distinctly trans-boundary approach that recognizes the natural territory of issues (such as watersheds, ecosystems, bio or other organic regions). Also, while typically an initiative focusing on regionalism starts by targeting a relatively narrow objective, albeit transcending several countries at the time, it often eventually touches on a mix of social, economic, political, environmental and developmental issues. Regionalism becomes more interesting where patterns of "just development" are unclear and outcomes are ambiguous. And from this perspective, discussion on South Asia becomes relevant.

Indeed, despite the great potential for enhancing its socio-economic conditions and playing a key role in the global economy, the South Asia region is still *ailing on several fronts, solutions being much too dependent on multi-faceted and multi-country collaboration*. In view of this uniqueness, therefore, if development of the region were to become a priority, a cross-border approach would appear relevant. *With this premise in the background, this note discusses a few pragmatic legal and institutional concerns that may need consideration.*

Absence of Formal Commitment: All countries in the region agree on their need for cooperating and collectively developing projects that will be of benefit to all. From a technical angle, that is quite straightforward. But politically the situation is far from being smooth. Issues of sovereignty, sharing of benefits, perception of hegemony, long and short-term adverse impacts and so forth continue to dominate the mindset of decision makers in these countries, who still continue to think of their country as a separate and isolated entity, rather than as an integral part of a region. As such, a clearly articulated commitment, an enabling policy environment, and a mechanism to help translate policies and public statements into actions and then to monitor their implementation on the basis of lessons learnt, are thus needed. Securing a formal commitment is important, but is not necessarily irreconcilable with reality, since barring a few trivial differences amongst them, the political development in the South Asian countries has revealed certain common trends. Their problems and needs as well as their goals of development are, by and large, the same.

Lack of Enabling Legal Framework: Unlike in most other regions, an all-encompassing multilateral treaty, facilitating

development of the region as a whole, and a clear legal framework providing an enabling environment for developing regional projects do not exist in South Asia. The legal relations amongst the countries still focus on bilateralism in treaties, with the exception of the multilateralism, full of ambiguities and limitations, attempted by the South Asian Association for Regional Cooperation, *de jure* a regional institution.

Lengthy Process of Treaty Making: Treaty making is, generally, a long process. Its negotiations segment is even more challenging as it involves many facets of the relationship amongst States. Completing a treaty can also be time and cost-consuming because of the number of details that need to be worked out. Furthermore, the sequences involved in the process (preliminary studies, preparation of the initial drafts, negotiations, consultations, adoption and so forth), also by definition, cause time to lapse. The overall process is even longer when it involves more than two countries, and experience tells us that this process is worse when it comes to South Asia, a region where the treaty making process is, at best, poorly coordinated, and where tensions amongst countries loom large and delay any outcome. Competence to deal with particular questions exists simultaneously in different agencies of the different governments. The pace of success, as such, often depends on chance, on the topic, and on obscure political considerations that lead interested states to a specific approach and compromise, and eventually to the outcome. Because of these ground realities, the investors (private financiers and international development partners) need to be asked to be more creative in finding alternative solutions to deal with the challenges.

Flexibility

(a) Using Soft Instruments: Whenever formal legal enabling instruments are not available, during preparation of regional projects, investors should be encouraged to endorse the use of soft legal instruments. Certainly, in international law, this terminology still remains somewhat controversial, as some international practitioners do not accept its existence and some consider that there is confusion as to its status in the realm of law. However, for most international practitioners, development of soft law instruments is an accepted part of the compromises required when undertaking daily work within the international legal system, where states are often reluctant to sign up formally to too many commitments that might result in national resentment at over-committing to an international goal. The approach of soft framework may help address

the impediments emanating from the need to secure hard laws in place before developing any regional project.

(b) Enhancing Risk Taking: Some difficulties arising in developing regional projects are also related to the fact that the international financing organizations, major players of development, bound by their internal policies, are excessively risk-averse, and hesitate to take even insignificant risks. Unlike the private sector practice where risk-taking is part of the trade, an international financing organization would prefer to operate in an overly safe environment, i.e. only after securing that all legal instruments (regardless of their importance) are in place. As a result, it takes a long time for a deal to come to fruition and the opportunity cost of preparation escalates for countries as well as investors, which consequently becomes a disincentive for venturing in new regional projects. Therefore, encouraging the adoption of new policies and incentivizing more risk-taking, based on specific case analysis, could help foster regional projects.

(c) Relying on Market Diktat: The investors, particularly the international development financiers, often have a tendency of getting involved in all upstream and downstream effects of projects they finance. More specifically, for international development organizations, the protection of rights and interests of member countries is an integral part of their *modus operandi*. They operate to protect their own rights, the rights of their member countries and those of their debtors, and to respect their policies. All these requirements emanating from the philosophy of good governance essentially from a public sector perspective, actually, have the effect of delaying the development of regional projects. Hence, for regional projects, especially when developed in partnership with private sector companies, it may be worthwhile to rely more on private sector practices and let the market rules deal with the risks.

(d) Indirect Leveraging: Often, by dealing with a few local partners, and placing obligations on them, the international investors can achieve what they ought to achieve. Investors can obligate the local parties to their agreements, by proxy, to obtain everything they would require for them to be in compliance with their own fiduciary obligations. This technique of ensuring rights by proxy can help facilitate negotiations and development of regional projects, since the majority of the recipient parties or local private investors will feel less pressured by obligations vis-a-vis international investors.

(e) Multifaceted/multisited Intervention: While developing a regional project, it is important to ensure that the

intervention is multifaceted, multisided and multi sector. This approach may help manage the perception (suspicion) of limitedness that a specific country may have if only one sector were to become the target of intervention. It will further help to develop a common approach particularly amongst financiers, and for efficiency purpose, for all types of development partners to be involved at a very early stage of preparation as well as to synchronize their intervention.

(f) *Incentivizing regionalism:* The investors, within their own institutional apparatus, should create incentives for developing and designing regional projects. Institutions that have for long focused on traditional non-regional projects should develop a system in which more funds are allocated for projects that focus on regional agenda, and give incentives for staff that prepare, and successfully manage, the implementation of such regional projects, which often take longer to complete than any other traditional (non-regional) projects.

(g) *Clarifying Cross-border Roles & Responsibilities:* In developing regional cross-border projects, or those involving international transport corridors, it is also important to consider operations functions early on. Early consideration of functional and jurisdictional roles can help the implementation and avoid conflict at a later stage (often cross-border). Broadly these functions can be divided into three categories: (i) national functions that are the responsibility of an individual agency in one specific country where the project, or part thereof, will be based and which can be viewed as those that the agency would be doing anyway even if it had no involvement in cities across the border; (ii) national/regional functions that are those carried out by the national agency, without interagency collaboration but which would regionally benefit the project if done with a regional perspective; and (iii) purely regional functions that are performed for both regional and national benefits and cannot be performed without regional cooperation and collaboration between two agencies or an international agency.

Optimism

In view of the unique situation of South Asia, for whoever intends to develop a regional project, first and foremost, a detailed due diligence work becomes a prerequisite for any long term decision. It is equally crucial to concurrently garner support from all concerned national and international private or public sector partners, to collect ample data to design the project in such a way that risks are minimized and opportunity costs are reduced, and to ensure that the project will be able to improve the situation of countries, beneficiaries, and the goal of development *per se*.

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Culture Of The Sepulchre

BY RAMESH NATH PANDEY

"*Culture of the Sepulchre*" by Madanjeet Singh is a chilling read on the horror and atrocity in Idi Amin's Uganda. Ambassador Singh whom I have had the privilege to meet several times is an Indian freedom fighter, an acclaimed author of several classics and a painter who was also India's Ambassador to Uganda. He is currently UNESCO Goodwill Ambassador. Since there is no way to be able to summarize or re-state all the fascinating incidents as told by the author in the book, one thing is certain: no reader can stop reading the book until the final page - such is the level of anxiety and absolute dismay of the notoriously erratic behavior of Amin yet the most interesting manner in which these have been outlined makes this an enthralling book.

The book begins with the foreign secretary's letter to the author who is at that time posted in Columbia with the message that he has been appointed India's next high commissioner to Uganda. Known for his ethnic cleansing, gross human rights abuse, numerous wives and children, murdering many yet without remorse, Idi Amin's Uganda is not a great destination for postings but author takes it with a stride. Very soon, the antics of the dictator comes to its full swing. One day, all ambassadors are called impromptu to the airport to receive a new Boeing 707 aircraft. After 2 hours of waiting in the sun, the aircraft lands and Idi Amin is seen. But the aircraft brings in a herd of cows that were imported from England at a cost of \$ 60 million. Addressing the Ambassadors, Idi amin says, "Now you will not have to live on UNICEF powder milk. Rivers of milk will flow like the Nile." At one time, Idi Amin also declared himself CBE (conqueror of the British Empire) after the UK broke off all diplomatic relations in 1977.

MADANJEET SINGH CULTURE OF THE SEPULCHRE



Name of the book:
Culture of the Sepulchre
Author: Madanjeet Singh

There are many such humorous and amazingly beguiling instances along with author's own meetings and encounters with the Idi Amin. Readers can easily see what the repercussions of having such a brutal, erratic, irrational almost insane person ruling the country not only to the people of Uganda but also to the neighboring countries. There is a detailed account of how the author fought against all odds including professional jealousy back home to rescue hundreds of Indians fleeing Idi Amin's Uganda, by all means the most dangerous place on earth at that time.

There are other books and also movies made on the Ugandan dictator which I have seen but by all means this book is the most interesting of all the previous accounts of Idi Amin's Uganda told by a person who saw first hand all the violence and mayhem. I recommend this book not only to diplomats, officials, political leaders and students but also to the general public here in Nepal and elsewhere.

Pandey is former Foreign Minister of Nepal



DEVELOPMENT

INGOs Under Pressure

The government is trying to control the activities of the International Non-Governmental Organizations through the back door

By A CORRESPONDENT

At a time when the elected local bodies are absent to carry out the development activities in far and remote parts of Nepal, INGOs have been supporting the local NGOs and communities to fill the gap. However, the recent activities of the government have shown that the INGOs will have to face many hurdles in the coming days.

Registered with the Social Welfare Council as per the Social Welfare Council Act, INGOs have been implementing programs and projects with the approval from the council and from the Project Facilitation Committee of the Ministry of Women, Children and Social Welfare. However, the recent decision of the government has shown that the policymakers are either ill-informed or intentionally motivated to harass the INGOs.

According to the Social Welfare Council, there are more than 240 INGOs working all over Nepal in areas like gender, human rights, child rights, health, education, disaster, natural conservation, income generation and poverty alleviation. The council annually monitors the activities and development

programs launched by the INGOs.

With the formation of this government, the Ministry has already issued several guidelines and asked the INGOs to focus their activities on development and construction activities only by discouraging the rights based advocacy approach in the rights and inclusion sectors.

"We don't need advocacy programs any more in the areas like inclusion and rights as Nepal is capable to do so. What we want now is projects that will directly benefit the people," said Badri Prasad Neupane, Minister for Women, Children and Social Welfare. "We also want transparency on the part of INGOs functioning."

As part of the international civil society movement, INGOs follow transparency and accountability at international standards by publishing their annual reports in their web-sites. INGOs also submit their annual balance sheet and progress report to the Social Welfare Council.

However, the recently published 23 pages and 211 points, Governance and Economic Reform Immediate Action

Plan 2069 places certain conditions on the INGOs to follow while working in Nepal. Even the Internal Revenue Department's records show that the INGOs annually contribute over 330 million rupees to Nepal's tax network.

The Governance and Economic Reform Immediate Action Plan Also include the areas like Economic reform and progress, corruption control and transparency, Transport Management, Service Delivery, Supply of Essential Commodities, energy sector, forest and environment protection, Education and health sector management, improvement in project management, improvement in human resource management, reform in corporation, agriculture development, social reform, conducting workshop, program and other reform. The action plan also has time frame for implementations.

The guidelines in the Governance and Economic Reform Action Plan 2069 were released on October 17. Under the clause 13, Corruption and Transparency, the immediate action plan says all INGOs working in Nepal shall publicize their annual budget, completed work, expenditure and human resources in an integrated manner. According to the action plan, the Ministry of Finance, in cooperation with the Ministry of Women, Children and Social Welfare and Ministry of Foreign Affairs, will take the necessary steps for this.

Clause 14 of the Action Plan has also directed the Ministry of Finance to make necessary arrangements to channel all the foreign aid available through INGOs under one window policy.

"After reading the Action Plan, one can easily draw the conclusion that policy makers are ill-informed about the role and practice followed by INGOs," said INGOs country representatives.

The government's displeasure with the INGOs is understandable. The government holds the view that the INGOs have been supporting the organizations which raise the issues of human rights violation and inclusion. Even during the period of the royal government, several efforts were made to contain activities of the INGOs by putting a lot of terms and conditions. The INGOs working in Nepal bring just over 10 billion rupees, which is very nominal compared to what the bilateral and multi-lateral agencies spend in Nepal. ■



Nepali Ignorant of Its Water Resources Potential: Cause of Present Energy Crisis

By DR. AB THAPA

Nepal's planners, policy makers and intelligentsia are terribly mistaken to consider that the benefit to accrue from our major water resources storage projects is mostly electricity generation, whereas the irrigation benefit could be ignored. They seemed to be completely unaware of the vast studies of our water resources projects carried out in the past. The past detailed feasibility studies have clearly established that the irrigation benefit to accrue to our country from large storage type projects not only would be comparable but it could even be far exceeding the power benefit. Let us take the case of the Kankai Storage Dam Project. According to the detailed feasibility study carried out under the grant assistance

Except for the Sun-Kosi, Kankai and Bhalubang (West Rapti) storage projects, the irrigation potential of all other big storage projects, like the Karnali, Kosi, West Seti Projects, are too large to be exploited wholly within our own country. Thus the possibility of water export must be explored to maximize benefits accruing to our country from such large storage type projects.

There is a ready market for export of water to India. According to the current international practices the amount due to the water exporting country is paid in terms of a certain reasonable percentage of benefits accruing to the water importing country. This type of benefit is called the downstream benefit. At present Canada is receiving 50% of the net

The implementation of a large storage type hydro project solely to meet our own demand for power can not be justified prior to reaching an agreement to recover a certain reasonable percentage of downstream benefits accruing to India if the irrigation potential of such project is too large to be fully exploited within our own country.

downstream benefit from the USA. Similarly the Kingdom of Lesotho is receiving 56% of the net downstream benefit from the South Africa.

of then West German Government in 1980 the annual benefit to accrue from hydropower generation is only US \$ 7.24 million whereas the annual irrigation benefit was found to be US \$ 31.46 million. The actual net irrigation benefit to accrue from other large multipurpose projects like the West Seti Project, Karnali (Chisapani) Project etc too are comparable to their power benefit.

Economic Significance of Water Export

Our country in recent years is kept in complete ignorance of the vast opportunities to produce abundant electricity far more than what we would be able to consume in foreseeable near future at relatively small capital investment or even almost free of cost, just like the way the Canada did in implementation of the Columbia hydropower projects, or the Kingdom of Lesotho has also done in implementation of the Lesotho Highland projects. The Kingdom of Lesotho, despite being one of the most backward countries of the Africa in socio-political awareness, has succeeded in building hydropower project free of cost, along with receiving in perpetuity annual royalty by using the proceeds of the sale of the regulated water supplied to the South Africa.

Market for Water Export

India Ready to Buy

Nepal's long years of persistent efforts to recover its share of downstream benefits has already produced concrete results. Few years back the Bajpai Government had constituted a high level commission to recommend Indian Government suitable ways to pay royalty to Nepal for regulated water flowing across the border into India. Unfortunately our recent governments are deliberately shutting their eyes to this issue extremely vital for bolstering the economy of our country and also to provide our people cheap electricity in abundance. Needless to explain that the implementation of any of the storage projects like the West Seti or the Budhi-Gandaki project without reaching an agreement with India about the sale of regulated water would deprive for ever our country the opportunity to obtain in perpetuity huge sums in annual revenues.

Sun-Kosi Project to take Priority

The implementation of a large storage type hydro project solely to meet our own demand for power can not be justified prior to reaching an agreement to recover a certain reasonable percentage of downstream benefits accruing to India if the irrigation potential of such project is too large to be fully exploited within our own country. However,

Government could now select a project such as the Sun-Kosi diversion storage project or the West Rapti (Bhalubang) storage project, which are comparable to the West Seti Project in size, to meet our demands for power in near future. In addition to power, those two projects would have provided enormously large irrigation and flood control benefits within Nepal itself.

Suicidal Decision

It is quite shocking that very recently the Ministry of Water Resources has decided to implement the Dudh-Kosi Storage Project that would considerably limit the area of the lands to be irrigated by the Sun-Kosi Project in Nepal. Unfortunately none of our water resources related private as well as public institutions have raised their voice against this government decision. Even our main political parties and also the Terai based political parties claiming to represent the interest of the Terai are not at all seen to worry over such dreadful decision to ruin the irrigation prospect of the Eastern Terai. Apart from generation of cheap electricity and irrigation of almost the whole of Eastern Terai from Birjung to Saptar-Kosi, the Sun-Kosi Project could be helping to save the life and properties of tens of thousands of people living in Sunsari, Morang and Saptari districts by controlling the maximum discharge, together with high sediment flow of the Saptar-Kosi River.

In Conclusion

By now Nepal would have been able to accelerate industrial development across the whole country primarily based on cheap electricity produced by taking the comparative advantage of the vast hydropower potential of our water resources, if we had truly abided by the recommendations of the World Bank, FAO/UNDP, JAICA, GTZ etc, which are based on detailed feasibility studies. It is a great misfortune that our recent governments instead of capitalizing upon the comparative advantages of our water resources projects are going ahead to kill even those most attractive water resources projects that could play great role in our country's quick economic development in general and in providing abundant cheap electricity in particular. There is an acute urgency that the full attention of the entire civil society, INGOs and government organizations be drawn to save our water resources from being devastated. ■



ILAM

In Green Gear

Known for its green tea garden, the eastern hill city of Ilam is going all out to become the first green city in Nepal

By UMA KANTA KHANAL, in Ilam

Ilam Municipality is going to provide a green card to each local organization and household actively observing the green code of conduct in the city. The card will cut their taxes.

Sanitation is the principal concern of the municipality these days. The municipality dwellers are promising to actively participate in the municipal programme.

Bijay Rai, a hotel owner in Ilam, was sweeping the road in front of his hotel. "If we don't do this, then no one will be there to do it. Everyone will have to do this for the cause of the city," he said.

Rai has painted his house green. He says this is a symbolic action to attract tourists.

Many others like him have painted their houses green as per the recommendation of the municipality.

"We are trying our best to develop Ilam as a green city," executive officer of the municipality Agni Adhikari said. "We are planning to distribute green cards to organisations and households

for actively participating in the greening of the municipality."

According to the municipality, the green cards will be the principal motivational tool to encourage the residents to adopt environmentally sound practices.

"We have requested the town dwellers to paint their houses green so that the tourists will be attracted," Adhikari said.

Residents of Ilam Municipality said they were encouraged by the programme

and were actively taking part in it. They are helping enforce the ban on use of plastic bags and free trade of tobacco products, key activities, the municipality thinks, that provide the backbone for the formation of the green city.

A local journalist, Dhiren Chemjong, said, "Whatever we can do for this programme, we will do that for its success."

Local resident Suman Shrestha said, "The people have been giving up the habit of cutting down the trees. They have started planting saplings in their compounds instead."

With the successful ban on the use of polythene bags in Ilam Municipality, the mission of establishing Ilam as a green city has gained momentum. The approval of the 15th City Council to develop Ilam as a green city and subsequent commitment of the government has further accelerated the process.

The Green City agenda is basically designed into ten different thematic areas. These areas include health, education, energy, environment, socio-cultural aspect, transportation and communication, urban design, governance, economy and agriculture.

The government has not provided any budget for this project yet. According to the municipality, every activity so far drew on the support from the local people, NGOs, INGOs and municipal sources. The local development ministry is going to provide some budgetary support from this year to develop the green city. Spokesperson of the ministry Dinesh Thapaliya said, "If a full budget is introduced, it is certain that some money will go for greening the city of Ilam." ■

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A Surgeon's Sketches from Nepal

By BIPIN ADHIKARI

Dr Henry Ambrose Oldfield's book *Sketches from Nipal* was first published in 1880 by London based W. H. Allen & Co. Originally, it had two volumes. The main objective of the book is to introduce Nepal as it stood at the time of Maharaja Jung Bahadur in terms of land, history, society and religion.

The author has described the book as the anecdotes of the court life and wild sports of the country. He has included in the book some essays on Nepalese Buddhism. There are very impressive illustrations in the book of Nepal's religious monuments, architecture and scenery from the author's own drawings. Oldfield had a long opportunity to understand Nepal as a surgeon to the British Residency in Kathmandu from 1850-1863. He also became close to Jung Bahadur during his stay here. The British representative in Kathmandu at that time was J. C. Erskine and subsequently Colonel George Ramsay, a cousin of the West Bengal based Governor General, the Marquis of Dalhousie.

Dr Oldfield starts his book by introducing the country in terms of its area, geography, provinces, and the Nepal Valley and Kathmandu. There are separate treatments for Patan, Bhadgaon and Kirtipur. He has explained several routes into Nepal. His understanding of the military tribes of Nepal, the caste relations among Newar people, and the Catholic missions in Nepal at that time also find some space. There are descriptions on wild elephants, leopards, rhinoceros, dogs and buffaloes available in Nepal. Writing about the population of Nepal, he opines that no trustworthy census of its entire population has ever been taken, but it is believed to amount to about four millions. Of this population, he believed that at least one quarter of a million live within the narrow limits of the Valley of Nepal.

Oldfield makes his book very interesting to the readers by explaining Buddhism in Nepal in the background of Buddhism in India. There is an attempt to understand Buddhism in principle and then provide the blueprint of its current status in Nepal. He has described in detail the special objects of Buddhist worship, temples, vihars and monasteries, and religious festivals. There is fascinating and detailed account of

many aspects of these objects. The Volume II of the book comprises of illustrations of the temple of Machhindranath, Charan of Sakya Singha Buddha, the Triratna or Buddhist Triad, the Thunder-bolt of Indra resting upon the Dharma-Dhatu model, and a Nagkanya (or Mermaid) seated upon a tortoise at Buddhanath, among other. No doubt, these illustrations explain the unique characteristics of Buddhism in Nepal.

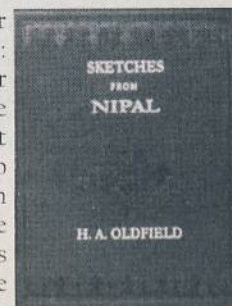
A cursory reading of the book helps anybody to understand how powerful Maharaja Jung Bahadur was after his takeover in Kathmandu. It also explains the military clout of Nepal, and the power, maneuverability and respect that Nepal commanded at that time. It appears that Jung Bahadur was not only a powerful prime minister, but also a shrewd political analyst, who knew how to play fire with his enemies, and yet without burning his fingers. His role in the suppression of the Sepoy Rebellion in the northern India was well calculated effort in the national interest of Nepal. At one point Oldfield has categorically noted:

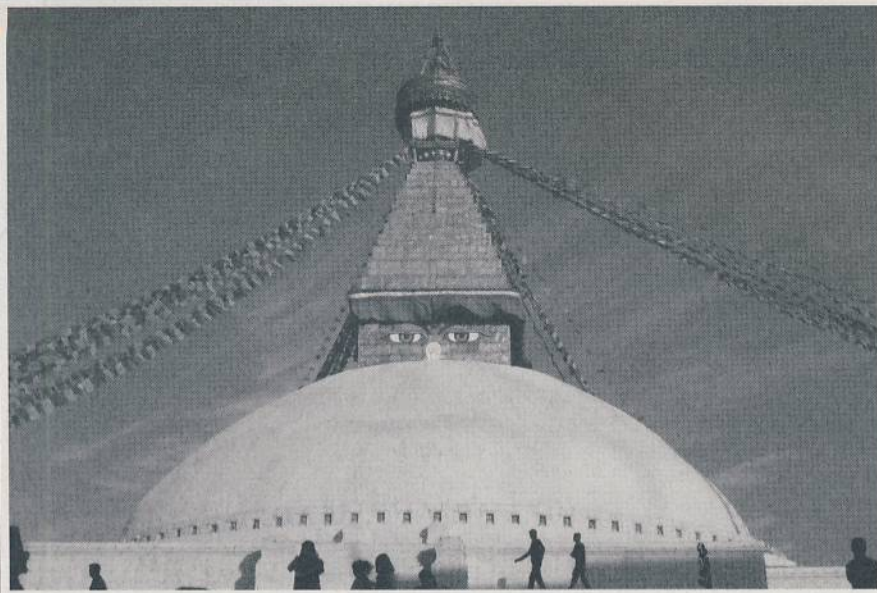
"In conversation with Jung Bahadur, he told me that he considered that the 'Cartridge question' was a mere pretext ... ; that the real cause of Mutiny in the plains was a general feeling of distrust and dissatisfaction at the annexation of Nagpur and Oudh; that all our previous annexations, as Sindh, the Punjab, and Barmah, had been justifiable, having been warranted by some aggression against us on the part of these states. This was not the case of Nagpur and Oudh; they were in friendly alliance with us at the time of their annexation, and did not deserve their fate. Oudh in particular deserved well at our hands having rendered us assistance in former times when we were in want of money. Oudh was the home of a great part of the Sepoys of the Bengal Army, and they all sympathized with its king in his dethronement, and were disgusted at the annexation of their country. As long as Nagpur and Oudh remained independent, there were two native wealthy courts - one Hindu, the other Mohammadan - at which discontented or ambitious natives might always hope to find employment."

Going further Oldfield writes: "[Jung Bahadur thought] there were no prizes left in the plains to which an ambitious native could aspire, as although the British government gave good pay and good positions to its soldiery, yet no Sepoy could ever hope to rise to anything above a Subhadar. This was the real ground of the discontent, and the native army hoped that after upsetting our rule and driving the British into the sea, they should be able to establish a native dynasty, under which they might hope for a much larger share of honour and of power than they ever could have obtained under the British rule."

"He added, of course, they are fools for thinking so, as they will lose much more than they will gain, and at present no nation state of any sagacity (mentioning Kashmir, Gwalior, Haidarabad) has joined the mutineers, as they have too much confidence in the power of the British; but if in the course of next month or six weeks Delhi is not retaken, Lucknow not relieved, and the mutineers thoroughly and severely punished, that confidence will be so shaken, that those states will probably take part against the British and the insurrection become general throughout India."

This all explains how Jung Bahadur created safe haven for himself and his country by extending cooperation to the East India Company which had a devastating potential for Nepal. During his lifetime, Jung not only eliminated the factional fighting at the seat of power in Kathmandu, introduced innovations into the bureaucracy and the judiciary, and made efforts to modernize Nepal, but also neutralized an imperial power next door. It is yet another story how his power resulted finally in the dictatorship that repressed the nation for more than 100 years and left it in a primitive economic condition. This is an issue that many other historians have explained so well after the book of British Residency surgeon Dr Henry Ambrose Oldfield was published posthumously. ■





SOMETHING ABOUT NEPAL

A Tourist's Perspective

By JACQUELINE DAMEN

There must be something about Nepal. People continue to travel here despite the Global Financial Crisis and the political instability within Nepal itself. Tourists continue to come for various reasons – not all are coming to trek, and so what is it that keeps drawing crowds of visitors on the ever increasing flights coming in from around the globe, and how easy is it to be a traveller in Nepal?

As first impressions go, how many other countries can offer the stunning view that Nepal offers, immediately capturing the hearts and minds of passengers as they touch down at Kathmandu airport? The wall of mountains surrounding the Kathmandu valley makes for magical scenery that keeps luring tourists to the country, and moreover, a substantial amount for a second visit.

However, the Kathmandu airport can sometimes resemble a ghosttown – there are many dark corners and unused desks – unlike the glaring, well-lit airports that some travellers may be used to, always filled with the *hustle and bustle* of people twenty four hours a day. Passengers queue for their Visas – some after rummaging for some time amidst the paper strewn everywhere – and after watching their passport move through the production line of four or five workers, are able to collect their bags and be on their way.

Whilst Nepal is touted as one of the safest places for women to travel alone, exiting the

Kathmandu airport can be a harrowing experience, especially for those travelling by themselves, or for the first time in a country less developed than their homeland. Travellers find themselves confronted by a wall of Taxi drivers screaming “Taxi! Taxi!” and politely decline each driver as they are forced to walk past this group in order to find friends or family they have arranged to meet. An ever helpful, but overzealous taxi driver might be suspiciously viewed by a tourist wary of trusting others, whereas after a short time here they will realise that the Nepali people are the kindest and most sincere that they may ever encounter.

As tourism accounts for around a third of Nepal's GDP, these first impressions of Nepal, and its capital are of major importance. After the initial ‘wow’ factor of the Himalayas, tourists find themselves with no designated taxi rank or any organisation to the sea of Taxi drivers, and they must find themselves a taxi, or find their friend or tour official amidst the chaos, sometimes whilst also being harangued by porters wanting to carry their bags – for a fee, of course.

The second area a traveller is likely to visit is the busy shopping and hotel hub of Thamel, where unaccustomed travellers meet with the chaotic traffic and blaring noise pollution of the horns of countless Suzuki taxis that circle the tourist hot spot. For many, this area brimming with shops, clubs, cafes and

restaurants is an endearing part of Kathmandu, lively and exciting. But for some this noisy suburb wears them down with the vendors spruiking their wares, inviting any passing person inside their shop, and the eternal whispers in travellers ears to purchase trekking tours, musical instruments, chess boards, tiger balm, or hashish.

Despite Thamel holding the concentration of foreigners in Kathmandu, within the limits of this tourist hub there is no identifiable tourist information centre – the Nepal Tourism Board's Tourist Centre is actually located a lengthy walk from the heart of Thamel, or a 150 Rupee taxi ride (depending on your negotiating skills). Most foreigners are used to easy access to a Visitor Information Centre or booth in major cities, nearby to where most of the attractions are – in this case though, the Nepal Tourist Centre is next to the City Bus Park, but not near to any of the major attractions that tourists typically visit whilst in Kathmandu.

The Manager of Research, Planning and Monitoring within the impressive building reassures me that many tourists visit the Tourist Centre – there is an Ethnic Museum, and general information available. Mr Sharma has a positive outlook on the future of Nepal tourism, and affirms that the best way to encourage further growth is through infrastructure. He explains that the NTB's objective of making Nepal a “Premiere Holiday Destination” can only work if all levels of community are involved, and the NTB are working closely with communities where tourism is a major source of revenue. Mr Sharma urges travellers not to draw parallels between developing and developed countries, but is comparison not an automatic response when entering a country other than your own?

It may be a long way to travel before the roads are paved and the streets are clean, but this year, according to Mr Sunil, has already been a bumper year for tourism in Nepal. I cannot help wonder at what it is that continues to bring foreigners to this country with its dusty capital and electricity cuts – but I know that I too, am one of the many captured under its spell.

The mountain ranges and stunning lakes will always be here, and one would hope that the generous nature and hospitality of its people will also never change. If these two aspects of Nepal remain constant, then with further development and growth, and perhaps a more stable political climate, how can Nepal's tourism not flourish even more?

Jacqueline Damen Is An Intern From Australia

TRANSIT TRANSPORT

South Asian Cooperation

In discussions to renew the transit treaty with India, anything new done will benefit Nepal

By A CORRESPONDENT

Whatever be the guarantees the international laws and conventions provide to the landlocked countries regarding their access to the sea, ultimately what matters is the political relation between the land-locked countries and their transit neighbors. This is the same in South Asia.

Out of four Least Developed Countries of South Asia, transit treaty signed by Nepal, Bhutan and Afghanistan to their neighbors are different in terms of facilities. For instance, Bhutan gets much concession in transit with India, compared to Nepal. Similarly, Afghanistan is facing many problems dealing with Pakistan on the transit issue.

Nepal-India transit treaty, effective from January 6, 2006, is going to expire in coming January after completing seven years. The officials of the two countries are in the initial stage of negotiations.

"We have been holding discussions among various ministries and looking at it to see if there is a need to include any new agenda," said Naindra Prasad Upadhyaya, joint secretary of the Ministry of Commerce. "We have already sent our initial proposal to the Ministry of Foreign Affairs. Nepal and Indian officials will hold the meeting soon. As the Kolkata Port is over congested and inefficient for being capable only to accept small vessels, we want another alternative port like Visakapatnam as an alternative."

At a function organized by the Association of Former Career Ambassadors of Nepal (AFCAN) and South Asia Center for Policy Studies (SACEPS), experts pointed the need to make the new transit treaty help facilitate Nepal's trade with the third world countries as well as with India.

In South Asia, Nepal, Bhutan and Afghanistan are three land locked countries which solely depend upon

their neighbors for the transit of goods. Nepal and Bhutan rely on India and Afghanistan relies on Pakistan to access the sea for foreign trade.

Inaugurated by Secretary-General of SAARC Ahmed Saleem, the workshop saw two papers presented by experts. Chaired by Madhuraman Acharya, executive Director of SACEPS, former commerce secretary Purushottam Ojha presented a paper on Assessment of Implementation of Almaty Program of Action (APOA) in South Asia and



recommendation for a post Almaty discourse on transit cooperation.

Chaired by Kedar Bhakta Shrestha, president of AFCAN, Dr. Ratnakar Adhikari, director of South Asia Watch for Trade Economy and Environment (SAWTEE), presented the paper on framework for regional cooperation on transit transport cooperation in South Asia and a potential future roadmap for deepening the regional connectivity and transit transport integration.

"Out of five rail corridors, one is connecting Birgunj with Kolkata/Haldia and the other is connecting Mongla-Chitagon via Katihar-Rohanpur. Both the routes are very long and time consuming due to poor infrastructure" said Ojha.

"Transit issue is a very complex thing. For a country like Nepal, access to sea is essential for diversification of trade," said Madhuraman Acharya. In this context, the workshop was expected to pave the way to make transit transport cooperation in South Asia smooth. ■

RAIDP

Transfer Trouble

By A CORRESPONDENT

A recent incident has shown how politicization can ruin a successful project. The Rural Agriculture and Integrated Development Project (RAIDP) posted its success starting from 2006/07 under the dynamic role played by its director Ashok Kumar Jha. Now he was removed from the post under the orders of deputy prime minister Narayan Kazi Shrestha.

Although the government has committed not to remove project directors of the foreign-funded projects for a certain period, removal



of Jha, who pushed the project to its present level, proved otherwise.

At a time when the RAIDP has been making a big progress in changing the livelihoods of millions of people, Jha's removal as its director has brought the process to a sudden halt. Jha established a record in the last four years by making RAIDP a project the Auditor General Office's a 'best office' in performance audit. Auditor General's report hailed RAIDP's financial records as noteworthy.

However, nothing mattered when the government's decision removed Jha from his position.

Covering 226,309 households with 1,332,602 people in the 248 VDCs with 1326 settlements under the zone of influence of the rural road projects, the RAIDP has already constructed more than 907 kilometers of roads. Of the total roads, 21, that is, nearly 62 percent roads lie in Terai districts, and 13 roads (38 percent) in the hill districts. Of the total length of the roads, 520 km (nearly 58 percent) lies in Terai districts and 397 km (nearly 42 percent) in the hill.

Sudden transfer of Jha has created panic in the project areas and newly appointed director Karmacharya is yet to take the role played by Jha. In project appraisal meeting, the World Bank reportedly expressed concern over the transfer.

As it is running in the last year and in the process of preparation of document for another phase, Jha's transfer will definitely create problems in the extension of the project. It is the people who have to suffer if the project failed to deliver. ■

Poor Marks

By ABIJIT SHARMA



Indian education institutes have once again come to the spotlight, thanks to the newly appointed Minister of State for Higher Education Shashi Tharoor. According to the flamboyant minister, the university system was not producing 'well-educated' graduates to meet the needs of the Indian companies.

Tharoor's scathing remarks follow two well-reputed international surveys which did not feature an Indian University anywhere in the top 200 list. The neighbouring arch-rival and competitor China however was able to see seven of its universities in the top 200 of one of the surveys.

This is not the first time that the Indian universities have come under scanner. After a similar poor showing in the surveys last year, the then Human Resource Development Minister Kapil Sibal had slammed the higher education system. He lamented that they were not forward looking, followed archaic education system and were not up to date.



Students at Delhi University

And quite truly, Indian education institutes have very little to write home about this year as well with their dismal performance. Out of the two surveys, in Quacquarelli Symonds (QS) world university rankings IIT Delhi and IIT Bombay were the two to have acquired the highest positions. But at 218th and 225th positions they were placed far behind many other countries. Two of India's most reputed universities, the University of Delhi and the University of Mumbai stood embarrassingly at 398th and 578th position. IIT Kharagpur stood at the 234th, IIT Bombay at the 258th position in the Times Higher Education survey.

So, what causes the Indian Universities producing a bad 'report-card' every year?

Firstly, they are without a doubt failing to keep up pace with the needs and the expectations of the modern world. They still follow an out-of-date system. While good universities in many other countries do focus on an overall understanding of issues with practical implementation, universities in India have not moved out of the traditional thrust on 'bookish knowledge'. Take University of Delhi for example. Although the course is revised every few years, the revision is of very little significance as huge changes are avoided and the content remains the same. Said an undergraduate, in an era of interactive learnings, there are hardly any presentations made, no lesson on how to practically implement the ideas learnt in classes and very few interactive sessions with the professors.' Adds another, 'the

exam pattern is identical to that of school and doesn't allow the students to explore their creativity'. Needless to say, the University still needs a long way to go to compete with the world's top institutions.

Although some have blamed the methodology behind India's poor performance, it does not put up a strong argument. One of the surveys, QS, measures institutes on six indicators — with 40 per cent weightage to academic reputation, 10 per cent to employer reputation survey, 20 per cent to citations per faculty, 20 per cent to faculty student ratio and 5 per cent to proportion of international students and faculty each.

Hence, the education system is not the only factor. A second possible factor for the failure of Indian institutes is the politicisation of the system. The selections of Vice-chancellors become a topic of huge political contention and a number of education bills are stalled in the parliament as a result of inter-party conflicts.

'Institutions in the US and other foreign countries boast of academic freedom but there is no political autonomy for running the educational institutes in India,' says Prof. R K Kale, Vice Chancellor, Central University of Gujarat. Although strikes and closure of colleges as a show of protest is not practiced, the institutions become an integral part in the country's politics. One recent case was the conflict with IIT Kanpur and the HRD regarding the conduct of entrance test which ultimately got dragged to the court. Education pundits comment that as long as institutes get embroiled in such conflicts, they would not be able to excel.

Professors also complain that the universities in India receive very little grants from the government and are usually under-funded. On the other hand, students complain of many teachers not being good enough to prepare their pupil to compete with students of IVY league colleges who study under professors with global reputation and international award winning qualities. Said Nikhil Sinha, VC of Shiv Nadar University, 'Institutes in India do not do the research quantity wise or quality wise. This makes it difficult for them to figure in the (top world) rankings'.

Aiming to be a super power in the coming years along with China, India would not be able to do so without a major overhaul of its education system and improving the quality of education. ■

IT WATCH

Is That A Smart Phone?

From industrialist Rajendra Khetan to banker Anil Shah, smart phones are seen in the hands of many

By DEBESH ADHIKARI

I-phone 5, the latest version of I-phone from the Apple Company, recently hit the global market. Although I-phone 5 is still not officially released in Nepal, the excitement about it is still very high. Similarly Samsung Galaxy phones, powered by Google's Android operating system, have also been in the top priority of the common people as they are relatively cheaper than the I-phones and provide many features to compete with the rival Apple. Nokia seems to be getting behind in the race of smart phones, although it has been constantly coming up with new and improved phones to attract the people.

Smart phones are growing in popularity even in Nepal. Be it students, professionals or retired people, everybody wants to own a smart handset. So what is the main reason for such a growing popularity of smart phones in a developing country like ours where technology still keeps many off bounds?

The main reason for the popularity of smart phones is rooted in the addiction of people towards social media sites. People want to use social networks any time it is possible and nowadays every smart phone is equipped with integrated support for social networking sites.

According to Facebook, the rate of growth in mobile usage of Facebook will exceed the growth in usage through personal computers for the foreseeable future. The usage of Facebook through mobile phones is rising even in the developing countries like in the developed countries.

People want to stay connected with others all the time and also give updates on their locational information along with general other updates.

Anil Keshary Shah, CEO of Mega bank, is often found updating his Facebook status using a smart phone. Rajendra Khetan, Chairman of Khetan Group, is another example in the long list of prominent figures that use smart phones to update their social networking status.

Not just celebrities, but so many have



Anil Shah



Rajendra Khetan

been affected by the craze of smart phones. The more surprising fact is that even people from many relatively rural areas are seen with a smart phone in hand.

"One of the main reasons of such penetration of smart phones has been the high foreign employment rate. Nowadays every new phone is a smart phone, so people who go abroad come back with smart phones or send it to their families," said an analyst.

Even the local selling rate of smart phones is very high and according to the mobile phone retailers of New Road, nearly everyone who visits their stores wants a smart phone.

"I can listen to songs, watch movies, browse internet, read eBooks, edit text documents, play games and use many apps along with other general features, so why wouldn't anyone want a smart phone?" said a student.

The selling of smart phone is not restricted by its price. Apple's phones generally cost more than 50 thousand rupees and the latest galaxies are also available in the similar range in the grey mobile market of the country and the

demands for such expensive phones are also high.

Smart phones not only provide extensive options and supports but are also viewed as a status symbol in our society.

"Smart phones are not just used for their features but they also represent status nowadays. Technology only gets

successful if it puts people first. Nokia phones powered by Microsoft operating systems are popular because they put the people first and other things second," said Allen Bailochan Tuladhar, Country Director, Microsoft Innovation Center Nepal, at a presentation at Apex College.

"Due to wide range of available features and to keep up to date with modern technologies, I'm using a Samsung Galaxy mobile phone. As all modern smart phones are equipped with wireless technologies, it also helps me to connect to my friends and family using Facebook and I can stay connected with them no matter where I'm, plus I use it whenever I'm bored or when there is no electricity, play with it, listen to songs and do many more things," said Bijay Bhandari, an engineering student.

Gone are the days when people used to carry mobile phones only for the purpose of making calls or sending texts. The new mobile phones offer people much more than just the bland voice connection. Smart phones are becoming much more than that, or just the devices to use social media. ■



GLOBAL DEVELOPMENT NETWORK

Knowledge Sharing

Experts and policymakers from South Asia have stressed the need to accelerate policy reforms in the agriculture sector

By KESHAB POUDEL, in Colombo

If the recent trend of agriculture production is any indication, Nepal is definitely going to face a food crisis in the coming years. Acute shortage of fertilizers and prolonged drought during the plantation season are going to inflict a loss in the production, amounting to 563,000 tons of edible foods this year.

According to spokesperson of the Ministry of Agriculture Development Prabhakar Pathak, the production of paddy and maize is likely to fall by 14.2 percent and 10 percent respectively compared to the corresponding figures of last year.

This is the indication of the preliminary report on the food output for 2012/13.

The report suggests that the total paddy output is expected to drop by 720,000 tons this year compared to 5.07 million tons — all time high production — recorded last year. Likewise, maize production is anticipated to drop by around 164,000 tons due to insufficient rainfall during the farming season.

“This loss in production of paddy by 720,000 tons (or 432,000 tons of milled rice) and maize by 164,000 tons (131,000 tons in edible state) will eventually lead to a loss of 563,000 tons of net edible foods this year,” said spokesperson Pathak. Food demand will reach 5.3 million tons and the key producer districts reported less than 65 percent plantation and production area decline by 140,000 hectares.

According to the Ministry of Agriculture and Development, this loss in production of paddy and maize is serious.

Nepal is not alone to see the fall in the agriculture production due to shortage of fertilizer and rain. Other South Asian countries of the region are facing similar situations.

South Asian Experiences

South Asia has all kinds of potentials to produce enough food to meet the required demands of the population. Due to the high economic growth, rapid urbanization and liberalized trade,

agriculture patterns in South Asia are shifting from merely a subsistence base to commercial production.

One of the major advantages of South Asia is the availability of water for irrigation and the climatic variations. Despite these benefits, one of the grim realities about South Asia is that the countries of the region are facing trouble in addressing the long term challenge to food security.

Experts discussed various papers presented at the regional workshop on Agricultural Policy in sub-Saharan Africa and South Asia, organized by the Global Development Network, an independent international organization registered in New Delhi. Papers were presented covering agricultural pricing and public procurement, irrigation and water use efficiency, improving the effectiveness, efficiency and sustainability of fertilizer use, managing agricultural commercialization for inclusive growth and addressing the long term challenges to food security and rural livelihoods.

“Investment in agriculture and rural livelihoods must be a priority for South Asia in order to meet the challenges of food insecurity in the coming years. Attention should be paid to financial investment, enabling small scale producers to participate in markets allowing them to manage risk more effectively,” said K.S. Kavi Kumar, professor at Madras School of Economics, in his research paper on addressing long term challenges to food security and rural livelihoods in South Asia.

“The studies undertaken by GDN have not focused on the uniqueness of Nepal’s experience in pro-poor commercialization of agriculture. However, the findings of the study will be relevant to cooperatives that have gone to a very high scale of commercialization, e.g. cooperatives in Sidhuwa of Dhankuta district,” said Bharat Prasad Upadhyaya, executive director of CEAPRED, taking part in the discussion.

“CEAPRED encourages the beneficiaries to form a cooperative, and usually phases out its interventions after the cooperatives are trained and made self-operating. This has been a

sustainable way of ending the program.”

Nepalese officials attributed the drop in production prospects to severe shortage of chemical fertilizers during plantation season and long spell of drought along with insufficient irrigation facility in the fall of production in this session.

GDN researchers also held the view that the time has come to develop ways for efficient management of water and the need to make the availability of fertilizers during the paddy session. “Despite availability of various sources of water, large numbers of farmers still rely on the rain for their production. The time has come to take policy decision on water marketing,” said Dr. Ali Hasanain, Lahore University of Management Sciences, Pakistan, in his paper on Irrigation and water use efficiency.

The use of fertilizer is very nominal in South Asia, including Nepal. “The current pattern of use with heavy reliance on nitrogenous fertilizer coupled with poor nutrition management, lack of complementary inputs, declining soil fertility and weak marketing and distribution systems,” said Mustafa K. Mujeri, Bangladesh Institute of Development Studies, in his paper on Improving the Effectiveness, Efficiency and Sustainability of Fertilizer Use in South Asia.

“The paper focused on addressing the paucity of genuine developing country perspectives not only on global issues but even quintessentially the local development problems such as those related to agricultural and rural development,” said Tuhin Sen, lead strategist, Global Development Network.

“Designed as a policy research project, it seeks to enrich the body of knowledge related to agriculture issues. The research papers presented here explore innovative ways of bridging the research and policy gap,” said project director George Mavratas.

At a time when the countries of the region lack broad based agriculture policies and research, GDN’s research findings will help to formulate a long term policy on agriculture and food security. ■



Pro-Poor Commercialization

By **BHARAT P. UPADHYAY**

Nepalese agriculture is predominantly characterized by small holders; the national average of holding size is 0.8 ha. About two-thirds of the households have a farm size of 0.5 ha or less. This necessitates looking for an appropriate value chain model in favor of the poor farmers. CEAPRED, being a pro-poor focused development organization, has been adopting the strategies towards making market for the poor since its inception in 1991 – 22 years ago.

The salient features of this approach have been the following:

Mobilization of self-help groups of farmers organized to undertake commercial farming enterprises, mostly related to high value agriculture, such as off-season vegetables, vegetable seeds (for land based interventions), and small livestock (piggery, goat for non-land based interventions). Depending on the available local natural resources and potentials, enterprises are selected by the beneficiaries, and they are trained in the areas of their interest.

Capacity in terms of leadership development, organizational and business management and technologies is developed.

Commercial production thus achieved is linked to markets through community managed collection centers

where traders and representatives of producers (commonly through cooperatives) negotiate for price and then sell.

Collection centers are modestly equipped with market information system, book keeping of quantity of products by farmers and the price at which the product was sold.

Depending on the volume of trade, the collection centers run daily or for defined days in the week (usually 2-3 times in a week). Traders come to collection centers on the specified day to upload the products.

CEAPRED encourages the beneficiaries to form a cooperative, and usually phases out its interventions after the cooperatives are trained and made self-operating. This has been a sustainable way of ending the program.

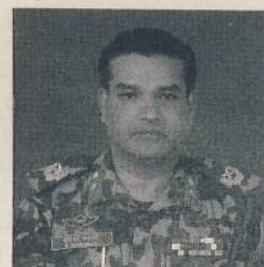
The studies undertaken by GDN have not focused on this uniqueness of Nepal’s experience in pro-poor commercialization of agriculture. However, the findings of the study will be relevant to cooperatives that have gone to a very high scale of commercialization e.g. cooperative in Sidhuwa of Dhankuta district.

(Upadhyaya is executive director of CEAPRED. Excerpts of his statement based on his observation in the workshop.)

Brigadier General Sharma Appointed Spokesperson of Nepal Army

Nepal Army has appointed Brigadier General Suresh Sharma as spokesperson of Nepal Army.

According to the press release of Nepal Army, earlier the position was held by Brigadier General Ramindra Chhetri who served more than six years as spokesperson.



A City Not Nurtured



By ADITI ARYAL

I was on my way back home when I overheard two people talking inside the overly stuffed *Safa Tempo*. From what I gathered, they came to Kathmandu after celebrating the *Dashain festival* in their homes outside the valley. One was new to the city. So, the other was explaining to the newcomer how he had to be on time at work which started at 6 every morning. He was giving directions as to how to get to a particular place in the city. More or less, it was a one-sided conversation in which the listener merely nodded and grunted or groaned on the bumpy road.

It then occurred to me how many young people like him came to the city to find jobs and accommodation only to be disappointed by the city, so unwelcoming and unmanaged. The valley is home to nearly 4 million people, who have learnt the hard way to shut up and live with whatever meager supply of water, electricity, road, education and job opportunity was available. And while the new entrants initially struggled to fit into the failed city, they make it a routine to do so in the longer run.

Centralization is a major culprit in all this. The policies were made in the center, and proper actions to incorporate more people never happened. This resulted in an unplanned city, hosting clustered and haphazard houses, narrow *gallies* and roads, and lack of everything from drinking water, petrol to sidewalk space. Despite unplanned clusters, skyrocketing price of *Dera Bhada* and the unfriendly attitude of *Gharpatis*, the commoners have no other choice than to continue their lives in the city. The city evolved into what it is and what remains from its past is only the reminiscences of the older generations.

This act of centralization again failed to provide any opportunity to people outside the capital. They had, and still have, nothing in their hands and around them which tallies with what they heard from their relatives elsewhere. They then make their way into the capital again to be frustrated by the lack of hospitality the city offers. However, they have no other choice than to come to the capital, be it for better medical treatment, better

education or a case hearing in the Supreme Court.

In all its efforts to be hospitable, the capital fails. With a very disgruntled political people and an unsatisfactory political chaos, the citizens become the poor victims. Every strike, political or otherwise, does nothing to improve the already very weak daily situation of commoners. Rise in prices to unavailability of transport pose as problems not to mention closed education institutions and another day of grueling walking to office.

In their run to be above each other,

The traffic is again as haphazard as the unplanned concrete mass flourishing in the city. The array of vehicles makes a commute very difficult. Though private vehicle owners show some sensibleness, the public vehicle drivers and conductors show no mercy to other road users or any respect to the traffic rule enforcers. The same goes for the pedestrians, crossing the streets or walking on the wrong side just as they want to; the stray animals know to stick to their side!

These glimpses of a city so densely populated and congested do not reflect



these politicians do not realize or perhaps neglect the everyday problems faced by the normal people. Had not it been so, there would have been loads of improvement on drinking water, roads and electricity problems. It is just because we are docile that load shedding is a solved solution. Had the population been somewhat aggressive and able to force the authorities to improve the services, we would not have been living in a failed democratic system. The same applies in case of dumping waste and sewage into rivers in the city, another aspect of a failed management. Thanks to mismanagement in the municipalities, strikes or otherwise, solid wastes remain on the major streets for days, further aggravating health and sanitation of the city dwellers.

anything more than a city that failed to receive nurture as it required. A city people piled up their dreams on, but the ones in power never made appropriate steps to let them fulfill their dreams. The ones who could get away did so a long time back, and those remaining here dwell and depend upon their faded Kathmandu dreams, hoping and believing them to be true some time.

I recall a tourist telling me at the departure lounge in Tribhuvan International Airport a couple of years back, "Your city is so beautiful, but it is so badly managed, I felt like I was walking through the open sewage." Is anyone in the political circles listening and getting serious about strengthening the municipalities with people's representatives? ■

MOVIE REVIEW

Skyfall, James Bond

Daniel Craig remains Bond incarnate in the new James Bond film Skyfall which is often dazzling and always audacious



"James Bond will return" promise the closing credits of almost every film in the 007 franchise. Yes, but in what form? Set aside the series's pulpy orthodoxies — the cars, the guns, the dames — and Ian Fleming's secret agent is something of a chameleon, either blending in with or cashing in on the movie craze du jour. Think of Moonraker, rushed into production after Star Wars took popular cinema into orbit, or Live and Let Die, exploiting blaxploitation, or the twitchy, unsmiling Quantum of Solace, Bond's latter-day Bournefication.

Skyfall, the often dazzling, always audacious new entry directed by Sam Mendes, is no different. For better or worse we live in the age of the superhero, and so Mendes's film is less



hardboiled spy saga than blistering comic-book escapade. The template here is Christopher Nolan's *The Dark Knight*, a film that has almost singlehandedly reconfigured the modern blockbuster since its 2008 release, when it left *Quantum of Solace* bobbing in its wake.

Daniel Craig remains Bond incarnate, although six years on from *Casino Royale* he has become something more than a brawny cipher. There's a warmth to his banter with pretty field agent Eve (Naomie Harris), the one-liners make a tentative return, and we even learn about the loss of Bond's parents: the must-have back story for this season's conflicted superhero.

Neal Purvis, Robert Wade and John Logan's script constantly reminds us Bond's physical prowess is on the wane, but his verbal sparring, both with M and new foe Raoul Silva (Javier Bardem), a former agent turned vengeful computer hacker, is nimbler than ever.

Silva is almost as inscrutable as *The Dark Knight's* Joker himself: Bardem's lip-lickingly camp turn makes him the oddest Bond villain since the Roger Moore era, and his nicotine hair flops queasily over his forehead in a way that calls to mind Julian Assange. By acknowledging the rise of cyberterrorism in the same way Nolan played on the West's new vulnerability in the wake of 9/11, *Skyfall* is a Bond film for the Anonymous generation.

"We don't go in for exploding pens any more," quips a fashionably tousled Q (Ben Whishaw). Nor do audiences, and I suspect *Skyfall* will be a stratospheric hit.

(Courtesy: *The Telegraph*)

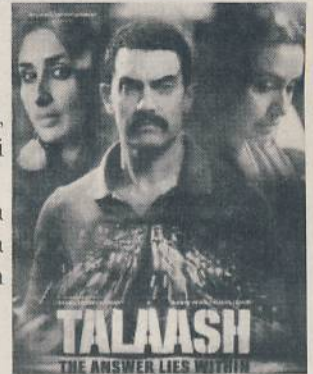
MOVIE PREVIEW

Talaash (2012)

Director: Reema Kagti

Stars: Aamir Khan, Kareena Kapoor and Rani Mukerji and others

A cop, a housewife and a prostitute get entangled in a mystery that links their lives in unexpected ways.



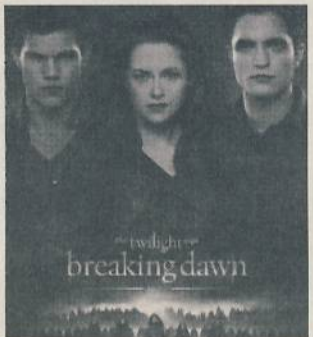
The Twilight Saga: Breaking Dawn - Part 2 (2012)

After the birth of Renesmee, the Cullens gather other vampire clans in order to protect the child from a false allegation that puts the family in front of the Volturi.

Director: Bill Condon

Writers: Melissa Rosenberg (screenplay), Stephenie Meyer (novel)

Stars: Kristen Stewart, Robert Pattinson and Taylor Lautner and others



JAB TAK HAI JAAN

Director: Yash Chopra

Writers: Devika Bhagat (screenplay), Aditya Chopra (screenplay)

Stars: Shah Rukh Khan, Katrina Kaif and Anushka Sharma

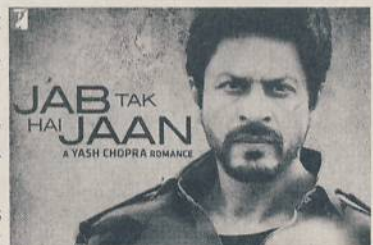
Yash Raj Films presents JAB TAK HAI

JAAN, a romantic movie, directed by late Yash Chopra and produced by his son Aditya Chopra. The film stars Shahrukh Khan, Katrina Kaif and Anushka Sharma in lead roles. While SRK and Katrina Kaif pair-up for the first time through this film, it is a second collaboration of Shahrukh & Anushka after *RAB NE BANA DI JODI*.

The movie is about an ex-army man (SRK), leading a double life in London, and must choose between his wife and muse.

This is SRK's fourth film with the legendary director and it also marks the return of Yash Chopra as a director after eight years, post *VEER-ZAARA* which released in 2004.

The music of the film is composed by A.R. Rahman and the lyrics written by Gulzar. The film is scheduled to release on 13 November, 2012, i.e. during Diwali. ■



Bill related To Special Economic Zones, 2065

The concept of Special Economic Zone means defining certain regions and giving it special tax subsidies, fully facilitated buildings and physical infrastructures with all necessary services, providing necessary procedural service systems through a one door system, establishing an export oriented industry and importing FDI and modern appropriate production technology. Experiences from various countries have shown that SEZ can be established in an area thousands of square km wide or even just a few acres. Likewise industries with full foreign ownership or also with joint investment are also found in SEZ.

SEZs have manufacturing industries, tourism, entertainment, banking services among others. In some SEZ all of the above mentioned professions are found while in others only one or limited types of businesses may be allowed. China, India and other growing Asian economies have all exercised the concept of SEZ as a new opportunity for growth.

Objective and Reason

The fact that this bill is being made to establish Special Economic Zones, provide special facilities and subsidies to industries established in such SEZs in order to aid in the social and financial growth of the country through industrialization is enthusiastic. Although physical infrastructures necessary for an SEZ has already been completed since a long time in Bhairahawa, land has already been acquired in Paanchkhal, initial studies to establish SEZ in Kakadvitta and Dhangadi have already been carried out, extensive surveys have already been carried out in Trishuli, Jumla, and Biratnagar, and steps taken to transform the current industrial zone in Rajbiraj to a SEZ, due to the lack of an Act there is seen to be a lack of commitment as well as a government policy in this direction. As SEZs mainly focus on export market and the investments in physical infrastructure as well as industry and business is very large, it is not only this Act that is needed but also necessary the commitment. The Acts provisions have been analyzed as per this condition.

Provided System

In this Bill analyzing the provisions related to the provided system where there are 54 Articles, 17 provisions have "appointed or as appointed" in them. Before this there were no SEZs in Nepal or any provisions for such, and even until a few years back this was a relatively new subject in the financial sector, and neither were there any provisions related to it in other financial, industrial Acts or laws. As this is coming up as a new concept through a special Act and decisions regarding practical matters when implementing the bill will have to be taken on time, the provisions that are appointed by the Nepal government can be a little practical. However this can also portray the Acts provisions as unclear, changeable, and too affected by executive decisions. This might lead to investors being uncertain and decision makers in the government agencies under pressure to change all the time. In order to give the clarity and the stable investment environment necessary for investors as well as government agencies these provisions needed to be defined as far as possible.

3. Preamble

The motive of establishing SEZs is not just to extend the process of industrialization but also to promote export. As the major objective of investment in this sector is to export it might be necessary to add "export promotion" in the preamble as well.

4. Article 5 – prepare a list of industries

There are two different opinions regarding preparing a list of industries that can or cannot be established in SEZs. The first is that the SEZ authority itself prepares a list of industries and updates it from time to time. The second way is to prepare a list of industries that cannot be established due to the current Acts, laws, financial and social environment of the country and other issues and leave everything else as open. Looking at the current industrial climate in the country, while preparing the second (exclusion list) there is no possibility of keeping some sectors as probable for opening. The authority must therefore periodically study the current

financial and industrial situation and prepare an updated list to encourage the investment environment.

However subsection 3 and 8 of Article 7 allows for the investor to propose industries that are excluded from the list or treat such as being in the list. The adoption of this principle means that a very flexible approach has been taken while creating the industry list. It is worth questioning how flexible the preconceived estimate and base was while establishing a SEZ after extensive studies by qualified consultants. Therefore instead of adopting so much flexibility while preparing the list it might be more practical for the authority to not change the list of probabilities for at least five years. Provisions must be kept in the Act to review the list every five years.

Article 7 – Provision related to permit papers

SEZs established under subsection 9 of Article 7 provides for the possibility of industries established outside the area to come inside the SEZ attracted by the services and facilities available within the area. This might raise issues of investment in relocation, limitations of the SEZ, questions of productivity behind opening it [inside the SEZ] and limitations of new technologies entering the SEZ, which is probably why internal relocating. However the phrase "any special type of industry mentioned by the Nepal Government" in Article 7 subsection 10 shows that the government is trying to keep certain rights to it. Doing so will allow certain industries to define themselves as special. Therefore the "special type of industry mentioned by the government" must be more defined studying the overall financial and industrial state e.g. woolen carpets, pashmina, readymade garments, and herbal processing.

Article 7 subsection 4 attempts to shorten the length of the time taken for environmental impact and environmental impact assessment. EIA is conducted while establishing the SEZ. It is also kept in consideration while preparing the list of industries. However whatever is mentioned in the proposal of the industry depends on the specific type of industry it is important to have its

environmental impact and impact assessment. If the authority itself does this it will make the process simpler. For this in subsection 4 "as per the evaluator provisions mentioned in the Environment Protection Act 2053, Environment Protection Regulation 2054," should be added.

Article 11 – Import

The main purpose of establishing SEZ is to promote export, encourage foreign investment and import technology and encourage other sectors of the country. This policy is seen in Nepal as well. In a low productive country like ours which has trade imbalance with most other countries, permitting up to 25% of the products manufactured in an expensive well facilitated area such as the SEZ will adversely affect the objective behind the establishment of the SEZ and affect industries outside the SEZ negatively. This must be limited to 10%.

It is also necessary to clearly state through Article 11 and Article 4 that subsidies given by this Act for products services produced in the SEZ that are authorized to be sold in the internal market will not be given. Otherwise this will create unhealthy competition between industries inside the SEZ and those outside.

Article 20-34 define different subsidies and facilities that can be received by industries inside the SEZ. The reason behind providing such facilities is to attract foreign investment and technology, promote export, develop industrial technology and create an able human resource. Most investors interested in investing in Nepal complain of the constantly changing policies and laws. Specifically policies related to tax and fees change every year with changes in financial laws which show a lack of stable sustainable financial policies. As SEZs are established with an export oriented market in mind, unstable tax policies and other facilities create difficulties. In order to give stability to provisions provided in this Act policy makers must be committed and convince investors that adverse environment will not be created through other laws that can impact their business.

Paragraph 7 - Regarding employees and workers

As SEZ are export oriented the

international quality of products, level of production, export timing, and services and facilities provided to workers and employees must be clearly stated. Most buyers will search for whether international standards have been met and producers will also have kept this in mind. Therefore everyone must be committed to implementing all the provisions mentioned here. Provisions mentioned in Article 53 must be effectively used for this purpose.

IN the present context of the global economy where any country's economic growth depends on its export, this bill though late is finally here. However it is necessary to take this bill together with other financial policies. Because SEZ is directly related to the international market there needs to be proper coordination regarding workers rights and facilities and services for investors. Are provisions mentioned in this protecting the rights of workers? There are provisions allowing the private sector to also be involved in the infrastructure development of SEZ, its management and operation. As there are many of the provisions related to [ad-hoc] management the government is likely to have more control leading to misbalance, this must be reduced.

There was concern expressed over the percentage of permitted industries and businesses manufacturing goods and services. Many expressed concern that availing goods and services manufactured inside the SEZ could create pressure on industries and businesses outside the SEZ and spoil the market. This must be made effective in relation to the various tax subsidies and other services provided and the seriousness of investors must be kept in mind.

Many also had concerns regarding women workers and most experts were of the opinion that although there were some positive things regarding women workers there must be special provisions.

Some also pointed out that as workers are an important part of the production process they too must have representation in the management committee.

What benefits will establishing a SEZ bring to the local people? This must also be thought of.

Questions were also raised regarding the future of this policy at a time when

federalism is being discussed.

There were opinions with regards to whether currently established industries should be allowed to relocate inside the SEZ and whether domestic investment will get a place or not.

While some of these issues have been addressed above others need to be more clearly defined.

As workers play an important role in the production process the rights of the workers must be kept in mind. As the SEZ is export oriented the pay and salary of the workers must also be fixed accordingly. International buyers and sellers both have their own biasness towards proper workers policy. Therefore it is expected that there shall be no controversy regarding workers pay and facilities and management in the SEZ. Likewise the international market runs on punctual timing and if this timing is not met the industry may have to bear huge losses. That is why cordial relations between workers and the management are integral. By allowing provisions for the SEZ authority to fix minimum wages, ensure that all facilities as promised by the contract are met, facilities are fixed by the industry itself, and any issues that come up to be resolved by the management committee, it is expected that there shall be cordial relations between workers and management. By also providing for a representative from the Ministry of Labor in the management committee of the SEZ, it is expected that there will be no conditions for adverse environments to be created and workers can rest assured.

This investigate suggestion paper was prepared by former secretary Nirajan Baral for the Nepal Constitution Foundation with inputs from women, indigenous groups, Dalit, Madhesi, youth and concerned pressure groups. The Foundation is grateful to Prof. Amuda Shrestha, Dr. Harisharan Chakku, Sambojan Limbu, Shri Krishna Shrestha, Gopi Biswakarma, Shantaman Tamang, Kiran Gupta, Bharat Gautam, Dr. Bhim Neupane, Santosh Rai, Gyan Shakya, KP Pande, Dr. Chiranjibi Nepal, Rudra Pathak, Ramesh Badaal, Phurpa Tamang, and Dr. Bipin Adhikari.

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The Common Cold



By **BUDDHA BASNYAT, MD**

When doctors contemplate writing a health column, amazingly the first thing that comes to mind is the potentially monotonous topic of the common cold (“rugakhoki”). Now that winter is here it may be time to talk about the common cold and to find out ways in which we can deal with this problem. Of course the common cold in some health person may have a different, and more benign effect than in those who have other illnesses at the same time, for example, lung disease, heart disease and so forth. People who have these underlying illnesses may fare less well than those who are healthy to start with. In many instances, a full-blown, debilitating bacterial illness is preceded by a mild viral illness.

A quick quiz regarding the common cold can enlighten us about the nature and treatment of the common cold. Here is the question: Which of the following has been shown to decrease the duration of the common cold (or nonspecific upper respiratory tract infection, as it is known in medical parlance)? The choices are: a) azithromycin (an antibiotic), b) vitamin C, c) zinc, d) Echinacea herb e) all of the above f) none of the above.

Upper respiratory tract infections are the leading cause of ambulatory visits to the doctor’s office. These infections are characterized by a general feeling of being unwell, stuffy nose with some discharge (rhinorrhea), sore throat, and cough. These illnesses are caused by viruses which sometimes prepare the ground for bacteria to cause “super added” infection. Some doctors say that when the nasal discharge and the phlegm become colourful (green or yellow), bacteria have settled in. The most commonly implicated virus is the rhinovirus, followed by the influenza virus, and adenoviruses. In general, unless “super added infection” has taken place, bacteria are not the initial culprits.

So, the answer to the above question is not an antibiotic because viruses unlike bacteria, do not respond to antibiotics. Many people swear by vitamin C, but randomized controlled trials (RCTs, the gold standard in western medicine for judging the efficacy of any drug or device) have shown that vitamin C don’t work for “colds”. Zinc and herbs are also ineffective. So, the correct answer is, none of the above.

When you suffer from a cold, the drug treatment is basically nothing except if you wish, some paracetamol, a nasal decongestant, and cough medicine. But many of these medicines have side effects like sedation and drowsiness that may be unacceptable.

Proper hand washing and covering your mouth while coughing will inhibit the transmission of the illness to others. Where available, annual vaccination against influenza A and B viruses have been found to be the most effective method of preventing influenza. The US Advisory Committee for Immunization Practices (ACIP) now recommends influenza vaccination for everyone > 6 months of age, including pregnant women. Some influenza vaccine incorporates the H1N1 (swine flu) vaccine too. H1N1 caused a scare some years ago and continues to be problematic at times. A point about hand washing.

Many people think that the common cold can only be transmitted by aerosolized droplet infections that lodge in our nose or mouth and then travel into the respiratory system. What many people may not be aware of (and which needs to be emphasized) is that as noted above proper hand washing with soap and water also helps eliminate the spread of common cold. ■



Chaos and Caring

By **JACQUELINE DAMEN**

It is amidst the chaos of Kathmandu traffic that the best and worst aspects of Nepal are best observed.

Cars, buses, motorbikes, rickshaws, bicycles, pedestrians – as well as the odd goat, cow or dog – compete for use of the limited road space. And yet – it is not quite a competition. Cars cut in, motorcycles squeeze through seemingly impossible spaces, and people daringly cross in between. As I travel in the back of a taxi, I watch the truly co-operative nature of the Nepali people. My Nepali friend yells out from our taxi to the car next to us, that the driver’s side door is not quite closed. Would this happen in a Western society, in a busy city street? I would love to say yes, but in most cases, the reality is no.

And in a country where ‘thank you’ is always implied, but never said – the immensity of this co-operation to a Western mind is barely comprehensible. In my homeland, if you let a car ahead of you, or show some courtesy to another driver you will receive a thank you wave in response. And on the other hand, closely cutting in front of another car could induce any measure of ‘road rage’ – an angry outburst of some sort – a gesture, an insult, or equally dangerous driving from the other car. But there seems to be no ‘road rage’ here in the streets of Kathmandu. I don’t even know whether ‘road rage’ is a term used in Nepali. Car horns, which are used sparingly in Western traffic – for warning, or mostly abusing other drivers, are here used so excessively that their purpose seems completely redundant when all around you are making the same noise. But within this chaotic, noisy pandemonium, there is a system that, surprisingly, somehow works.

And so from the back seat of a taxi, or as you sit aboard a friend’s motorbike, the dichotomy of Nepal can be seen through the endless haze of dirt that the traffic kicks up. You pass along the still developing roads and observe the lack of infrastructure in place, and you see people relieving themselves on the side of the street while the dust coats the wares of vendors selling to people as they pass. It can seem so underdeveloped – or in places, uncivilised – but when your taxi driver needs to ask the way to a certain street, hotel or attraction, he just yells out his window to someone nearby, who points him in the right direction. Once again, there is no thank you offered, and both parties carry on with nothing more said.

This co-operative nature and readiness to help each other is a notion that most Western countries would, and should, envy. People here work together, to get to where they are going, to help tourists find their way, to live with the conditions as they are with minimum fuss, and most importantly, minimum animosity towards each other. ■



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