

Opinion: Dr. Ananda Bahadur Thapa

www.nepalnews.com/spotlight

The National Newsmagazine

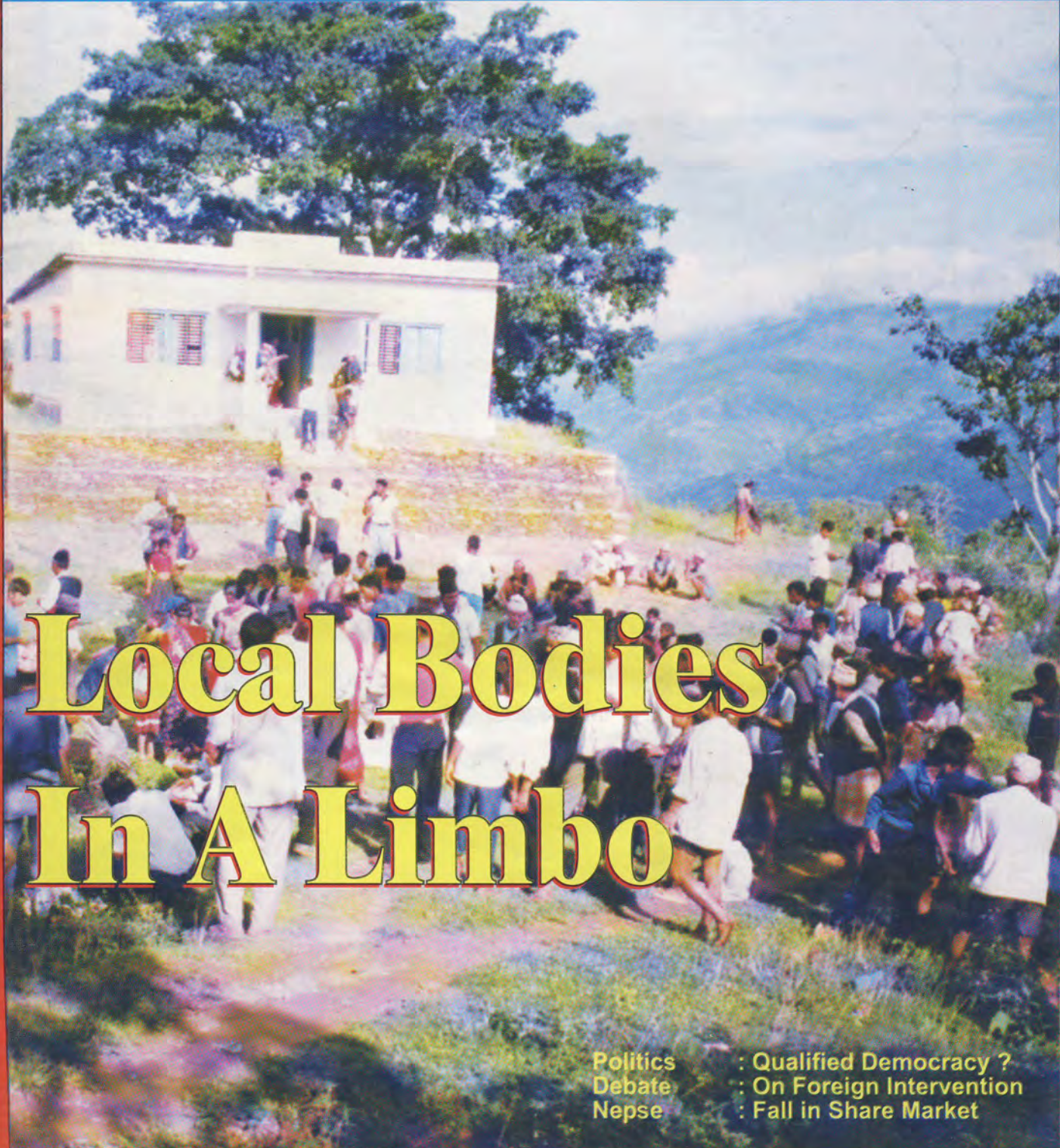
SPOTLIGHT

Aug 11-17, 2006

C.D.O. Regd No. 151/039-40
Postal Regd No. 22/063-64

Other SAARC Nations..... US \$ 1.00
Asian Countries..... US \$ 1.00
Japan..... US \$ 1.00
China..... US \$ 1.00
Area..... US \$ 1.00
Australia/New Zealand..... US \$ 1.00
Europe..... US \$ 1.00
USA/Canada..... US \$ 2.00

Nepal..... NRs. 30.00
India..... Rs. 25.00
Bhutan..... Nu. 25.00



Local Bodies In A Limbo

Politics : Qualified Democracy ?
Debate : On Foreign Intervention
Nepse : Fall in Share Market


सुखी परिवारको लागि आनो लगानी

प्रस्तुत छ... ..परिवार वचत खाता

यस क्रमिक वचत खाताले भविष्यमा तपाईं र तपाईंको परिवारको आर्थिक आवश्यकताहरू पुरा गर्दछ। यस खातामा प्रारम्भिक निक्षेप रु. २,५०० र न्यूनतम मासिक निक्षेप रु. ५०० जम्मा गरि विभिन्न सेवाहरू पाउनुहोस्।

- ३% वार्षिक व्याजदर
- व्यक्तिगत दुर्घटना बीमा रु. ५०,००० सम्म
- लक्करको निक्षेपमा ५०% छुट
- निःशुल्क अन्तर शाखा कारोबार सेवा
- ई-बैंकिङ्ग सेवा

विस्तृत जानकारीको लागि नजिकैको नेपाल इन्भेस्टमेन्ट बैंकको शाखामा सम्पर्क गर्नुहोस्।

 **नेपाल इन्भेस्टमेन्ट बैंक लि.**
NEPAL INVESTMENT BANK LTD.

w w w . n i b l . c o m . n p



Truly a Nepali Bank

EARLY BIRD PRIZES
Win NPR 1,000
for first 8 minor Accounts

वरखर मार्ग ४२२८२९, ४२३२५३० सियाडेन ६६५५६५६, ६६५७८२३ वीरगंज ५२३२५६, ५२३२५६, ५२३२५६ पुल्चोक ५५२०३४६, ५५४६८५८ बनेपा ६६२४०१ न्युरेड ४२४२८५८, ४२३०३६४ वीरगंज ५३४५२३, ५३४५४४, ५३४५२५ तुलवल ५४९९९१, ५४९९९३, ५४९९९३ जीतपुर ५२०२९६, ५२०२९६ पोखरा ५३८९९९, ५३८९९९ मेरुवा ५२६९९१, ५२६९९२ पुतलिसडक ४४४५३०३, ४४४५३०३ नारायणगढ ५३२९२१, ५३२९२२, ५३२९२३, ५३२९२४

CONTENTS

	Page
LETTERS	3
NEWS NOTES	4
BRIEFS	6
UNQUOTE/TRANSITION	7
OPINION : Dr. Ananda Bahadur Thapa	8
ENCOUNTER: Dinesh Thapaliya	16
NEPSE: Great Turmoil	18
REAL ESTATE: Fear Psychosis	19
CONSTITUTION: A Democratic Rule of Game	20
REVIEW: South Asia's Int'l Rivers	22
NATIONAL: Khetan Writes To UN	23
PROFILE: Madan 'Dipabima' Basnet	24



COVER STORY : Local Bodies In A Limbo

The absence of elected and accountable local bodies have soured people's expectations as local units are the vehicle for delivering the state service

Page 12



DEBATE: On Foreign Intervention

Remarks made by DPM Amik Sherchan kicks off a serious debate on foreign intervention

Page 10



POLITICS : Qualified Democracy?
Strangely, leaders and intellectuals are coining different adjectives to qualify democracy here

Page 17

SPOTLIGHT

THE WEEKLY NATIONAL NEWSMAGAZINE

Vol. 26, No 1, August 11, 2006
Sawan 26, 2063

Chief Editor And Publisher
Madhav Kumar Rimal

Editor
Sarita Rimal

Managing Editor
Keshab Poudel

Senior Reporter
Sanjaya Dhakal

Reporter
Thakur Amgai

Design and Layout
Jyoti Singh Dangol

Photographer
Sandesh Manandhar

Legal Advisor
Advocate Lok Bhakta Rana

Marketing
Navin Kumar Maharjan
Madan Raj Poudel
Bishnu Prasad Chaulagain

Editorial Office
GPO Box 7256, Maitidevi, Kathmandu
Tel (977-1) 4423127 Fax: (977-1) 4417845
Chief Editor's : 4435594,
E-mail : spot@mail.com.np
Internet : www.nepalnews.com/spotlight

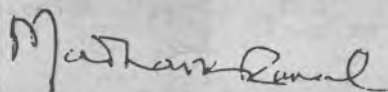
Cover Design : Digi-Tech Scanning & Pre-Press Pvt. Ltd.
P.O. Box : 1655, Jwagal, Kupondole,
Lalitpur, Nepal
Tel : 5551251, 5529530
E-mail : degiscan@wlink.com.np

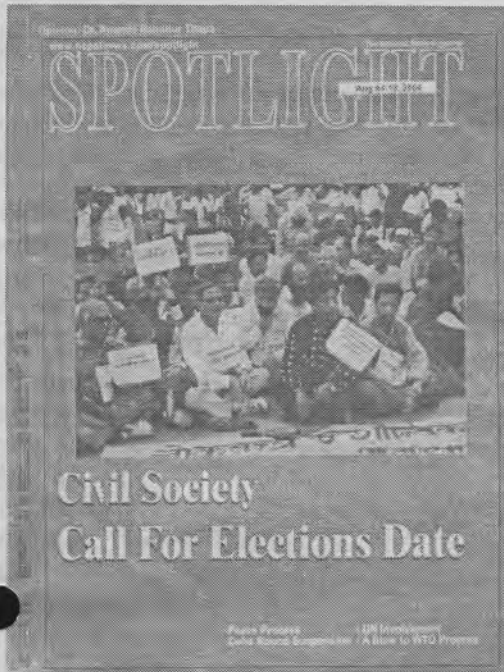
Distribution : R.B. News Paper Traders
New Road, Kathmandu, Nepal
Ph : 4232784, 2020247, 4244679
E-mail : rbnewspaper@hotmail.com

Printers : Printers World
Maitidevi, Kathmandu
Ph : 4423904
E-mail : printerworld@wlink.com.np

C.D.O.Regd. No
151/039-40
Postal Regd. No
42/61/62
U.S. Library of Congress
Catalogue No. 91-905060

The prospects of lasting peace are being endangered. The rift between the SPA government and the CPN (Maoists) seems to be widening. Even though Amik Sherchan, the second deputy prime minister, has openly threatened to quit the government if it continues to deviate from the agreed policies, he is hardly producing any ripples in the SPA diehards. Other constituents of the SPA are smugly ensconced in power and not in a mood to give up all the comforts, luxuries and other unexpected benefits accruing without any efforts. It is clearly visible to the discerning eyes that the government is in no hurry to accommodate the CPN (Maoists) in the administration. Lack of experience in negotiating techniques and state crafts has already pushed the CPN (Maoists) to the receiving end. The outbursts of the UML leaders don't mean anything. They and the NC are just two sides of the same coin. Consequently, the Maoists have to restart assessing the real worth of their pronouncements and how far they can put their implicit faith in them. They, no more, can stay complacent. Otherwise, they will have to face a stiffer uphill path in the coming days. It is being reported widely in knowledgeable circles that the Indians, having used them to achieve their objectives, have begun to get real wary of them now. It is also rumored that the Americans want them totally annihilated. In such a situation, if the SPA works in tandem with the Indo-Americans, what must the CPN (Maoists) expect? Even the off the cuff remarks of Prime minister Girija Koirala are not only reflections of "His Master's Voice" but also meant to test patience of the Maoists. As such, if they still expect to occupy the front stage in Nepal's politics and not be relegated to background, they have to match the SPA strategy step for step. They must never lose sight of the universal truth that negotiations can only end up favorable if carried out with an upper hand - from the point of strength. Consequently, the Maoists should not relax but hold on to their points of strength tightly. And they must very cautiously judge and weigh the emerging trends, which don't seem to be in their favor. But, they can still heavily cash on the discredited integrity and certified quislingism of many of the SPA politicians. The other important sources they can exploit to the hilt are the hopes and ambitions of the poor common man in pinning faith in them. And this is a strength which must be treasured. Therefore, at the present juncture, they don't have to go back to the jungle. They only got to use their gray cells more intelligently and more effectively. One thing we have been repeatedly emphasizing and we do trust the Maoists also know well, is the hegemonic role India plays in our political and economic life. And, despite the unavoidable urgency, no politician or statesman of Nepal has ever sincerely worked to free Nepal from that iron stranglehold. It is, indeed, a great pity that Mighty India has always preferred to cast her heavy weight on her smaller neighbors rather than endeavoring to win their hearts. Their pressure diplomacy, as such, has never permitted the atmosphere of mistrusts and misgivi in the region to clear up so that a really healthy relationship could emerge. This has made it quite imperative, on the part of Nepal in particular, to enunciate a new form of strong foreign policy based on the principle of sovereign equality and the demands of changed national developments and political exigencies with the CPN (Maoists) at the center-stage. After the success of the peoples' revolution, an era has ended and a new one begun. As such, the players in the ensuing dramas too must be new men with new vision, unimpeachable integrity and unquestionable patriotism. ■


Madhav Kumar Rimal
Chief Editor & Publisher



Call Elections

It is true that without holding elections and bringing true representatives of people to power, the current political imbroglio is not going to be settled ("Call For Elections Date" SPOTLIGHT August 4). In that the role being played by civil society activists in demanding the immediate announcement of elections date must be welcomed by all and sundry. Such pressure from civil society will go a long way in resolving country's crisis.

Jitendra Shrestha
Sanepa

role models for others to follow. It would be very fun to read about such talented personalities. But only to give more emphasis to ladies continuously may be biased. So, I request you to give importance to both genders.

Sita Baral
Manbhawan

Lack of Trust

As I know the political situation of the country, the political leaders are not leading the country for the sake of people but for their position (chair). If they had contributed to the country, they would have already resolved the Maoist problem. All seven political parties and the Maoists have pride and ego. Therefore, they have not come to an understanding.

Lalit Gurung
Kumaripati

Arms Management

About the arms management, both sides have put forth their own argument. One is not ready to accept the position of other. That's why the debate over arms management has prolonged. There can be no deadline to resolve this issue ("Arms of Discord" August 4). On the one hand, they don't trust each other and, on the other hand, they can't overlook the status of other parties. If it persists, the problem may never end rather the same situation would repeat.

Devika Regmi
Kopundole

Worst Situation

There are very few people not to have knowledge about the political situation of our country. Political leaders have already lost their faith in Nepalese people. But still we people have a kind of belief towards them. Different political leaders have their own thought and feelings that have been leading them to come to this conclusion. In my opinion, the leaders know the needs of the present situation for the country, which is peace. But they have no time to think about people. They are thinking about themselves, how to earn money and how to use the facilities.

Bibek Lama
Kalimati

Mixture of Demands

The civil society has been making a mixture of demands and not just the announcement of elections date ("Call For Elections Date" SPOTLIGHT August 4). Most of their demands coincide with those of the Maoists such as dissolution of the House of Representatives. Does the civil society have any alternative in mind once the parliament is dissolved? How will such vacuum be filled? And how does that help in the strengthening of democracy? The civil society leaders should tell the people where they want to take the country.

Krishna Acharya
Hattisar

Bravo, Civil Society

At a time when the political leaders have, more or less, failed to meet the expectations of the country and when an armed insurgent group is threatening to take over power, it is the civil society that has kept the democratic flame burning in the country ("Call For Elections Date" SPOTLIGHT August 4). It is hard to imagine how the

country would have fared through these fluid times if there was no civil society.

Nabin KC
Gyaneshwore

Clarity Needed

Clarity from all parties essential is what Staffan de Mistura, the head of the UN assessment mission, said during his recent trip to Nepal ("Arms Of Discord" SPOTLIGHT August 4). That is the reality. Instead of discussing with other political parties, the government had invited the UN. It created confusion in the mind of political leaders of all parties. Having no capacity to judge the value of UN in Nepal, how could it expect more from the visit? The magic stick is not in the hand of UN rather in the compromise between seven parties and the Maoists.

Kebal Khadka
Sanothimi

Welcome Profile

To have given a page for profile is very admirable in the magazine. The profile of actor Nisha Sharma (August 4) is very welcome. Such artistes of society must be held in high regard so that they can become

"Everyone Including Maoists And The King Should Be Given Space In Democracy": PM

Prime Minister Girija Prasad Koirala has reiterated that in democracy all actors must be given appropriate space. "We should give space to everyone including the Maoists and the King in democracy. Otherwise, anyone who does not get any space will be frustrated," PM Koirala told a visiting delegation of business leaders belonging to the Federation of Nepalese Chamber of Commerce and Industry (FNCCI). The 84-year-old PM has been favoring the line of ceremonial monarchy. His latest remarks come at a time when the Interim Constitution Drafting Committee (ICDC) is completing the draft of the interim statute. PM Koirala also told the business leaders who were invited to his official residence in Baluwatar on the occasion of 40th anniversary of FNCCI that he was actively engaged to bring even undemocratic forces within the umbrella of democracy. "I am working to bring the Maoists to the mainstream through negotiations. If this can be done, it will provide a model for others to follow," he said. Koirala said that negotiations with the Maoists were being held on the basis of 'give and take.' He listed four major jobs before the government: ending of autocracy, maintaining peace and security, full democracy and making people sovereign. He did not speak on the issue of arms management, though. "The government has a particular duty. It cannot go on speaking in the same language as the Maoists. It has to perform remaining within constitutional limits," he said. *Kantipur daily reports.*

Parliament Asks Govt To Speed Up Formulation Of New Military Act

The parliament has criticized the government for the delay in the introduction of new military act to replace the existing one. The meeting of the House of Representatives Declaration Implementation Committee, on Sunday, decided to ask the government about the progress on matters of forming National Security Council and changing national

insignia. "Why the government is delaying in introducing new military act? The parliament general secretary must start inquiring with the government's chief secretary," said Subas Nemwang, Speaker and chairman of the committee. Meanwhile, the Rayamajhi Commission interrogated former chief of Royal Palace Military Secretariat General Gajendra Limbu regarding his alleged role in repression of the people's movement. Replying to the queries, General Limbu denied any role in the repression. He said that the Secretariat only played the role of a bridge between army and the King. Likewise, the Commission also interrogated generals Kiran Shumsher Thapa, Kul Bahadur Khadka and colonel Suresh Kumar Karki on Sunday. *Leading dailies report.*

Maoists Abduct ANNFSU Worker

Maoists have abducted a worker of UML-affiliated All Nepal National Free Students Union (ANNFSU) in Baglung district. Hari Prasad Tiwari was abducted from Gwalichaur VDC in western Baglung, according to a press statement issued by ANNFSU. Tiwari has been abducted since August 2 and his whereabouts are unknown. The ANNFSU has condemned his abducted and demanded safe release. *Leading dailies report.*

Civil Society Demand Dissolution Of HoR

Civil Society activists demanded dissolution of House of Representatives stating that it is an obstruction to the path of establishing democratic republic. Addressing a mass meeting in Basantapur, they alleged that the seven parties were not working as per the spirit of the people's movement. Dr. Devendra Raj Pandey, leader of the Civil Society Movement for Peace and Democracy, said that the parliament should be dissolved and dates for Constituent Assembly elections announced immediately. "Otherwise, we will hold nationwide agitation," he added. *Leading dailies report.*

Sports Sector Approves A New National Song

The National Sports Council (NSC) has approved a new national song to be played when Nepalese athletes bag award during the forthcoming 10th South Asian Games (SAG) in Colombo, Sri Lanka. It has approved to play a sports song "Hami Nepali, Hami Kheladi" (We Nepalese, We Players) replacing the current national anthem, which is in the process of being replaced by a new national anthem. The new sports song has been written by Durga Lal Shrestha and its music has been composed by Nhyoo Bajracharya. Likewise, the NSC has also unveiled its new insignia. In the 10th SAG, 323-member Nepalese delegation will be attending including 280 players. *Leading dailies report.*

Arms Management In Three Phases Proposed

After the Maoists stuck to their position on arms management, the government has started negotiating with them with a fresh proposal calling for the management in three phases. As per the proposal, in the first phase the Maoist combatants would be put in a temporary camp along with their weapons. In the second phase, the UN would be called to decide the modality of arms management. In the third phase, the Maoist combatants and weapons would be separated during the process of forming interim parliament or before the Constituent Assembly elections. "We started discussion (on these matters) since Saturday," said a source. The Maoists, on the other hand, have shown positive attitude towards arms management but have put forth a condition that there should be a package agreement on political issues as well. "Maoists want to be assured politically on issues such as interim parliament, and procedure of CA," said a member of government talks team, adding, "Now we would also be considering that." Both the talks teams of the government and the Maoists were busy discussing the issue of arms management on Saturday. The government had made the fresh

proposal since it needs to send a common letter along with the Maoists to the UN by Wednesday. Meanwhile, chief of Nepal Office of UN OHCHR Ian Martin has advised the government and the Maoists to send their joint letter by Monday afternoon. *Kantipur daily reports.*

Lack Of Uniform Positions Complicates Interim Constitution Making Process

The lack of unanimity between political parties and the Maoists on basic issues such as interim parliament and arms management has complicated the process of making interim constitution. "It has become difficult to draft the interim constitution because of lack of common positions," said Laxman Aryal, chairman of the Interim Constitution Drafting Committee (ICDC). Differing viewpoints have been presented to the ICDC by various political parties on issues like preamble of the constitution, procedure of CA, electoral system, interim parliament's structure, status of the King and arms management. Aryal, however, added that despite these difficulties the committee would complete the draft within time. He Committee needs to present its draft by Wednesday. *Kantipur daily reports.*

Maoists Clash With Restaurant Operator

Over 25 persons were injured when Maoist cadres attacked a restaurant in Jorpati accusing that its operator thrashed a carpet factory worker. Due to the incident the Jorpati area remained tense from Friday night till Saturday afternoon. Reports say that a carpet worker Dambar Shrestha was beaten by restaurant operator Arjun Shrestha over a minor issue. Following the incident, cadres of Maoists barged into "The King's Bar" restaurant and attacked it. According to local people, the cadres also thrashed motorcycle riders in the vicinity and vandalized some motorcycles. They later took Arjun Shrestha to police demanding action for beating their cadre. Later on, the police facilitated an understanding among the

Maoist cadres, civil society representatives and victims. *Kantipur daily reports.*

Minister Warns Of Civil War

The Minister for Commerce, Industry and Supplies and General Secretary of Nepal Sadbhavana Party (NSP-Anandidevi), Hridayesh Tripathi, said the nation would witness civil war if the problem of citizenship certificate of Madhesi people was not solved before constituent assembly poll. Addressing the first district convention of NSP-Anandidevi organized in Birgunj on Saturday, Tripathi said, "We would not allow election to the CA until the citizenship certificate problem of Madhesi community was solved. Otherwise, the country would see another civil war." Tripathi said if the citizenship issue led to a rebellion, he would not hesitate to lead it. *The Himalayan Times daily reports.*

UN Team Returns, Arms

Management Issues Still Not Settled

The United Nations team led by Staffan de Mistura ended its week-long trip and returned home on Thursday (August 3). Their expectation to have a broad understanding on the thorny issue of arms management by Thursday afternoon could not materialize as the Maoists refused to budge from their position 'no decommissioning till CA elections are held' during the meeting between the two talks team on the same day. "It seems we will have to hold another meeting to agree on some technical aspects of arms management," said Home Minister Krishna Sitaula, who is also the chief of the government talks team, after the meeting. Mistura's team even delayed its flight by over an hour in the hope that the two sides would bury their differences and produce a common letter to the UN. Talking to reporters at Tribhuvan International Airport, Mistura said the UN can provide help in the Nepalese peace process in four areas - arms and armies' management, electoral assistance, monitoring of ceasefire code of conduct and expansion of human rights activities. Mistura hoped to receive a joint letter by the government

and the Maoists within one week so that he can submit a concrete report on expected UN assistance to the Secretary General Kofi Annan. Earlier on the day, Mistura had met with Prime Minister Girija Prasad Koirala. *Leading dailies report.*

COAS General Thapa Records His Statement At Rayamajhi Commission

Chief of General Staff General Pyara Jung Thapa appeared before the Rayamajhi Commission on Thursday (August 3). At the outset he regretted over the misunderstanding about his absence from the commission on Sunday. He said he had informed the Prime Minister about his trip to Pokhara on that day. Commission chairman Krishna Jung Rayamajhi and members Harihar Birahi and Ram Prasad Shrestha asked him around 50 questions for over four hours. They mainly inquired about the alleged role of the army in the repression of the people's movement and also those about the abuse of power, alleged army directives to suspend mobile phone lines and communication, media etc. Replying the queries, General Thapa declined the army hand in the repression of the movement. He said that the army "just carried out the orders of the state." When asked about the deaths of 21 persons, General Thapa replied that the security forces had exercised maximum restraint and said that compared to the huge mass movement, the destructions were minimum. "We had applied maximum restraint. Perhaps, the history may evaluate us," he reportedly answered. Likewise, when asked about the severing of mobile lines and communication media, General Thapa only said, "the army should not have been given such role." Talking to reporters after recording his statement, General Thapa said that the army, too, had suffered from huge casualties and deaths of 900 soldiers when mobilized against the Maoists. General Thapa has agreed to appear before the commission if called again. Meanwhile, security forces arrested five persons from the premises of the Commission who were demonstrating against General Thapa alleging that they were injured during people's movement. *Kantipur daily reports.*



PM Koirala meeting with delegation of FNCCI to mark its 40th anniversary

The Kathmandu Post

THE US ASSISTANT SECRETARY OF STATE FOR SOUTH and Central Asia, Richard Boucher, has said that US assistance to Nepal had been delayed as the Maoists had not given up violence, reports The Himalayan Times daily. Speaking at a press conference organized at American Center in Kolkata on Friday (August 4), Boucher said the US and India worked together for the establishment of democracy in Nepal. He said, "We would welcome if the Maoists wanted to be a legitimate force and get involved in political process. However, we would call them terrorists if they wanted to continue as a terrorist group." Meanwhile, high-level sources said the chief of UN assessment team that visited Nepal recently, Staffan de Mistura met Indian foreign secretary Shyam Saran in New Delhi before going back to New York.

TEN PERSONS HAVE BEEN SWEEPED AWAY BY A LANDSLIDE in remote Yarsa village of Rasuwa district. Of them, bodies of four were recovered while the situation of six others remain unknown. The landslide struck Ghormu area of the village – which is one full days walk away from district headquarters Dhunche – on Wednesday night. Security forces, red cross and Maoists are engaged in the rescue efforts.

EVEN AFTER THE SUCCESS OF THE PEOPLE'S MOVEMENT and ceasefire in place, eight children have lost due to Maoist abduction, torture and explosion, according to National Campaign for Children As Zone of Peace. Revealing the report including activities since the restoration of democracy, the Campaign said that 26 others were injured during this period. According to the report, four kids died of explosives left behind; two were murdered and two committed suicide within the labor camp of the Maoists. The report adds that the trend of abducting children on various charges, torturing them, recruiting them on cultural troupe or militia continues in the Maoists. The campaign further states that the state and the Maoists were indifferent to the plight of children. It said that

during the course of people's movement, around 273 children were injured.

NEPAL GOVERNMENT has declined to enlist the country in the Highly Indebted Poor Countries (HIPC) list. It has also stopped the process initiated by the previous government to be enlisted in the list, according to Finance Minister Dr. Ram Sharan Mahat. The previous government had sent a letter to the World Bank and the International

Monetary Fund (IMF) indicating willingness to be put in list in order to stave off financial crisis. At an interaction program organized by the Finance Ministry on Thursday to discuss the issue, economists and experts advised the government not to get enlisted in HIPC. Once a country enlists as HIPC, the WB would provide annual Rs 1.5 billion grant assistance for 20 years. However, other major donors like Japan and Asian Development Bank had stated that their assistance could be affected if Nepal enlists as HIPC. Japan's International Cooperation Agency had, in fact, stated that it cannot provide assistance to an HIPC. At present, there are around 40 countries in the HIPC list. Experts advised the government that at a time when donors were becoming positive to help Nepal, it would be counterproductive to enter into the list. In fact, Nepal qualifies in only one indicator, among many, to be enlisted as HIPC – the one related with the ratio of total exports to total loan. "Nepal's loan repayment situation is good, there is no crisis situation, reforms are going ahead. So, why get enlisted just on the basis of one parameter," Dr. Mahat said. Former chief secretary Dr. Bimal Prasad Koirala said that enlisting as HIPC would hurt the prospects of inviting foreign investment.

THE UNITED NATIONS POPULATION FUND (UNFPA) Nepal is launching a one-year project to deliver mobile reproductive health services to the conflict-hit in six hilly and mountain districts of the far western and mid western regions, it said in a press release. The project will serve 15,000 women, men and adolescents, it said. The Humanitarian Aid Department of the European Commission is funding the project. Mobile health clinics will provide diverse health services including vital surgical services, the release said. "This project is highly relevant to ensure that preventive and corrective measures for reproductive health concerns can be provided before they severely limit livelihood," the statement quoted Junko Sasaki, the UNFPA representative to Nepal as saying.

“In democracy, everyone including the King, the Maoists and the smaller parties should be given space. Otherwise, they will get frustrated.”

Prime Minister Girija Prasad Koirala, speaking to a delegation of Federation of Nepalese Chamber of Commerce and Industry.

* * *

“If he is the Prime Minister made by the People’s Movement, he has no moral authority to talk about giving space to the monarchy.”

Dr. Baburam Bhattarai, addressing a function organized by FNCCI, saying that remarks made by PM Koirala could endanger the peace process.

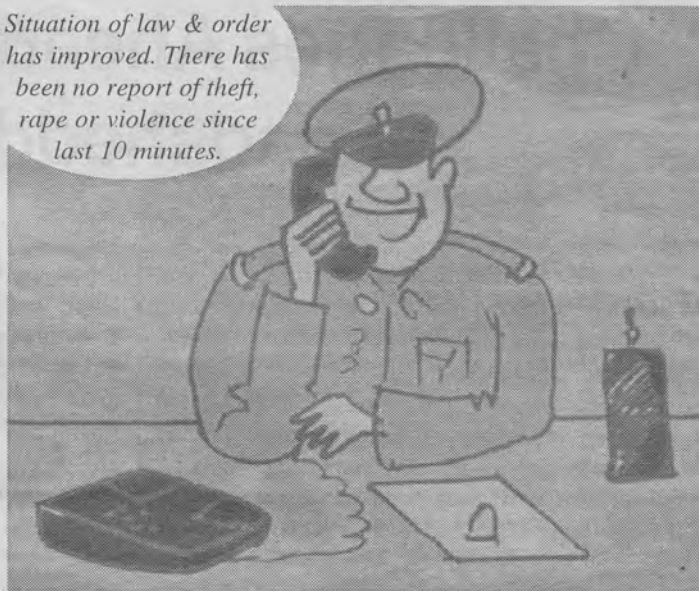
* * *

“The Thankot Police Post was attacked at the behest of SPA.”

Dinanath Sharma, leader of the Maoists, claiming that 1000 Maoist combatants attained ‘martyrdom’ since they were deployed in response to 12-point pact, at the two-day Broad National Political Conference organized by the Indigenous Nationalities Peace Commission Nepal, in The Himalayan Times.

* * *

Situation of law & order has improved. There has been no report of theft, rape or violence since last 10 minutes.



Bimarsha

“There are some differences on sending letter to the UN but it has not reached the point of breakdown of talks.”

Krishna Sitaula, Home Minister and convener of the government talks team, in Kantipur.

* * *

“I had joined the government to decide on political issues. If that does not happen, I will resign.”

Amik Sherchan, deputy prime minister and president of People’s Front, threatening to quit the government after the cabinet failed

to discuss the issue of arms management, in Kantipur.

* * *

“Nepal’s loan repayment situation is good, there is no crisis situation, reforms are going ahead. So, why get enlisted in the HIPC.”

Dr. Ram Sharan Mahat, Finance Minister, in an interaction with the economists, saying that Nepal would not attempt to be enlisted as Highly Indebted Poor Countries (HIPC), in Kantipur.

* * *

TRANSITION

APPOINTED: Fifteen officials as acting secretaries to various ministries and the offices of regional administration, by the cabinet. They include **Damodar Parajuli, Shankar Lal Chaudhari, Bhagwati Kafle, Shankar Koirala, Rameshwore Khanal, Shankar Pandey, Tana Gautam, Balananda Poudel, Sushil JB Rana, Abanindra Kumar Shrestha, Tulsi Bhattarai Ram Sarobar Dubey, Punya Prasad Neupane, Shyam Prasad Mainali and Bhagirath Basnet.**

LEFT- **Staffan de Mistura**, the head of the United Nations assessment mission.

DIED- Folk poet **Ali Miyan**, at the age of 88

Dharanidhar Dahal, 78, litterateur, in Itahari.

Ghataraj Bhattarai, litterateur, at the age of

RESIGNED - Acting in-charge at Tribhuvan University (TU) **Prof. Narendra Bahadur Maharjan** and

Controller of Examinations (CoE) **Basu Dev Ghimire**, from their respective posts.

RELEASED - Two engineers, **Daya Ganesh Dangal** and **Prasant Babu Tiwari**, associated with state-owned Nepal Telecom, who were abducted by Jana Tantrik Terai Liberation Front (JTTLF).

REWARDED - **Shrawan Mukarung**, litterateur, with Lokendra Sahitya Puraskar by Lokendra Sahitya Guthi.

Challenges Ahead: Incoming Loadshedding

By AB THAPA

Few days back the Nepal Electricity Authority (NEA) had announced that in near future soon after the monsoon it will have to start again the load shedding. For many of us closely following the activities related to Nepal's water resources development in general and the hydropower generation expansion in particular the news of the load shedding has not come as a surprise. Everybody knew that the NEA would be forced in very near future to resort to load shedding. It was clearly explained in an article published in the SPOTLIGHT on January 13, 2006. why the NEA is facing power shortage problems in recent years

"The IPP owned hydropower plants are not going to be helpful to the NEA in future also to mitigate crisis of power shortage when the demand for electricity further increases. The total present firm capacity of all the IPP owned hydropower stations might be only about 60 MW during the critical dry season months when the demand for electricity is the highest despite the fact that the present total installed capacity of the IPP owned hydropower stations is about 140 MW. As a result, the real total generating capacity in the system would be only about 505 MW (excluding procurement from India) which is less than the

maximum peak demand recorded at 515 MW last year. Thus in the coming winter season load shedding would be inevitable if electricity is not imported from India".

A Rational Plan

It is certain that the demand for electricity in Nepal would be rapidly growing in future also. This trend is perhaps primarily due to shifting of the population from the rural to urban areas. Thus there is a need for launching a sound electricity generation expansion plan. It is feared that we might go terribly wrong if we failed to correct in time our wrong perception that the hydropower can be planned and implemented without giving due regard to technical and economic matters.

Most of the foreign donors and development banks had helped Nepal to implement hydropower projects applying sound engineering practices. They have conducted on our

behalf thorough studies of the mega projects like the Karnali High Dam Project as well as medium sized hydropower projects. Unfortunately we have not even cared to study carefully the reports of those very important projects. As a result, we are, in fact, misleading the country by pushing ahead to implement hydropower projects completely disregarding the basic power engineering principles.

Using Common Sense

Everybody knows perfectly well that at present the actual generation capacity of our hydropower plants is greatly reduced during the winter seasons when the demand for electricity is the highest. It is quite clear that we are already experiencing a capacity deficit though we might still be running into a significant energy surpluses. It indeed is a serious drawback. Concerned agencies and media are often

Concerned agencies and media are often providing incorrect information about the solution to these problems. It is not true that we can not overcome this difficulty without building hydropower stations, like the Kulekhani, that have very large storage reservoir. Similarly we do not seem to care to pay attention to the fact that the type of power plants must be selected based on the nature of the power demand. It is a well known fact that for a certain type of load it is far more economic to build diesel plants rather than the hydropower stations that produce electricity which can not be matched with the demand.

providing incorrect information about the solution to these problems. It is not true that we can not overcome this difficulty without building hydropower stations, like the Kulekhani, that have very large storage reservoir. Similarly we do not seem to care to pay attention to the fact that the type of power plants must be selected based on the nature of the power demand. It is a well known fact that for a certain type of load it is far more economic to build diesel plant

rather than the hydropower stations that produce electricity which can not be matched with the demand.

Capacity Value

According to the Karnali Project feasibility study the firm power (capacity and energy) value of the Karnali Project is expected to be US\$ 81.9/MWh. Just the energy value including both firm and secondary energy is expected to be only about US \$ 16.6/MWh. Thus the capacity value of the Karnali Project would be US\$ 65.3/MWh. In other words, the firm capacity value of the Karnali Project is going to be about 4 times greater than the energy value. (SPOTLIGHT January 13, 2006)

Even Diesel Power Stations Could Be Economic

It can be clearly explained based on the feasibility study report of the Karnali Project that by comparison with the diesel plants it is economic to provide coal based thermal and

combined cycle power stations (it would also be true of the hydropower plants operating to supply exclusively base load energy) if the daily operation hours is far more than 5 hours. However, in case if the daily operation duration is less than 5 hours, the electricity generated by diesel power stations would be cheaper.

A diesel power station would be producing almost two times cheaper electricity by comparison with the coal based power stations if the daily operation period is only about 2 hours. On the contrary a coal based thermal power station would be producing 2 times cheaper electricity by comparison with the diesel power station if the daily operation duration is more than 15 hours. However, we should not forget the fact that the exact relationship between the prices of various types of energy is dependant on fuel prices.

Suicidal NEA Policy

Khimti Power Project deal with the private developer is a typical example that helps to a certain extent to explain why the present power shortage crisis precipitated, and why the NEA is now facing financial problems. Installed capacity of the Khimti Project is 60 MW whereas the firm capacity is only about 18 MW. It can readily be derived from the Karnali Project analysis that the actual power value of the Khimti Project would be less than half of the power value of any other similar type of run-of-the-river type project if such project is provided with a small daily storage pond that allows to operate that hydropower station at full capacity even when the river discharge is sharply reduced (like the Marshyangdi, Kali-Gandaki, Trishuli, Sundarijal projects).

It is relatively easy to determine the energy value for secondary energy. It is, however, quite a complex task to disaggregate the value of firm energy and firm capacity because the firm energy and the firm capacity are inextricably linked. Despite such difficulties the Karnali Multipurpose Project study provides a good analysis of such disaggregation. The result of disaggregation of benefits into capacity and energy values derived from the Karnali study report helps to understand how we were terribly wrong to purchase on a big scale at a high price electricity from the private developers that fetches insignificant value.

Killing The 75 MW Kulekhai-3

Government of Japan had provided financial assistance to conduct feasibility study of the Kulekhani-3 Hydropower. Study team had considered various alternative capacities ranging from 15MW to 75 MW. They had rightly proposed that the capacity of the Kulekhani-3 Project could be raised to about 75 MW to supply electricity to meet the demand for peaking energy. Topography and other related conditions allow

to increase the capacity of this project without undue rise in the project cost. The proposed 75 MW Kulekhani Project is not a complicated project and, thus, it could be implemented within a short period. Nepal was experiencing even at that time an acute shortage of electricity to meet the peaking demand.

Kulekhani-3, indeed, is the most suited project to meet our present energy demand. It is a great surprise that our experts in the NEA, Planning Commission and Electricity Department do not seem to have understanding about the capacity value. They are all the time insisting upon only the direct energy value solely in terms of generation cost per KWh electricity. In their opinion the 15 MW Kulekhani-3 Project is far better by comparison with the 75 MW Kulekhani-3 or other alternatives with slightly less capacity. As a result, the 75 MW Kulekhani-3 Project is being sidelined.

India too, like Nepal, is experiencing acute shortage of peaking energy for decades. In several states the load

shedding has become a regular phenomenon. Now India is even planning to implement on a grand scale pumped storage plants to resolve the peaking power shortage problem.

Even Pumped Storage Plants Preferred

At present India is experiencing an acute shortage of peaking energy. At the beginning of the Eight Plan, the total peaking shortage was 20% whereas the energy shortage was only 9% of the total power

At present India is experiencing an acute shortage of peaking energy. At the beginning of the Eight Plan, the total peaking shortage was 20% whereas the energy shortage was only 9% of the total power generation. The thermal and nuclear power stations are suitable to supply electricity to meet the base load demand of the system. It is not economic to use them to supply peaking energy. Unlike Nepal, India is trying to resolve its power shortage problem based on sound engineering principles. It is making every effort to improve the hydrothermal mix for ensuring better system operating condition.

generation. The thermal and nuclear power stations are suitable to supply electricity to meet the base load demand of the system. It is not economic to use them to supply peaking energy. Unlike Nepal, India is trying to resolve its power shortage problem based on sound engineering principles. It is making every effort to improve the hydrothermal mix for ensuring better system operating condition. However, the share of hydropower in the overall power generating capacity has steadily declined since the last few decades. The share of the hydropower in the overall power generating capacity was 50.6% in 1963. But few years before it has come down to only 25.66%.

Most of the good sites for the hydropower development have already been developed in the Northern India. There are even now several good sites for hydropower development in the North-Eastern India which have not as yet been used. However, such sites are at locations far away from the load centers. As a result, the Government of India in recent years had to embark on a plan to develop the pump storage schemes. ■

(Dr. Thapa writes on water resources)

FOREIGN INTERFERENCE

A New Threat After Palace

Deputy prime minister Amik Sherchan reveals an alarming fact that there is a possibility of foreign interference in Nepal

By KESHAB POUDEL

At a time when members of House of Representatives, leaders of major political parties and civil society members have been talking about the need to strengthen the Loktantrik system pointing fingers to the palace as a permanent foe, deputy prime minister Amik Sherchan, one of the powerful members of the present cabinet and second to prime minister in protocol, disclosed the possibility of foreign intervention in Nepal.

According to The Himalayan Times daily, deputy prime minister Sherchan raised the possibility of foreign intervention and asked the people to be prepared to take up arms. "Major Concern is whether our nation would remain or not," said Sherchan addressing the concluding ceremony of the two-day national political conference jointly organized by the National Federation of Indigenous Nationalities and Indigenous Nationalities Joint Struggle Committee. "If the agreement between the seven party alliance and the Maoists is not implemented, one million Nepalese would be killed within 10 months." (see The Himalayan Times August 6).

Unlike many other politicians, Sherchan's warning seems to carry some logic. "Fresh from New Delhi following high-level contacts including with Indian prime minister Dr. Manmohan Singh, Indian state minister of Foreign affairs, senior south block officials and senior leaders of major political parties, public utterances of deputy prime minister carries enough meaning," said a political analyst. "Out of context, he mentioned the threat of foreign intervention which he did not elaborate. Sherchan's threat did not come in a way that some politicians who always need a threat, whether real or fake, just to keep the

people expecting them as a savior. His indication was more meaningful and more serious. After all the political road to "complete democracy" is not so safe even after the monarchy has been deprived of all its powers. A new threat seems to be much more dangerous."

Sherchan's remarks came when a powerful section of Indian media have been building opinions in India regarding the worsening law and order situation and threat to Indian citizens and businessmen of Indian origin in Nepal. Indian media raised a small incident of threat to a couple of Indians to prove how insecure Indians are in Nepal.

At time when major political forces in Nepal and western countries including the United States and the United Nations – which don't have any security interest and other vital stakes in Nepal – are demanding the decommissioning of Maoists to pave the way to hold free and fair elections for Constituent Assembly (CA), some government ministers are claiming that arms management is not a crucial issue since the Maoist arms can be useful in case of foreign intervention.

"In case of foreign intervention, the arms of Maoists can be used against the aggressing power. Maoists can have more arms even if all their arms are destroyed. Therefore, political agreements should be the top priority," said Sherchan.

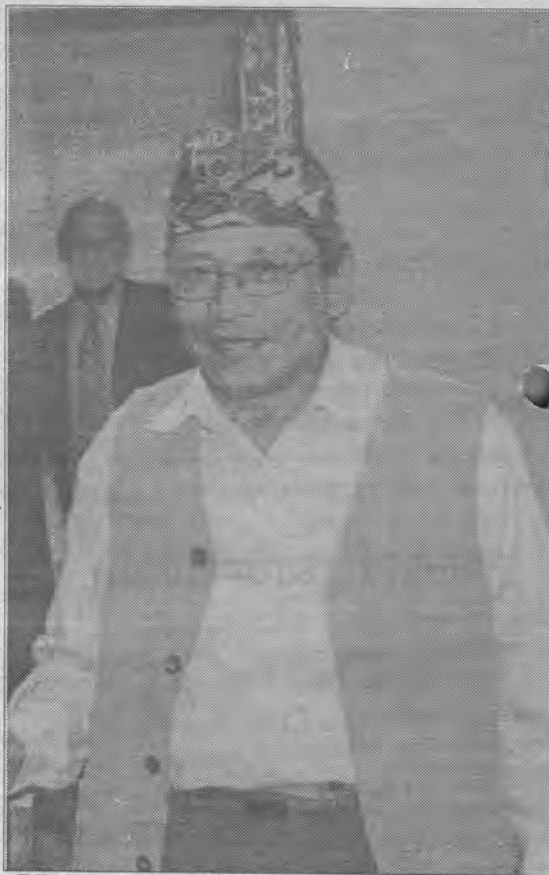
As the country's major political forces are divided among themselves and the distrust and mistrust continues to be deepening further through their actions and interactions,

no one can stand on their own in pursuing their genuine points of view.

Prime minister and leader of seven parties Girija Prasad Koirala – who sided with extremists till few months ago – seems to have realized the need to reconcile with the monarchy. "We need support from all to make the transition smooth and peaceful. Monarchy should also be given playing space," he said, adding, "Similarly, the Maoists should also be accommodated in peaceful political process."

Although junior Koirala's some of past activities were against the spirit of national reconciliation, he is the only living politician and personality in Nepali Congress to have inner commitment towards national reconciliation propounded by his legendary brother B.P. Koirala.

Knowing that his efforts to close the gap with monarchy would bring hue and cry among the extremist communists and their followers, prime minister Koirala spoke the need of reconciliation among all political forces. "We need to give space to the King. If we don't give space to the, he will be frustrated. This explains



DPM Sherchan: Alarmed

why we have decided to do what we are about to do. Similarly, if we do not give any space to the Maoists, they will be desperate.”

Although prime minister Koirala’s statement regarding monarchy sparked a heated debate and Maoist leaders – who agreed to accept any verdict of people regarding Monarchy - threatened to call off the peace process, what Koirala has shown is his guts to speak the ground reality of Nepal.

“A divided house definitely has its vulnerability, only a leader like B.P. Koirala could perceive a long term challenges while undergoing political troubles. Internal unity among all the political forces having the national interest at supreme was the need of the time but the country has lost a very powerful support for a national unity combining the traditional institution of monarchy with the modernizing forces of democracy and development,” said the analyst.

Sherchan suggested keeping the issue of arms decommissioning away denouncing the recent argument of visitors from UN led by Mistura. His logic is that the arms could be useful at the time of foreign intervention.

“Being a revisionist Maoist, he must not have suspected China’s intervention in Nepal. Thus, his suggestion to maintain armed militia might not be to counter Chinese interference but other’s intervention,” said the analyst. “The other logic of deputy prime minister Sherchan has a valid that even if the Maoists are decommissioned, the arms could be replaced easily. Perhaps, he has, in his mind, that open and porous border with another neighbor India - which could always be there with one or other kind of insurrection. Some symptoms are in the news that even Maoists are facing violent threats by a newly emerged liberation front in terai.”

The liberation front has been challenging the presence of Maoists in some areas of terai region killing and abducting Maoists and other common people. Even if Maoists agree to decommission their arms, another terrorist organization like terai liberation front will continue to get logistics from across the open border.



Parliament: Indifferent

Despite such an important revelation by minister Sherchan, it didn’t create any sensation in the press as well as among the elites and the Maoists – who don’t mind to promptly react on even nominal issues related to monarchy. Of course, all the daily newspapers placed it as a headline, but political leaders of all front ignored the issue.

“Common people have no forum to ventilate their opinions. But a person of Deputy Prime Minister’s stature who had a couple of days of stay in New Delhi must have some basis to express his alarms regarding the foreign interference,” said the analyst.

Deputy prime minister Sherchan and CPN-UML leader Bamdev Gautam, who have been pleading the rights of Maoist

to keep the arms – have belief that the power come out of the barrel of the gun. But they were not fortunate to get that kind of logistic support and they were compelled to revive their revolutionary faith into a peaceful process.

It is very serious at this moment that even after Maoists’ positive response to join the competitive democratic process, the threat of foreign interference has not been eliminated. Perhaps they know it may emerge under a new banner and new slogans. The country needs serious thinking over this alarming fact.

Following the people’s movement II, the power of the King has already been curtailed and he is sidelined, and the new threat to Loktantra now seems to be foreign intervention –which is more dangerous and deadly.

LOCAL BODIES

In A Limbo

As the whole concentration of the government, political parties, parliament, civil society and the Maoists is on the central-level political issues, the local bodies have been forced to survive in a state of limbo for the past several years. Even after the restoration of Loktantra and despite wide public expectations for efficient and accountable service delivery, the local bodies – which are the primary vehicles of delivering service to the people – are still run by bureaucrats in an ad hoc manner. As the Maoists have clearly spelt out that they would not accept the restoration of elected representatives in local bodies, the only other viable alternative of forming appropriate political coalitions to run those bodies, too, has not been explored seriously. This has led to a situation where the public frustration is growing at the apparent lack of service delivery and development efforts. Since local bodies are the primary machineries to deliver service to the people, their absence or their failure could result in building of dangerous public perception that could prove counter productive to the nation

By SANJAYA DHAKAL

FMore than three months after the restoration of Loktantra and announcement of ceasefire, the relative tranquility at the center has not translated into the same at the local level. There are numerous instances where the Village Development Committee (VDC) secretaries are still running the local bodies from the district headquarters.

“Neither the seven parties’ leaders have made efforts to create the environment of understanding in the districts nor the Maoists have abided by the understanding reached at the central

level. Therefore, we are not able to go back to VDCs,” said Hari Gautam, secretary of Mahendrakot VDC in Kapilbastu district. (Kantipur, August 7)

The instance in Kapilbastu is not an exception. Similar situation is rampant in many villages across the country.

During the time of agitation, the seven parties had expressed their willingness to restore the local bodies. However, once they formed government after the success of Jana Andolan, they could not keep their promise since the Maoists expressly threatened to walk out of peace process if the local bodies were restored.

As a result, even after one of most vocal supporters of the restoration of local bodies Rajendra Pandey was made the Minister for Local Development, the issue remained unaddressed. In fact, going one step backwards, the Loktantrik government sacked all the elected officials of municipalities – who were elected through the dubious municipal polls held by royal regime in February – and replaced them with bureaucrats.

Furthermore, the government that had appointed the bureaucrats to run the local bodies till mid-July has not made another decision whether to extend their tenure or replace them with another



Scene of a village: Suffering from lack of elected bodies

model rendering the current situation as the worst form of ad hocism.

“There is a situation of total lack of representation. There is a situation of continued conflict at local level with VDC secretaries not allowed to enter into villages in many places. Even in places where they are allowed, the Maoists have asked them to follow their directives,” said Pradeep Thapaliya, executive director of National Association of VDCs in Nepal (NAVIN).

He added that the persisting lack of representatives at the local bodies could deal a bloody blow to the whole credibility of local democracy. “For the past four/five years, people have been living without elected representatives. This could instill a dangerous thinking that the country can run without them,” Thapaliya said. He also expressed grave concern over the trend of ‘mobilizing community’ in every effort. “Local development is an integrated discipline.

will have to work this problem out as soon as possible. Otherwise, they may have to face public wrath,” he said.

Implications Of Lack Of Elected Local Bodies

There is a wide consensus among experts and former representatives that the lack of elected local bodies has hurt the socio-economic development of villages and districts. Reports publicized few months ago stated that the VDCs and DDCs were unable to spend over 60

“People Still Treat Me As Ward Chairman”

—HIRA LAL TANDUKAR

HIRA LAL TANDUKAR is the former chairman of Ward no 11 of Kathmandu Metropolitan City (KMC). He spoke to SPOTLIGHT about the issues faced by local people in the city. Excerpts:

How do you compare the situation when there were elected representatives with the current situation?

There is a vast difference. Even in city like Kathmandu, people are suffering a lot. They cannot get the appropriate recommendations (for getting citizenship

certificate, land ownership certificate and so on) as easily as they used to get in the past. When there were elected officials they had to abide by the demands made by their voters. There was no alternative to that. But now the officials are not obliged to do so.

How do the people treat you these days?

Still, they keep on coming to me for suggestions and ask me to help them get proper certificates. Wherever possible I take their complaints to the relevant

authorities and try to help them. In a way, they still treat me as the ward chairman.

How is the situation of development in wards these days?

Development efforts have come to a standstill. There is no zeal for development these days.

So, what do you think would be the solution?

I think it would be good to involve the Maoists and form political committees in wards and VDCs. You need water to control fire. You cannot control fire with fire. ■

percent of the allocated resources last year.

"In the absence of elected representatives, the function of formulating periodic plans by the DDCs, too, have stopped," states Prof. Dr. Yagya Prasad Adhikari in a research report on the state of local bodies without

elected representatives. The report published in cooperation with DASU/DANIDA states that "due to lack of



Pradhan: For total devolution

elected representatives the process of formulating plans as per the Local Self Governance Act has been totally paralyzed."

Not only the formulation of periodic plans, the uncertainty has also hit the allocation of resources and their spending. The annual progress report published by the Ministry of Local

Development show that during the fiscal year 2059/60 (2002/03), of the total approved budget of

Rs 5.36 billion, only 80 percent were spent. This came down to 75 percent of the approved budget of Rs 6.54 billion in

2003/04. And in subsequent years, the expenditure figure tumbled substantially to reach around 40 percent.

More than four years have already passed since the local bodies have been rendered without elected representatives. In this period, various government tried to



Thapaliya: 'Blow to local democracy'

"Form All Party Committees Based On Political Understanding"

—BHIM DHUNGANA

BHIM DHUNGANA is the general secretary of National Association of VDCs in Nepal (NAVIN). He spoke to SPOTLIGHT about the current situation of local bodies and what could be the way out to rescue them from present state of limbo. Excerpts:

How is the situation of local people in VDCs these days?

The people are suffering from a number of miseries and difficulties. The government-appointed VDC secretaries still work from district headquarters. Besides, it is practically impossible for a secretary to carry out all sorts of functions such as registration, recommendation, accounting and so on. People have to go through great length of trouble to even get a passport or citizenship etc.

What is the demand of an organization like NAVIN at present?

In the past, we repeatedly raised demands for restoration of elected representatives at the local bodies. The current parliament should have made that decision through its historic declaration itself. But now, due to different reasons, the issue of restoring elected representatives appears

complicated even though the current Minister for Local Development has not stopped claiming that the government would restore the bodies. However, we believe that there should be a political understanding by bringing the Maoists also on board whereby all party committees can be formed to run the local bodies.

Why do you think the Maoists are opposed to restoring local bodies?

They have been claiming that 80 percent of country's territory is under their control. If the local bodies are restored, this claim could come under challenge and the Maoists would have to give up their monopoly at local governance. They have been collecting resources at local level, which would also come under review once the local bodies come into force. Besides, during the time of Constituent Assembly, if there are local bodies they can also engage in political mobilization. Perhaps, due to these reasons they are opposed to this idea.

How do you assess the functioning of government-appointed bureaucrats at local bodies?

Bureaucrats are not accountable to the people and they do not bear

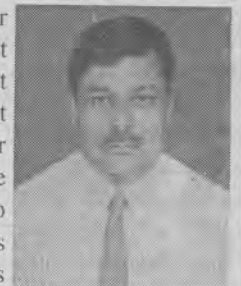
responsibility for carrying out development efforts. Besides, it is not possible for a single individual to formulate plans and policies and implement them.

Are you satisfied with the manner in which the issue of decentralization is being treated now?

I am sad that none of the political parties have put forth clear views regarding local self governance. Without total devolution of power, the development of the country is not possible.

What is your organization doing these days?

We continue to advocate for the issues of local bodies, particularly VDCs. We are in several boards and funds where we participate in meetings and provide suggestions. Currently, we are organizing campaigns to inform the local people about CA. We are organizing such campaigns in all districts. ■





Local People: Without service

operate them in various modalities. At times the government appointed bureaucrats to run them and at times they nominated local politicians (favored on party basis). The royal government even tried to hold elections at municipalities in February this year. But all these modalities have, more or less, failed to meet the public expectations.

Due to violent conflict also, these local bodies were unable to function. In fact, according to the research by Dr. Adhikari, till October 2004, 1827 VDC buildings (of the total of 3913 VDCs) were partially or fully destroyed by the Maoists causing losses worth Rs 384 million. The research revealed that till that time 641 VDC buildings needed immediate reconstruction costing Rs 140 million.

Likewise, over 42 percent of municipality buildings sustained various kinds of damages due to Maoist attack till that time causing losses of Rs 43 million. Furthermore, in subsequent period till the restoration of democracy in April 2006, much more damages have been caused to these local infrastructures.

Overall, the most dangerous implications of lack of elected local bodies could be the pent up frustrations among the public. After the success of April movement, the people have become optimistic and their expectations have soared. But if the state is unable to meet those expectations – which can be done only through effectively functioning

“We Stand By Our Demand For Restoration Of Local Bodies”

— SUSHIL GYAWALI

SUSHIL GYAWALI, is the general secretary of Municipal Association of Nepal (MuAN). He spoke to SPOTLIGHT about the state of local bodies. Excerpts:

What is the position of MuAN at a time when the municipalities are being run by bureaucrats?

We stand by our earlier position that till there is a fresh election held, the earlier elected representatives should be restored. If that is not possible, then we have demanded for universally acceptable model of forming all party committees to run those bodies. But this model is easier said than done as there will be conflicting opinions on who could be inducted where. This could only intensify the local conflict. Therefore, the best way is to reinstate the elected bodies from where the regressive elements can then be purged.

How has the lack of elected bodies affected their functioning?

It has caused huge impact. After the success of people's movement, the expectation of the public has heightened. However, since there are no representatives at local level, the service delivery has suffered. People are not able to enjoy the fruits of democracy. Since local bodies are the vehicles for delivering services to the people, without them being effective, the public perception is bound to become negative. There is big gap between expectation and delivery since government-appointed bureaucrats cannot be expected to step on the shoes of elected representatives.

How do you assess the ongoing debate on decentralization?

In fact, we have also given our recommendation to the Interim Constitution Drafting Committee to strengthen and deepen decentralization. Unfortunately, we hear about issues such as federalism these days. This means that the decentralization would take place only from the center to the regional level. It would only foster regionalization not decentralization. ■

local bodies – the public anger could trigger further instability and disruptions.

What Next?

At a time when the whole nation is debating the upcoming Constituent Assembly, the issue of local bodies deserve to be debated widely.

As former government secretary and policy advisor at RDF Udaya Nepali Shrestha says, all stakeholders need to work out an acceptable solution to effectively run the local bodies. “There can be many alternatives including the one in which Maoists’ confidence can also be won,” he said.

Shrestha added that since efforts are underway to frame a new interim constitution, separate and clear cut provisions regarding the functions, duties,

responsibilities and access to resources of local bodies must be included in the constitution itself. “This will show the honesty of all the political forces towards the issue of decentralization,” he said.

As such, the government would need to initiate a desirable way out to hand over the local bodies to elected representatives either through elections or restoration or through political understanding with the Maoists. Any democratic way out is acceptable to a large section of people. This step could also ease the building up tensions in the local level as well as the central level, which would then improve the environment for the negotiated settlement of violent conflict in the country. ■

“There Is Total Disorder In KMC”

—DINESH THAPALIYA

DINESH THAPALIYA is a newly appointed chief executive at the Kathmandu Metropolitan City (KMC). A talented bureaucrat, Thapaliya has been appointed to the important position less than a month ago. Thapaliya spoke to SANJAYA DHAKAL on various issues from local governance to waste management. Excerpts:

How have you found the state of the metropolis?

As big as the metropolis is, it is suffering from equally big, if not more, challenges. There are no plans or clear-cut sectoral objectives of the KMC. The institution did not have the plan of where it wanted to head in say ten years from now. Its institution and structure are hollow. The administrative expenditures seem exorbitantly high and the whole organization unmanageably bulky.

What about the recent controversy and problem on the waste management?

This is one issue that has been made most complicated due to political interference, managerial inefficiency, public culture and attitude and legal lacking. The problem has become a chronic one as there is total lack of long-term vision to resolve it. The whole waste management has been going on the basis of ad hocism. I have felt that there should be a number of alternatives for dumping sites. Right now KMC has been spending its resources to transport 240 tons of waste produced by KMC residents and 260 tons of waste produced by residents of adjoining VDCs. Now I want to tell the KMC residents if the KMC should continue to spend their taxes, their resources to transport the wastes produced by VDCs. It costs KMC around Rs 8.2 million to transport and manage the wastes produced by adjoining VDCs.

What could be the solution for sustainable waste management, then?

I think we should set up a Valley Waste Management Authority. This authority can involve private sector in the process, set up treatment plants and take the valley towards the partnership approach. The KMC cannot do all these things.

What about managing the problem of traffic congestion in the city?

I have been talking with the valley traffic police authorities on this issue. We have discussed about the viability of installing CCTV in major points so that the reports of traffic congestion can be passed along to the wider public. This could also help in crime

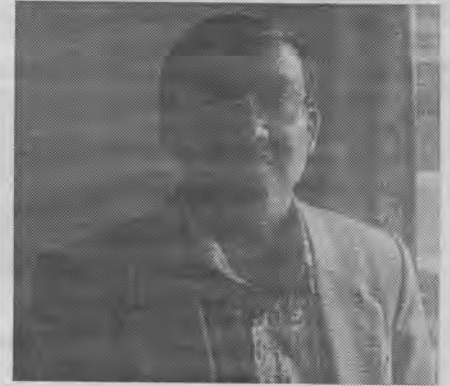
control. We are also discussing about controlling the unauthorized imposition of parking fees in different points of the city. Currently, KMC gets only Rs 3.3 million as parking fees. Most of the time, some clubs or some groups are charging parking fees haphazardly. I want to control this by which I can generate up to Rs 12 million easily. To give you another example of the prevalent disorder in the KMC, there is no record of how much properties and assets we own in the city. There is no information about how much public land there is. I want to declare all the public lands and open lands. Right now, if a major disaster is to strike the city, we don't even have an adequate open space where people can be put in tents.

What about its economic situation?

There is severe mismanagement of finances. The KMC's annual resource is around Rs 600 to 650 million – its internal resources generate between Rs 340 to 400 million while the center grants around Rs 240 million. Around Rs 230 million is spent on waste management alone. Another Rs 250 million is needed to service the manpower. What kind of development can we do by the remaining Rs 100 to 120 million? I have found that precious lands and assets have been given away on throwaway prices in the name of long-term leasing. I have already informed you about the mess in parking fees collection. Huge resources are being spent on unproductive sectors like running FM, buying unnecessarily high quantity of time in television and so on. The KMC loses Rs 9 million a year in running the FM alone. Then, there is very bad tradition of giving away resources in the name of financial assistances. All sorts of individuals and organizations keep on knocking KMC's door asking for financial assistance for one cause or the other. I want to stop this tradition, which is bleeding the metropolis. Overall, the KMC has been losing credibility among contractors and creditors also as there are outstanding amounts going back to ten or more years.

What about its positive aspects?

I am glad you asked this question. As many challenges as there are, the KMC also has huge opportunities ahead of it. If everyone cooperates, I can easily increase the income of the metropolis by Rs 100 to 120 million a year. Besides, I can also cut down administrative costs by 25 percent. In order to garner public support, I want to announce programs in forms of campaigns. For example, I want to announce this year as “Build roads and sanitation year.”



Since you are a bureaucrat, how do you feel about the practice of running local bodies like KMC through government employees?

Since last four years we have seen that the government experimented with different forms of local governance. First it appointed bureaucrats, then it nominated politicians, then again installed bureaucrats which was followed by a mixture of nominated officials and elected ones. And now the government has again fallen back to installing bureaucrats. Looking from the perspective of democracy, this practice is inappropriate. We have to consider few basic aspects such as whether there is people's access to the local bodies or not, whether the officials are carrying out their responsibilities or not, whether there is transparency and participation or not. Although the functioning by government employees may be responsible and transparent, it cannot ensure public access. There is certain to be huge gap between resources, transparency and accountability. In fact, compared to nominated officials, the bureaucrats' record in resource spending is impressive. The nominated officials notoriously spent resources without any planning or discipline. The KMC has outstanding amount of Rs 300 million that were spent by the earlier nominated officials.

What can the elected representatives do that you, as a bureaucrat, cannot?

Perhaps, it would have been lot easier for elected officials to raise external assistance and resources. They could have made big political decisions. For example, around 60 percent of constructions within the city are illegal (against existing building codes). It would need a big political backing to correct these sort of things. Perhaps, elected officials would be better prepared to face all kinds of threats that come along with making big decisions. Otherwise, in other areas such as management and planning, I think I can do no less, if not more. ■

POLITICAL DEBATE

Qualified Democracy ?

Although democracy does not need adjectives, nobody understands the reason behind Nepalese intellectuals' and politicians' love for qualified democracy

By KESHAB POUDEL

Democracy has a universal definition as it does not need any adjectives to qualify it. Interestingly, Nepalese intellectuals and politicians, who have experiences of living under a democratic system with an adjective of party less, seem to suffer from its angover.

In the last few years, Nepalese have seen one or other forms of democracy with adjective in front like people's democracy, party less democracy, guided democracy and monarchical democracy.

"Our struggle is for complete democracy or Loktantra. Civil society has launched the agitation nationwide to achieve it," said Krishna Pahadi, a rights activist. Under the support of the followers of People's Democracy, Nepalese civil society members want a new form of democracy with some adjective.

Although the democratic system has already been restored, the intellectuals still pursue the terms like inclusive democracy, complete democracy and full-fledged democracy. "As the democratic system is itself an inclusive system, there is no need to prove it as an inclusive," said professor Dr. Surya Subedi, who teaches at Leeds University in the United Kingdom.

As democratic system consists of certain basic elements like sovereignty of people, freedom of expressions and so forth, democracy always comes as a complete system. When present constitution was formulated following People's Movement of 1990, the leaders

of that period, time and again, declared that the constitution of Kingdom of Nepal 1990 carried the elements of complete democracy.

"During that time, critics of Panchayat system were very correct to say that the democracy qualified by added adjectives do not remain complete democracy. So they avoided this word in



B.P. Koirala: Democracy needs no adjective

the constitution. People have very short memory of facts and events.

Again the same debate is here and expectations have arisen that the new constitution will bring out Complete Democracy that is Loktantra in popular term. Most of the rigged and perverted

forms of democracy have always high sounding adjectives like people's democracy, guided democracy, grass root democracy, party less democracy and so on and so forth," said a political analyst. "Whenever superfluous and high sounding adjectives are added with the democracy, that itself is a curtailment of the essence of democracy. The present euphoria is for the Loktantra that is in usual term a democracy. But a concept is being popularized that Loktantra will be more democratic than Prajatantra which is also a democracy, popularly understood by the people since the revolution of 1951."

After all why play with words when both carry the same meaning except some narrow minded prejudice, no one has logical answer to it. But the leaders do not agree. "Loktantra is different than the Prajatantra," said Nepali Congress general secretary Ram Chandra Poudel.

As B.P. Koirala said, "To be very clear, my concept of democracy is democracy as it used to be understood in the nineteenth century – liberal democracy. This means that there are three basic elements of democracy. One is that the people have democratic rights- freedom of expression, freedom of organization, freedom of the press, and freedom of conscience so that people can practice whatever religion they want. Briefly, civil liberties. The second feature of democracy is that sovereignty of the state belongs to the people of the nation as a whole; the administration of the state should be in the hands of the representatives of the people. This means that government must be formed on the basis of widest franchise, and the government should be responsible to the parliament that is elected by the people. And the third feature of democracy is the judiciary must be independent." B.P. Koirala said this in his interview to associate editor Theodore Jacgueny of prestigious US magazine World View in 1977.

Although B.P. Koirala had clear idea about democracy and patriotism, his followers -- who want to worship his portrait to lure the people at the time of elections -- are yet to understand the basic principles of democracy and patriotism. ■

NEPSE

Bulls And Bears

After a week of mayhem, the share market stabilizes

By A CORRESPONDENT

It was a case of undefined frenzy. Just as it was unclear what exactly caused the free fall in the share market—whether it was the latest monetary policy provisions by the central bank or trading in collusion by vested interests; it was equally amazing manner in which the whole thing more or less recovered.

Last week, the country's only secondary share market Nepal Stock Exchange (Nepse) suffered a historic jolt as it went through continuous fall in share prices of what were earlier considered as 'blue chips.' In a matter of one week, the Nepse index lost 31 points and over Rs 8 billion in share values with shareholders up in arms over the changes in monetary policy, which was largely blamed for the decline. Big names in Nepse like Standard Chartered, and almost all other banks, lost their share values.

Interestingly enough, after the week-long mayhem, the Nepse made a remarkable recovery on Monday (August 7) when the shares prices of most of the commercial banks increased substantially. On Monday, the Nepse index surged by 19.58 points. The improvement followed after the central bank made some changes in its monetary policy.

"The sudden increase and decrease in the Nepse showed the volatility of the share market. In fact, many of the share values were artificially high and they had to come down," said a share market broker.

Even though the central bank had, at first, rejected the charges that its policy was to blame for the fall in share prices, on Sunday (August 6), its board decided to amend the capital adjustment provision. The central bank decided to bring down the requirement of paid up capital to Rs 800 million for the commercial banks.

In its monetary policy unveiled a few weeks ago, the Nepal Rastra Bank (NRB)



Nepse: Through tumultuous times

had introduced a provision that made it mandatory for the banks to increase their paid up capital to Rs 1 billion by mid-July 2009 and decided that the banks can allocate necessary amount from their profit to capital adjustment fund to raise the paid-up capital. The provisions also stated that the banks were not obliged to distribute dividend or issue bonus shares from the profit they earned. This point, many say, triggered the decline in share prices as investors sensed that the banks would no more issue rights shares or bonus shares or dividends.

In order to 'correct' the misconception, the central bank later on

decided to amend the paid up capital requirement provision allowing the banks to issue bonus shares and distribute dividends.

The NRB's decision to amend the monetary policy provision somewhat reversed the decline in Nepse and helped it recover from one of the worst period for share investors. The Nepse index, which had opened with 386.5 points on the opening day of the last week, tumbled down to 355.6 points on the closing day that week. The shares of commercial banks, which occupy 74.14 percent of total transactions at Nepse, took a deep plunge triggering the collapse of Nepse.

The index lost over Rs eight billion in share values due to the fall. The share traders then started complaining that the latest provision in the monetary policy of the central bank was responsible for the fall. They claimed that the new policy allowed the banks to decide on their own whether to issue rights shares and/or bonus shares in the coming days. In the past, the central bank had instructed them to issue such shares to increase their capital base.

A senior economist Dr. Raghav Dhoj Pant accused the central bank of committing

gross mistake in introducing a provision in monetary policy that 'caused' shockwaves at the share market. "The Nepal Rastra Bank has committed a mistake by announcing such policies without considering their consequences," Dr. Pant, who is the executive director of Institute for Development Studies (IfDS) said.

On its part, the Nepal Rastra Bank (NRB), had initially rejected charges that its new monetary policy was somehow responsible for unnaturally rapid decline in Nepse index. The bank officials even claimed that the decline is 'mysterious.' Deputy governor of the central bank

Krishna Bahadur Manandhar told media that the policy did not affect the capabilities of the commercial banks to provide bonus, earn incomes or increase their net worth. Even as the stock exchange and share brokers accused the policy for being responsible, the bank officials claimed that the system of transactions within Nepse itself was to blame.

In order to check the rapid decline, the Nepse also interfered in the share transactions. Last week, it even temporarily halted trading in shares of Laxmi Bank and Standard Chartered Bank as their per unit share price had fallen by over 10 percent in a single day. It introduced a new provision called circuit breaker on Wednesday (August 2) to temporarily halt the share trading of the companies whose share prices dropped by over 10 percent in a single day.

On August 2 alone, Nepse index had declined by 8.48 points and closed at 358.25 points.

This was preceded by the loss of 12 points in a single day on August 1 - this loss amounted to Rs 3 billion in share values.

For the time being, the Nepse index seems to have stabilized. But its weaknesses have come to the limelight during the tumultuous week that has just passed. There are many share trading analysts who have been raising doubts over the ability of Nepse to provide 'true picture' so far as financial health of banks and businesses are concerned. They complain that more than true net worth, the share prices are fluctuated by intangible considerations and speculations. Charges of trading in collusion and insider trading have also been leveled often.

Share markets are considered as barometers of economy of any country. However, Nepse has not been able to act as true barometer. It is, therefore, necessary that the Finance Ministry, Central Bank and Nepse authorities conduct a thorough research on the functioning of the bank so as to introduce measures for reforming the weaknesses. That only will make the Nepse attractive to wider Nepalese public - a very few minority of whom are currently attracted to invest in shares. ■

REAL ESTATE

Fear Psychosis

The real estate value has taken a beating as people seem lesser inclined to invest in land in the valley due to various fears and perceptions

By SAHISHNU POU DYAL

After the success of the people's movement and announcement of ceasefire, people have started returning back to their villages. This reverse migration towards the villages is one of the causes for the decline in real estate business in Kathmandu valley and other urban centers.

For years, the value of real estate in the valley and other cities had heated due to mass exodus of people fleeing

insecurity and violence in their native land. Even those who left for overseas to work, invested heavily in the land here. But now as things have subsided and there are high-expectations of 'revolutionary land reforms' in a changed political atmosphere people are in the mood for wait-and-watch.

People do not want to do business in loss if they sense that land prices may fall further in days to come. This sense has hurt both buying and selling. While sellers want to sell faster anticipating further decline in their land prices, the buyers do not want to buy too soon. As a result, there is a virtual standstill in the real estate business these days.

Till only a few months ago, people seemed eager to buy land in Kathmandu no matter how costly the price was, but now when the price is decreasing it is amazing to find that the business of buying and selling land is also going down.

"The business of selling and buying land is going down these days. In my opinion it may be because of feared land-ceiling and due to reverse in the trend of migration towards cities because of peace returning in the country," said Surya Kanta Jha, Officer at Land Revenue Department in Dillibazar. "And it is obvious that if the demand is less, then the price of land automatically goes down. Because the

seller anyhow wants to sell his land off if he is in need," Jha added.

"This business has decreased by 75%. On average, there used to be transactions of 112-115 land in a day but now that has come down to only 7-8. After the budget announcement, the business has come to virtual standstill," said another officer at the Land Revenue Department without wanting to be named.

"At present, there is land-ceiling of 3 ropani per family in Kathmandu. Therefore, they are afraid to buy enough

land at once even if the cost of land is low," said Shekhar Bhattarai, a real estate agent. He added, "People are still hoping that the price of the land will decrease further so they don't seem to want to invest their money too soon."

People do not want to do business in loss if they sense that land prices may fall further in days to come. This sense has hurt both buying and selling. While sellers want to sell faster anticipating further decline in their land prices, the buyers do not want to buy too soon. As a result, there is a virtual standstill in the real estate business these days.

"I want to buy a land but not now because the price is decreasing and I don't want to be in loss by investing my money right now. Moreover, I also don't want to buy early because I can return to my village because of peace. I can always buy land latter. If the peace process had not been initiated, I would have been forced to buy the land for my family. But now there is no such compulsion," said one of the migrated citizens from Bara district. ■

CONSTITUTION

A Democratic Rule of Game

Days are numbered for the present Constitution of the Kingdom of Nepal 1990, which was written under a mandate given by popular movement

By KESHAB POUDEL

As the process of writing the interim constitution is in final stage, the days are numbered for the present Constitution of the Kingdom of Nepal 1990 - which was treated worse than the Constitution of 1962, the constitution of Panchayat regime by all its stakeholders.

From communists to congress, all the people claimed the 1990 Constitution as the best constitution of the world. Some political leaders even termed the constitution as a document written by blood of martyrs in initial days. All these euphoria seem to have evaporated. Two cabinet ministers Dr. Devendra Raj Pandey and Dr. Mathura Prasad Shrestha who finalized the present constitution - are now leading the civil society agitation with a demand to scrap it.

Daman Nath Dhungana, another member of drafting committee, who was also elected as the Speaker of first House of Representatives, has shifted his loyalty to new constitution many years back.

Similarly, two powerful members of the committee representing CPN-UML have already declared the constitution dead. Finally, the chairman of interim constitution drafting committee Laxman Aryal, who was one of the members of drafting committee of 1990 constitution - is now finally preparing the ground for buying the document.

After the declaration of multi-party democracy in 1990, the constitution of Panchayat regime remained valid as an interim one till a new constitution was announced. The first multi-party government of 1990 was constituted under the special provision of the same constitution.

Unfortunately, the constitution of Kingdom of Nepal 1990 is in the process of burial and there is no one left to say a

few last words about it. It seems that the constitution was not drafted by them but imposed by someone else.

"For the Loktantra, the constitution of Kingdom of Nepal 1990 is incomplete," said CPN-UML leader and member of drafting committee of constitution Bharat Mohan Adhikary. "Only the constitution framed by Constituent Assembly will be legitimate."

Although more than 70 people sacrificed their life and hundreds of others injured in agitation called to formulate the Constitution of the Kingdom of Nepal 1990, there is no one left to shed a single drop of tear over its coming demise.

"The Constitution of Kingdom of Nepal 1990 carried high expectations of the people. It had some irreversible basic elements such as multi party democracy,

constitutional monarchy, safeguard of national interest. Belief was generated in the mind of the people that the constitution with its basic structure will last for ages to come like the stable constitutions of the world," a political analyst said, adding, "The constitution was functioning without any amendment one after another during three successive parliaments. When the elections was indefinitely postponed and a vacuum was created, which brought out several undesirable evil practices to work after October 2002, the constitution came under attack. There was nothing wrong with constitution - wrong was with the politicians who used and misused the constitution during the absence of parliament."

The last effort to activate the constitution and replace it with the new constitution formulated by Constituent Assembly was



Palace: Sidelined

made but it failed to rescue the constitution. Till the election is held for House of Representatives, its revival was widely supported and pressed for. Ultimately, the HoR was revived by a very unpleasant confrontation between national forces.

"According to the Constitution of Kingdom of Nepal 1990, no political ideology and institution has a chance to monopolize power at its disposal. The institution of monarchy was already a figure head. The first term of parliament had secured the role of King as just ceremonial. Conflicts crept into the political process after the faulty interpretation of 1996 in second dissolution, which perverted political process into a stable parliament and unstable prime ministers. Later on, this also was corrected by the late decision of Supreme Court. Had the elections been held after that, there was a real likelihood of constitutional monarchy being stabilized. All these are facts of history now and the present constitution is going to be scrapped out in haste by an interim constitution," said the analyst.

"The constitution which is in the mind of populist leaders may hardly come into existence. Any written document will be imperfect in real practice of the nation. The constitution grows out of dynamic interpretations, correct practices and healthy conventions. Those things have been completely ignored in the past. If the past is any guide, all new constitutions will sooner or later meet the same fate and same history- which has done away with last five constitutions," said the analyst.

"Nepal has been turned into a laboratory of testing constitutional practices one after another instead of improving what it has. All these things have to be kept in mind to prepare the mood of the nation to accept a constitution finally and live with that for ages to come through periodical reviews and amendments."

The game of destroying the constitution one after another has to be

stopped and Nepal's other serious problems should be solved.

"We will produce a constitution which will punish those who want to turn the clock back. The interim constitution will be guiding documents for the future of Nepal," said chairman of Interim Constitution Drafting Committee Laxman Prasad Aryal.

"Cacophony in the streets of Kathmandu by upper class elites in whatever manner must not mislead the final decision makers of the constitution. Persons who have been ganged to propose a draft of the constitution are all from Kathmandu based professionals and retired civil servants. They can hardly sense the opinion of the whole nation. They seem to be carried away by



Koirala: Walking Down The Path Of Reconciliation

the slogans shouted in the streets of Kathmandu," said the analyst. "Persons who have lost contact with the people due to the Maoist insurgency have been revived to their role as lawmakers. But they now in no way reflect the latest mood of nation. So, all these interim arrangement should remain confined to the immediate task instead of changing the share of the governance and destroying the basic structures of present constitution."

All those question related with basic structure of constitution should be taken to the people during the elections of the Constituent assembly and that CA can alone be proper and legitimate body to deal with such basic issues.

In the last few days almost all political parties have submitted their suggestions to the drafting committee. Smaller the parties more populist and unrealistic they are in their suggestions. Unexpectedly, as the largest party the Nepali Congress, to a great extent, was realistic in its approach though it also has populist elements in its suggestions. Perhaps, this party alone has suggested living basic elements of the constitution to be decided by the CA elections.

"In fact, the society is not homogenous even in the Marxist terminology and it is full of contradiction. A democratic constitution needs to accommodate all the forces who represent one or the other interesting contradictions. Prime minister Girija Prasad Koirala has rightly said that in a future political set up all the forces in contradiction from the King to the Maoists activists have to be accommodated in a democratic rule of game. City-centered upper class elites under the elusive banner of civil society are trying to confuse the constitutional debate through their instruments of sponsored propaganda," added the analyst.

"The people are supreme power and nobody can challenge their verdict. They have already given their verdict

through Janandolan II that Nepal will be Loktantrik Gantantra (democratic republic). There is no place for those who speak against this spirit," said Pahadi. "We will not allow people to campaign in favor of monarchy in any form."

Although some of the demands of civil society pressing for the election date are genuine, some of their demands seem to be backed by fragmented society. "In fact they are the product of the past regimented political culture of Panchayat system who don't have patience and tolerance for debate and dialogue," said the analyst.

As the country is in the process of constitution making, it must be written to accommodate all pluralistic political view.

BOOK

South Asia's International Rivers

The book highlights what are the reasons behind the conflict and cooperation on South Asia's international rivers.

By KESHAB POUDEL

For centuries before the introduction of legal regimes and creation of new boundaries, South Asian countries had their own indigenous modalities of sharing water of major rivers. After the creation of new boundaries and introduction of new legal regime, centuries-old system of cooperation among the nations has turned into a source of conflict.

Originated in high Himalayas of South Asian and Tibetan Autonomous region of China, South Asia's major rivers passes two or more than two countries before reaching to the sea. In the process, the countries as upper riparian enjoy the most compared to the lower riparian. The countries in the region don't have to face any conflict during the rainy season when there are adequate waters in the river.

The book is co-written by two well-known experts on international water law, Salman M.A. Salman, lead counsel in the Environmentally Socially Sustainable Development Law Group of the World Bank's Legal Vice presidency and Kishor Uprety, a senior counsel in the Middle East, North Africa, and South Asia Law Group of the World Bank's Legal Vice Presidency. Uprety has written widely on international law and development issues also.

"In recent history, shared rivers have become sources of conflict, as well as catalysts for cooperation. This situation is particularly true about the South Asian Sub-continent. Some 20 major rivers run through it, and the three largest basins, those of the Indus, the Ganges, and the

Brahmaputra, affect not only the countries of sub-continent (Bangladesh, Bhutan, India, Nepal and Pakistan), but China as well," writes Ko-yung Tung, vice president, General Council, the World Bank, in his foreword. "Sharp seasonal variations in the volume of water flows due to climate phenomena, such as monsoons and droughts,

occurring in the territory of some countries, add to the difficulty of finding equitable and durable water-sharing arrangements."

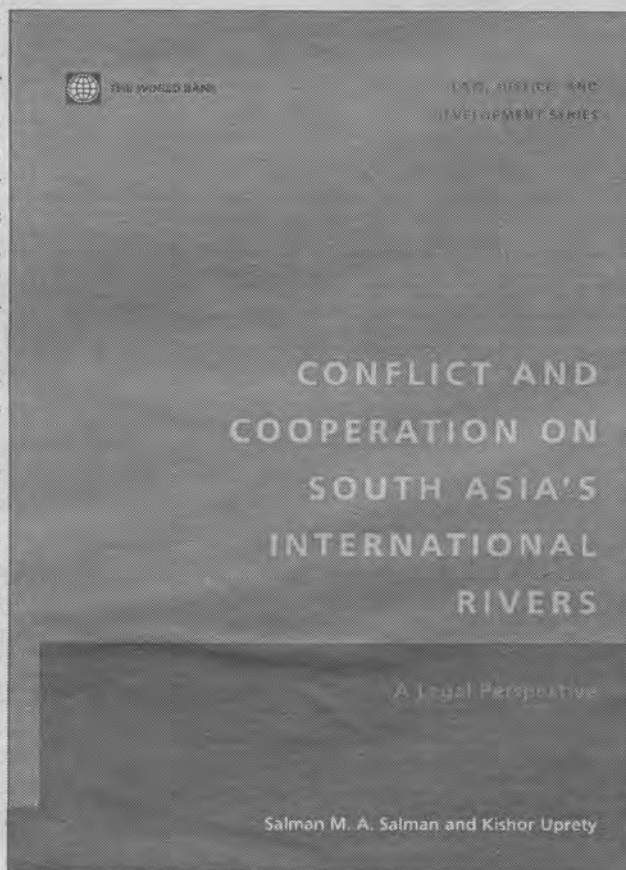
Dispute of water sharing is not a new development in the human history as water has been a major source of conflict in the past. At a time when the world's population continues to grow, more water is required for human consumption as well as irrigation. This will inevitably lead to more conflicts in future.

Along with the disputes and conflicts, there have also evolved legal mechanisms for settlement. The countries around the world have been following the international legal systems and experiences to overcome the crisis.

This book also tries to analyze the various water treaties signed between the countries of sub-continent. It analyzes five major treaty regimes on the South Asian subcontinent: between India and Bangladesh for the Ganges River, between India and Nepal for the Kosi, Gandaki, and Mahakali rivers and between India and Pakistan for the Indus river. The book explains the background and legal regimes of these international rivers in the context of the serious challenges to the water resources of the sub-continent posed by significant population increases, urbanization, industrialization, and environmental degradation.

In the past, the differences surfaced on the question of sharing of water among the upper riparian countries to the extent that it became the national conflict. Though Bangladesh and India signed The Ganges Treaty in 1996 for sharing the water of Ganges river during the dry season, they are yet to settle their differences from time to time.

This book provides extensive knowledge regarding the problems and prospects of water sharing in south Asia. As recognized experts on the field, the authors have made every effort to deal with the issue comprehensively. ■



*Conflict and Cooperation On
South Asia's International Rivers
A Legal Perspective*

By: *Salman M.A. Salman and Kishor Uprety*

Published by: *The World Bank*

Price: *Undisclosed*

Pages: *217*

A Nepali Industrialist Writes To The Un Secy General

After Prime Minister Girija Prasad Koirala and Maoist chairman, Prachanda, a Nepali industrialist, Rajendra Kumar Khetan, has written to the UN Secretary General, Kofi Annan, urging him to use the clout of the world body to ensure that both the government and Maoist rebels honor the ceasefire code of conduct, which they signed a couple of months ago.

In his letter sent to Annan through the UN office system in Kathmandu, Khetan, who is also a member of the Citizen's Commission for Peace, wrote that while UN mission was in Nepal, just 20 km away from the capital, Kathmandu, the Himalayan Snacks and Noodles Industry – owned by the Khetan Group— was forced to close down as armed militia of the Communist Party of Nepal (Maoist) manhandled factory manager, Gokul Dahal., and caused damage to the industry.

On Wednesday (August 2), Maoist cadres manhandled the factory's production manager Dahal after forcing the workers to evacuate the factory. The Maoists then chased the workers some two kilometers away.

Earlier, the factory was closed following a dispute between the management and the workers and resumed operation later after both the sides reached into an agreement.

"This is total anarchy and hence spells out the necessity of arms management without further delay. In an environment of fear, neither free and fair elections to the constituent assembly would be possible nor conflict could be resolved peacefully," said Khetan in his

letter to Annan, adding, "It is the right of the businessmen to carry out businesses and run the factories freely. Code of conduct needs to be respected."

Khetan further said he believed that the UN would do its best in making Parties abide by the code of conduct. UN's role in the resolution of the on-going conflict would definitely bring lasting peace in Nepal, he added.

On May 25 this year, chief of the government negotiating team, K P Sitaula, and chief of the Maoist negotiating team, K B Mahara, signed on a 25-point ceasefire code of conduct, which they said would be binding to both the sides.

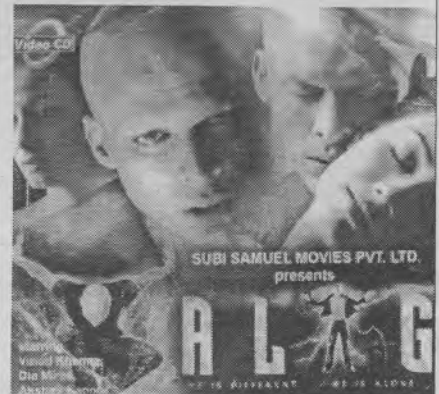
Article 12 of the Code of Conduct says: "Both the parties will create an environment for the smooth functioning of schools, colleges and universities, hospitals, health centers and industrial institutions."

Similarly, Article 15 of the Code of Conduct says: "Donation or financial assistance in cash, kind or in the form of services will not be collected or mobilized against one's will."

There have been numerous reports of violation of Code of Conduct, especially from the side of the Maoists, from across the country. The Maoist leadership is yet to respond to such reports of violation of code of conduct, which rights activists say poses serious question towards their commitment to the three-month-old peace process and their control over the party's rank and file. (Courtesy: nepalnews.com)

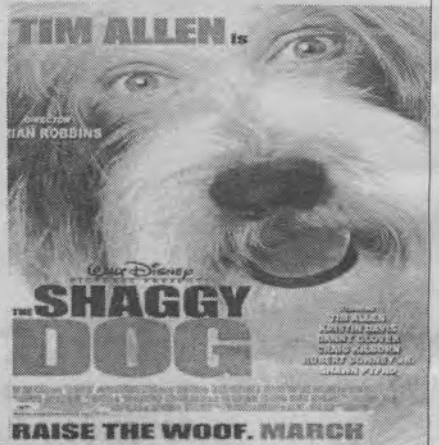


CINEMA



Hindi

Phir Hera Pheri
Chup Chup Ke Fanna
The Killer
Omakara
36 China Town
Gangstar
Krish
Alag
Goalmaal



English

Shaggy Dog
She's the Man
Down in the Valley
House of Dead 2
Hale Light
Tuespasseus
Kidulthood
Over the Hedge
The Boston
Madea's Family Reunion

Source : Super star Ph : 4242000

MADAN "DIPABIMA" BASNET

Expressions Of Rhythm

A versatile musical talent, Dipabima has earned good name and fame

By KABI ADHIKARI

"Ke bhool bhayo priya ma sanga boldinau." This song which keeps most listeners pondering for hours was composed by Madan 'Dipabima' Basnet. The song became very popular when it was aired through Radio Nepal.

With songs like these, Dipabima has earned popularity as a singer and a composer among the audience of Nepalese modern and folk songs.



Dipabima: Life full of rhythms

Born in 1948 in Ilam district, Dipabima showed an inclination towards dance and songs since his early childhood. The fascination towards dancing and singing at school level contests, festivals, functions was instilled within him. These talents endeared him to all his community and also throughout his home district.

While studying at grade four, Dipabima, in 1956, performed for the first time on stage, where he sang popular songs sung by other singers. The passion for dancing and singing made him to stage various programs in Ilam.

At a very young age, he became a dance director in 'Bal Kala Niketan Sanstha'.

Even though he was equipped with twin talents, he preferred to earn name and fame as a dancer and a dance director rather than a singer. But this did not mean he lost interest in singing. As a dance-director, Dipabima has worked in various colleges where he earned a big fan following and many of his students later on earned good fame also.

It was around 1963 that he first came to Kathmandu to take part in Zonal-level cultural contests. It is interesting to know that, Dipabima worked in various capacities in different government offices between 1963 and 1986.

'Ubho ta Sailung' was the first song that he sang in mid 1960s. The song used to be aired continuously from Radio Nepal. Following this initial success, he went on to compose 110 folk songs in different albums such as Chhalkana (folk collection), Maya Namare (folk songs), Maya Nirmaya (Dohori), Paisako Mamila and Juhari (satirical song). These albums released one after another earned him further recognition.

His immense popularity led him to visit many countries where he was invited to perform the songs.

The passion for singing songs stopped in 1989 after which he began concentrating on giving music composition. Dipabima has composed music for over 450 songs including modern songs and folk songs. Barsha Bitosh Yug Bitosh was his first composed song recorded in Radio Nepal with the voice of Shiva Basnet in late 2026.

As a singer and music composer, he has been associated with Radio Nepal till now since 1964. Similarly he is known as audio-visual director in Music Nepal. For his contribution to the music industry he has bagged the Chhinnalata Musical Award. ■

Maoists To Adopt One Window Policy To Raise "Donation"

Maoist leader Dr. Baburam Bhattarai has said that his party would be adopting 'one window' policy to raise 'donations' from central level to manage its People's Liberation Army (PLA).

Addressing the program organized by the FNCCI to mark its 40th anniversary, Dr. Bhattarai said his party was forced to raise 'donation' since the state did not provide it with resources to maintain its PLA. He said that once the centralized one window policy is put in place, the bitterness with business community would end.

He claimed that ten percent of the resources that the state gives to its armed forces would be adequate for PLA. He said that the current budget has allocated Rs 20 billion for state's armed forces whereas PLA would need only Rs 2 billion. Dr. Bhattarai claimed it was natural for the Maoists to raise 'tax' since they had both people's army and the people's government.

Speaking at the same program, Dr. Bhattarai claimed his party was concerned with the growing problems between workers and management in various businesses. He proposed forming a joint task force with the business community to resolve the problems. At the program, Dr. Bhattarai said his party favored modernization of agriculture, revolutionary land reforms, and promotion of domestic capital, resources and labor. He added that the Maoists would allow an individual to keep up to 10 bigha of land if he/she is involved in farming. "We oppose the feudal attitude of amassing huge land," he said.

He claimed that the economy had collapsed due to policy failures rather than people's war. He urged business community to invest in Rolpa, Rukum and other base areas of the Maoists. He said that foreign investment in areas where domestic production is adequate to meet the demand would be banned. However, he added, foreign investment that create jobs and transfer technologies, would be welcome. He said his party was not negative about Indian or other foreign investment in the country. ■

SPOTLIGHT

The News
Magazine
Packaged
with
Up-To-Date

News
Views
&
Analyses
Our Readers
Deserve The Best



SPOTLIGHT

The National News Magazine

BALUWATAR, GPO BOX: 7256

TELEPHONE: (977-1) 4423127, FAX: (977-1) 4417845

Email : spot@mail.com.np



The Star is in Your Favor.

Choose Your Lucky Casino!



CASINO NEPAL
Soaltee Compound
Tahachal, Kathmandu
Tel: 4280588
Fax: 9771 4271244
rdt@mos.com.np



CASINO ANNA
Hotel de L' Annapurna
Durbarmarg, Kathmandu
Tel: 4228650
Fax: 9771 4225228
casanna@mos.com.np



CASINO EVEREST
Hotel Everest
New Baneshwor, Kathmandu
Tel: 4780925
Fax: 9771 4782284
everest@mos.com.np



CASINO ROYALE
Hotel Yak & Yeti
Durbarmarg, Kathmandu
Tel: 4438619
Fax: 9771 4223933
royal_royale@hotmail.com



CASINO RAD
Radisson Hotel
Lazimpat, Kathmandu
Tel: 4420311
Fax: 9771 4445525
casinorad@mail.com.np



CASINO TARA
Hyatt Regency
Boudha, Kathmandu
Tel: 4482517
Fax: 9771 4470722
casinotara@mos.com.np