

# SPOTLIGHT

March 02-08, 2007

# Questions Of Identity

**Interview :**  
**Mohan Gopal Khetan**



**Arms Management: Arms Count  
Vs Trust Count  
SAFTA : Regional Stride**

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## COVER STORY: Question Of Identity

Only the unified and integrated Nepal can ensure the rights and identity of each and every ethnic or regional group

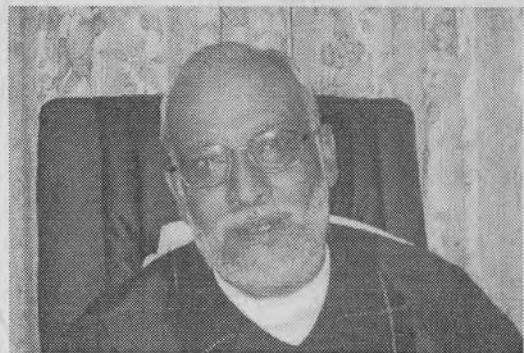
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## ARMS MANAGEMENT: Trust Counts

The revelation of low weapons registration calls for greater trust level

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## INTERVIEW: Mohan Gopal Khetan

Prominent industrialist Khetan shares his perspectives on the contemporary politics and economy

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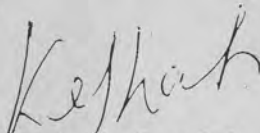
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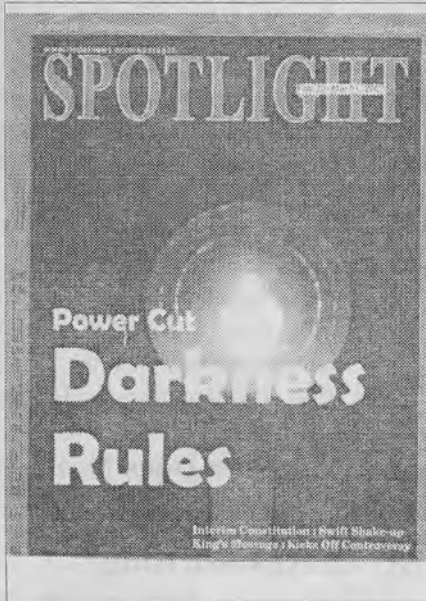
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Sandwiched between two major military and economic powers, *India and China*, Nepal is trapped in a prolonged political instability and chaos as no one can foresee the restoration of stability anytime soon. The chaos and violent upsurge of ethnic and regional groups is gradually pushing and even the Maoists find themselves sidelined by the resurgence of fringe parties. Although shortsighted politicians and so called members of civil society pressed for the promulgation of new interim constitution promising stability, following its proclamation - which has made all the institutions, values and ideals interim - Nepal has entered into a more complicated phase of flux. There are confusions and chaos everywhere as all kinds of regional and ethnic groups have sprouted demanding identity and autonomy. Every one is now talking about federalism, autonomy and right to self determination but no one is sure whether that would protect their identity. Although demands from autonomy to federalism and right to self determination are inciting chaos and confusion with long-term implications, Nepal as a nation has the capability to uphold heterogeneous interests of cast, ethnic communities and linguistic groups into a common thread and uphold the identity of Nepal. Although all of these groups have different religions, languages and ethnicity, they had been living together without any violent conflict in all parts of the country till now. Differences are there in the views and in the priorities but none of the powerful opinion groups has expressed separatist attitude against the unified Nepal. This is one positive aspect and also a reflection of ground reality.

Unfortunately, people of Nepal, at this critical juncture, have no leaders of wide acceptability like B.P. Koirala or even like King Birendra. With the population of more than 26 million, Nepal is multi-ethnic, multi-lingual and multi-religious with diverse geographical region. No single linguistic, ethnical or religious group has absolute majority in a particular region and/or pockets. From Madhes to hill and mountain, the country is diverse in culture, ethnicity, language and religion. Only unified Nepal can protect the identity of all ethnic, regional and religious groups. Once it is torn apart, all will lose their identities. There is a need to accommodate all forces and communities through the pursuance of national reconciliation as propounded by B.P. Koirala. Every one can secure their own identity as a Nepali if there is sense of accommodation and national reconciliation. A time-tested lesson for all ethnic, regional groups in this country as well as neighboring countries - which have huge stakes in Nepal - is that only a unified and integrated Nepal can well serve the interests of all.


**Keshab Poudel**  
*Managing Editor*



## Power Point

The cover story "Darkness Rules" (SPOTLIGHT February 23) provided a comprehensive analysis of the state of power generation in the country. It provided how the polity makers and planners failed to predict such a power crisis in the country. The people are now paying for their short sightedness. Perhaps this episode will teach our leaders some good lessons so that in future we will not have to face such crippling problem.

*Ganesh Baidya  
Siphal*

## Country Of Shortages

You go to a petrol pump, there is a long queue. You go to neighborhood grocery stores, the prices of basic essential goods are sky-rocketing. You open the tap, there is no water. You switch on the bulb, there is no power. As if, these domestic problems were not enough, you are compelled to bear all kinds of inconveniences like incessant traffic jams, sudden and jolting bandhs, agitation, sit-ins, lock-ups, gheraoes and rallies. Welcome to the new Nepal ("Darkness Rules" SPOTLIGHT February 23). Its not merely a matter of bad power crisis. The country appears to be suffering from massive meltdown. There is not a semblance of law and order. Anybody who can gather a few dozen people and brandish threats (weapons are better), can get the government meet any kind of demand. Everyone says that dialogue is the best way of overcoming country's crisis. But amid the cacophony of demands, dialogue cannot be held unless all the participants agree to shout. And when you resort to shouting and hollering, logic and rationale will be lost. As every segment of society wants to guarantee its fair share and representation in the forthcoming Constituent Assembly

(CA), one cannot simply cast aside the shoutings and hollerings. But there is a limit to everything. Now not a single day passes when there is not a bandh in any part of the country. From the yesteryears of Nepal bandh, we now seem to have graduated. We are no longer content with announcing one day of Nepal bandh – there has to be a series of capital valley and district bandhs leading up to indefinite nationwide bandh. And the word blockade has also gained currency. Naturally, due to these happenings, the people are thoroughly frustrated. They are no longer sure when leaders blurt out the rhetoric of new Nepal. Slowly but surely, they are developing the yearning for the old Nepal. This is a portent for disaster. The clock cannot be turned back. As such, it is now for the leaders to come up with a solution soon. Otherwise, it does not need a Sherlock Holmes to predict what will happen. Already there are enough doubts about the CA polls. Nobody is certain that they will be held on stipulated time. There must emerge a leadership that can soothe the people and give them confidence. Nepalese people urgently require reassurances about the future of their dreams of building new Nepal.

*Rakesh KC  
Satdobato*

## Power Less

The cover story ("Darkness Rules" SPOTLIGHT February 23) shows that the authorities still want to go for bigger hydropower projects that are export-oriented. It is crystal clear that it is the height of stupidity to talk about exporting power when you are suffering from six hours of power cuts a day. Why don't the authorities go for projects that can be built quickly to fulfill the acute needs. In the last three months also the authorities have not been able to put together any one project on ground. They are content talking about mega projects and selling dreams to the people. They have not shown that they are actually working to end the crisis.

*Janardan Thapaliya  
Maitidevi*

## After CA

These days the leaders have been saying that everything will be alright after the Constituent Assembly (CA) elections ("Darkness Rules" SPOTLIGHT February 23). When any one approaches them with some demands, the leaders ask them to come after CA. They say their concentration is on holding CA not on petty issues like drinking water, fuel or electricity. Perhaps, taps and bulbs will automatically come to life after the CA.

*Sangita Rai  
Bishalnagar*

## Monarch In A Mess

The message by King Gyanendra on Democracy Day (Ruffling of Feathers, SPOTLIGHT February 23) was highly uncalled for. There was no need for the King to remind the people about his infamous February 1 step, much less defend it. The royal advisors must have made a blunder by suggesting the tone and text of the message, which has been duly taken up by some sections of politicians who want to declare republic right away.

*Kiran Gartaula  
Kopundole*



## Prachanda Against Foreign Investment In Media

Claiming that his party was the worst victim of reporting by big media houses running with foreign investment, Prachanda has warned that once Maoists join interim government, they will change the media policy to prevent such investment. Stating that foreign investment in media is dangerous for national independence and identity, Prachanda said his party will hold the Ministry of Information and bring about necessary changes in the government policy. He said so while addressing the journalists at a press meet in Butwal on Sunday (Feb 25). Meanwhile, the Maoist chairman accused that people who were 'spreading rumors' about Maoists concealing weapons were trying to derail constituent assembly elections. He said that since a large number of their weapons were grenades and home-made bombs, which the UN did not register, the total number of their arms was felt to be fewer compared with number of combatants. Prachanda added that many of their weapons were destroyed in fire and were swept away by river, too, during the course of conflict when the state army attacked houses in villages and when they were transporting weapons across rivers. *Compiled from reports*

## MJF Stays Away From Talks

Reiterating their stance that they will not hold talks with the government till the Home Minister resigns, the Madhesi Janadhikar Forum (MJF) refused to sit for talks with the government on Sunday. The government talks team had invited MJF for the talks on Sunday (Feb 25) at the Peace Secretariat in Singh Durbar. The MJF has already said that it will impose chakkajam (traffic blockade) and customs blockade from February 26 to March 5 in Terai region. From March 6, the MJF has threatened to impose indefinite Terai bandh. Meanwhile, the Nepal Federation of Indigenous Nationalities (NFIN) has decided to sit

for talks with the government. They have been invited for the talks on Monday.

*Leading dailies report*

## MPs Demand Action Against King

The parliamentarians took the government to task on Sunday (Feb 25) over the apparent non-action against King Gyanendra on his Democracy Day message. The MPs asked the government to implement its earlier directive to take action against the King. Speaking at the parliament, MPs Bamdev Gautam, Pradeep Nepal, Khadga Bahadur BK, among others, demanded that the government implement the parliament instructions and notify them immediately. Meanwhile, the president of Nepal Workers and Peasants Party (NWPP) Narayan Man Bijukchhe has accused that the King's message was drafted with the knowledge of the government. "I am sure the draft was prepared by the government. So I don't believe any answer by any minister to the parliament," he said, speaking at the parliament. He added that the King message was prepared by the same people who had drafted the April 24, 2006 royal proclamation that revived the House of Representatives. He said the proclamation was prepared with the consent of top leaders of major parties. *Leading dailies report*

## Norwegian Proposal To Develop Tamakosi

A renowned Norwegian company called Statkraft Norfund (SN) has submitted proposal to the government showing interest to invest in Tamakosi II and III hydropower projects totaling around 500 MW. The power generated could be used by Nepal as much as it needs, and the remaining sold to Indian Power Trading Company. Dr. Sandip Shah, project director of the company, said adequate opportunity will be availed to the government, Nepal Electricity Authority and local investors who are interested to invest in these projects. According to Tika Dutta

Niraula, Water Resources Secretary, the government is about to complete its homework to permit investment in Tamakosi II (275 MW) and III (207 MW). "The (SN) will soon be given the license," Niraula said. Studies have shown that projects totaling 1100 MW can be constructed in Tamakosi basin. The same company had earlier proposed to work together in 309 MW strong Upper Tamakosi project with the NEA. The NEA, however, has not replied to this offer yet. *Kantipur daily reports*

## Law Minister Does Not See Enough Basis To Take Action Against King

Narendra Bikram Nemwang, Minister for Law, Justice and Parliamentary Affairs, has said that there is not enough legal basis to take action against the King based on the message. His reactions have come in the wake of parliament's directive to the government to take action against the King for his Democracy Day message in which he had defended the move of February 1, 2005. *Compiled from reports*

## Prachanda Wants Republic Declared

Maoist chairman Prachanda has started saying that the issue of constituent assembly is of secondary importance compared to the need to declare republic in the country. Addressing a mass gathering in the western Terai town of Butwal on Saturday (Feb 24), Prachanda said the republic should be declared both by the parliament as well as from the streets. He said declaration of republic by parliament alone may not suffice and that it should be supported by street agitation. "The monarchy will not be able to save itself even if foreign forces support it," he said at the mass meeting. Stating that the Maoists had been the original party who demanded federal republic, Prachanda said the interim government including them must be formed immediately if the election for the Constituent Assembly is to take place on stipulated time. He claimed central

leaders of his party would not keep personal properties for next 20 years to concentrate in the development of the country. *Leading dailies report*

## Drop Charges Against JTMM: Thakur Committee

The government talks committee headed by Minister Mahantha Thakur has recommended the government to drop charges and warrants against the workers and leaders of both factions of Janatantrik Terai Mukti Morcha (JTMM) to create atmosphere for talks with them. Likewise, the Thakur committee has again formally invited the Madhesi Janadhikar Forum (MJF) and Nepal Federation of Indigenous Nationalities (NEFIN) for talks. The meeting of the Thakur committee held Thursday (Feb 22) afternoon decided to invite MJF for talks on February 25 and NEFIN on February 26. *Leading dailies report*

## Two Ballot Papers; No To Temporary Voters

The eight parties' taskforce formed to decide about the details of the electoral system has agreed to use two ballot papers and two boxes during the forthcoming Constituent Assembly (CA) elections. Likewise, they have decided not to allow temporary voters to cast their votes in the polls due to technical and managerial constraints. One each ballot paper and box will be used for the first-past-the-post and proportional representation-based elections. "The elections will be held in parallel (or mixed) system," said Dinanath Sharma, leader of Maoist and a member of the task force. "People will vote their chosen candidates on the basis of first-past-the-post system and they will also vote parties based on proportional system. The parties will elect their candidates based on the percent of votes they accumulate through proportional system," explained Ram Chandra Poudel, general secretary of Nepali Congress. The Maoist combatants in the

camp, the army and police personnel and election officials will be able to cast their votes on proportional representation system only. Meanwhile, the task force agreed to ask the Election Commission to collect names of those voters who could not be included in its earlier voters' registration campaign within next one month. But they have dropped the idea to include temporary voters. *nepalnews.com reports*

## EVs Petition Against Load Shedding

The Electric Vehicles (EVs) entrepreneurs have petitioned to the Nepal Electricity Authority (NEA) to withdraw crippling hours of load shedding. A delegation of the entrepreneurs reached the NEA office on Sunday (Feb 25) and handed over a memorandum appealing for withdrawal of power cuts, which they claimed have severely disrupted the normal operation of EVs like Safa Tempos. "At present, 600 such tempos are serving 125,000 people everyday in the capital. Effect on EVs will, therefore, affect passengers also," said Ramesh Regmi, general secretary of Nepal Clean Transport Entrepreneurs' Association. The hours of load shedding has affected in the process of charging batteries of EVs. After their meeting with NEA officials, Umesh Shrestha, president of the association, claimed that an understanding has been reached to reduce load shedding hours in charging stations. *Nepal Samacharpatra daily reports*

## Tourism Earns Rs 4 Billion

In the first five months of the current fiscal year 2006/07, tourism sector has earned Rs 3.85 billion. According to a report on the monetary situation by the Nepal Rastra Bank (NRB), the figure is the total of earnings made from the tourists who came to Nepal by air during the period. However, compared to the same period previous year, the earning

is less by 3.6 percent. Last year, tourism earning during that period stood at Rs 3.99 billion. *Nepal Samacharpatra daily reports*

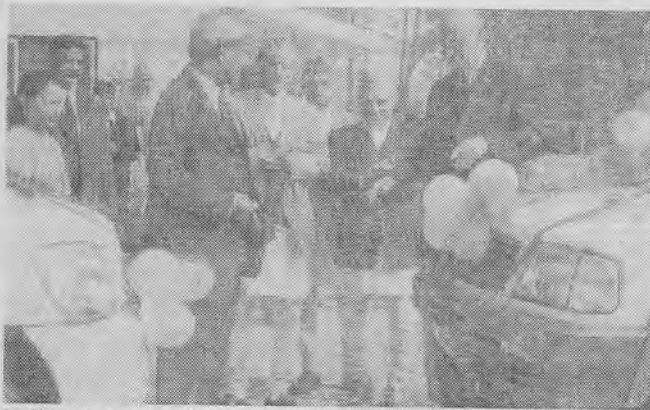
## Int'l Meet On Local Development Starts

An international conference on "Public Policy and Local Development Opportunities and Challenges" began in Kathmandu from Saturday (Feb 24). The conference jointly organized by the International Geographic Union Commission on Geography and Public Policy, IGU-CGPP and the Tribhuvan University Central Department of Geography, is being participated by some 40 scholars from Nepal, the US, India, Bangladesh, Japan, Portugal and Switzerland. They will be presenting 36 academic working papers on different issues related to local development, natural resource management, demography, livelihood and transformation etc. The outcome is expected to held enrich knowledge on local development. *Leading dailies report*

## Govt Prepares 10-year Road Master plan

The government has prepared a 10-year road development master plan. Termed as Priority Investment Plan (PIP), the governments plans to increase the length of black-topped roads by three-fold in the next 10 years. "After the National Planning Commission approves it, the plan will immediately come into effect," said Komal Karki, an engineer at the foreign aid section at the Department of Roads. Strategic roads will be upgraded as per this plan. "The annual budge to implement this plan will be Rs 10 billion – double what is being spent at present," said Karki. At present, there are 32,000 kilometers of road in the country. But only 3500 km of them have been black-topped. *Kantipur daily reports* ■





Indian envoy hands over vehicles to be used by UNMIN to the Home Minister  
*Annappurna Post*

**A DAY AFTER THE KING'S** Democracy Day message ignited fierce controversy, Prime Minister Girija Prasad Koirala met with the army chief General Rukmangad Katawal. During the meeting, the army chief is learnt to have briefed about the security situation across the country. Likewise, the PM also met with Indian ambassador Shiv Shankar Mukherjee. Furthermore, the PM also met with Supreme Court (SC) judge Anup Raj Sharma over the issue of constitution amendment. The PM reportedly discussed about the implications of the King's message with all three of them.

**A REPORT OF THE UN** High Commissioner for Human Rights has said that significant improvements in human rights situation were observed immediately after the establishment of new government in Nepal, but many challenges lie ahead in ending serious abuses, upholding and strengthening respect for human rights. A report of the United Nations High Commissioner for Human Rights on the human rights situation and the activities the UN rights agency in Nepal tabled at the fourth session of the Human Rights Council said there were many positive changes in Nepal in 2006 including an end to conflict-related violations and credible restoration of the rights to freedom of assembly and expression. The report, which was based on information gathered by the Office of the High Commissioner for Human Rights (OHCHR) in Nepal, examines the human rights situation in Nepal in the context of the peace process up to the beginning of January 2007. Stating that there are various challenges ahead, the report said ending impunity for serious human rights violations, defeating deep-rooted discrimination and citizen's security ahead of the planned constituent assembly elections in June rank high among them. The report further said lack of accountability for serious human rights violations in the past including killings and disappearances by the Nepali Army remain among OHCHR's main concerns. The report also expressed reservation over the Maoists' passivity to take action against their cadres involved in rights violations. "OHCHR noted with special concern that although the leadership said that action was taken against those responsible for the 2005 attack on a public bus in Madi of Chitwan district, resulting in the death of at least 35 civilians and members of the security forces, some of those responsible were freed after serving sentences of apparently two to three months of corrective punishment," the report said. The report further said that it is essential that state authorities investigate and, if necessary, prosecute cases of human rights violations by the Maoists as well as the security forces to end impunity.

**AFTER NEARLY TWO WEEKS**, the authorities resumed garbage collection from Wednesday following an understanding reached among eight parties, authorities and local residents of Sisdole area. The residents had refused to allow the municipal authorities to dump garbage at the Sisdole landfill site putting forth various demands. The meeting among the parties, authorities and the local residents held at the Local Development Ministry reached a nine-point understanding whereby the Ministry has agreed to prepare a national act to manage solid waste; and explore at least two more alternative landfill sites to address short and long term demands of the metropolis and surrounding areas. Likewise, the Ministry has also agreed to immediately initiate socio-economic development efforts in Sisdole area.

**A REPORT RELEASED BY THE UNITED NATIONS** says at least 36 children were killed, 113 injured and 37 children were involuntarily disappeared between August 2005 and September 2006 when the state security forces and the Maoists were at war. Of them, 29 children were killed and 70 injured in 63 incidents of explosions of landmines and improvised explosive devices (IEDs) during that period. According to the "report of the Secretary General on use of children in armed conflict in Nepal" presented to the UN Security Council, which was made public at a function in Kathmandu on Wednesday, altogether 512 children have been documented being recruited by the Maoists in this period. By the end of 2006, 1,811 more minors were found used by the Maoists. Only 172 of 512 minors are reported to have returned to civilian life. Similarly, 79 incidents of large-scale abductions were recorded during this period while other 45 incidents occurred in the name of law enforcement. 327 incidents of attack on schools were reported while 195 children were taken under detention by the security forces under the 'anti-terrorist' law. Similarly, eight cases of sexual abuse of children were identified - seven by the security force and one by the Maoists. The report notes that although many of the reported violations occurred prior to the ceasefire between the government and the Maoists, there were still serious abuses of child rights. "A serious concern since the April 2006 ceasefire is that recruitment and use, and abduction of children by the Maoists continue," the report said. Unveiling the report, Speaker Subash Nemwang highlighted the need to implement the report to protect the rights of children and expressed commitment of the Interim Legislative Parliament for its effective implementation.

**THE GOVERNMENT HAS GIVEN GREEN SIGNAL** to Yeti Airlines to start operating in the international sector. The Ministry of Culture, Tourism and Civil Aviation has given the green signal. The Ministry had earlier said it was willing to allow domestic airlines who had completed five successful years of operation to fly in the international sector. As per its call, the Yeti Airlines had applied for the license. Sources at the Ministry reveal that the airlines has been given permission to fly to Bangkok (Thailand), Seoul (Korea), Lhasa (China), Sharjah (UAE) and Paro (Bhutan). Bijaya Shrestha, executive director of the airlines, said that the airlines will now seek Air Operation Certificate from Civil Aviation Authority of Nepal (CAAN) and begin operation. "If everything goes as planned, we will start the operation within a year," he said. ■



“The issue of constituent assembly is now under shadow. The main priority is to declare republic right away.”

*Prachanda, Maoist chairman, addressing mass gathering in Janakpur.*

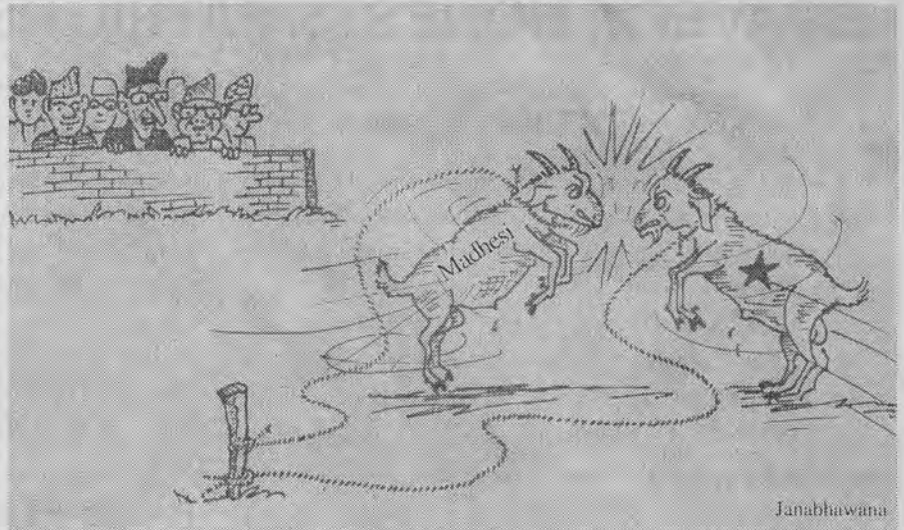
“I am sure the draft was prepared by the government. So I don't believe any answer by any minister to the parliament.”

*Narayan Man Bijukchhe, president of Nepal Workers and Peasants Party (NWPP), claiming in the parliament that the King's Democracy Day message was drafted by the government. He said that the message was prepared by the same people who had drafted the April 24, 2006 royal proclamation that revived the House of Representatives, in The Himalayan Times daily.*

“There is not enough legal basis to take action against the King on the basis of his message.”

*Narendra Bikram Nemwang, Minister for Law, Justice and Parliamentary Affairs, talking with journalists in Biratnagar.*

“BP Koirala was one leader who could



speak what he thought was right and could lead the mass. Others just follow the populist agenda.”

*Kamal Thapa, former Home Minister, in Jana Aastha.*

“I don't see any possibility of holding the Constituent Assembly on stipulated time given the current situation in the country.”

*Khum Bahadur Khadka, senior Congress leader, in Jana Bhawana.*

“We have deposited all our weapons. People who claim that we have concealed weapons are trying to derail the peace process.”

*Nanda Kishore Pun aka Pasang,*

*deputy commander of Maoist army, in Nepal FM.*

“If they need security, the government is ready to provide it. But they should not move around with their private security guards.”

*Gopal Man Shrestha, Minister for Works and Physical Planning, on the issue of Maoist leaders keeping their personal armed security guards, in Gorkhapatra.*

“The country is really in an anarchic situation.”

*Dharma Nath Prasad Shah, Minister of State for General Administration, in Annapurna Post.*

## TRANSITION

**LEFT:** Madhav Kumar Rimal, chief editor and publisher of Spotlight Magazine, left for the United States, for health check up.

**PASSED AWAY:** Mohan Koirala, prominent litterateur, at the age of 80 in Kathmandu. Poet Koirala was undergoing treatment at Shahid Ganga Lal Heart Center. He had been suffering from cardiac diseases along with diabetes.

**CONFERRED:** Bijnan Acharya, a

USAID/Nepal specialist, with the prestigious Thomas Jefferson Star Award for Foreign Service, posthumously, by the US government. Dr. Acharya died – along with 24 other persons – in the helicopter crash in Taplejung on September 23. The award is the highest honor given by the State Department to an employee killed in the line of duty.

**ARRIVED:** Kamal Nath, Commerce Minister of India; Humayun Akhtar Khan, Commerce Minister of Pakistan; GL Peiris, Minister of Exports, Development and International Trade of Sri Lanka; and Dr. AB Mirza Azizul

Islam, advisor for finance and commerce of Bangladesh, to attend the SAFTA Ministerial Council meeting.

**APPOINTED:** Devi Prasad Baral, as the general manager of Herbal Production and Processing Company Limited, by the government.

**SUBMITTED:** A report on Nepalgunj incident, by the probe committee formed to investigate the violent riots there last month. The committee headed by Appellate Court judge Purushottam Parajuli submitted the report to Home Minister Krishna Prasad Sitaula.



# BRAVERY, HONESTY, PATRIOTISM AND NEPAL

•By *Laxmi Thapa*

**B**efore being known as the country with the world's highest mountains and vast water resources, Nepal was renowned for bravery, honesty and patriotism of her people. Nepal was avant-garde in the movement to drive away colonial powers from the Indian Sub-continent. Sacrifice and bravery shown in the battles fought against the world's mightiest colonial power the Great Britain have made Nepali people proud of their past.

## Political Turmoil

Eighteenth century was a period of great political turmoil in the Indian subcontinent. The powerful Mogul empire had come to an end at the very beginning of this century. To the west of the Sub-continent was the Iran under the rule of Nadir Shah described in the history as the most hated man of his age who massacred people in uncounted thousands and plundered the country and after his death his successor not too different from him

The colonial power Great Britain was doing its utmost to increase its presence by exploiting the weaknesses of the rulers of small states recently broken off from the Mogul empire. At that time British rulers in India were adopting every possible method to enlarge the territory under their control.

## British Rulers Were Condemned

The way new territories in India were brought under the British control and ruled had provoked even the British public. British Parliament went completely against it. Historian HG Wells has written about the British rule in India at great length. The text from his book {History of the World} has been reproduced here. Englishmen at home were perplexed when presently the generals and officials came back to make dark accusations against each other of extortions and cruelties. Upon Clive, Parliament passed a vote of censure. He committed suicide in 1774. In 1788 Warren Hastings, a second great Indian administrator, was impeached and acquitted (1792).

## How Britain Grabbed South Asian Territories

After Clive and Warren Hasting, the Governor General Wellesley used every possible means to expand British Empire in South Asia. Wellesley asked the Nawab of Oude

to agree, like the Nizam, to cede to Britain some of his territories in exchange for British protection. At first the Nawab would not agree, but at length, when he saw there was no use of trying to resist, he gave in. British army was sent to Oude, and to pay for it the Nawab gave up the Do-ab or the country between the Jamuna and the Ganges. Meanwhile Wellesley turned his attention to Delhi. In 1803, General Gerard Lake captured Delhi and Agra.

## Himalayan Unity

The ruthless way new territories were being brought under the British control and ruled must have played a vital role in generating awareness of the great urgency to Himalayan region solidarity. Enlightened peoples living across the Himalayan region must have sensed the acute need to be united. Because, without being awakened to the realization that the unification of the whole region was a matter of the utmost importance to the peoples across the Himalayan region, it would not have been possible in a very short period to come together under a common umbrella peoples living in a vast region demarcated on the west by the Sutlej and Bias rivers and on the east by the Teesta

## Emergence of the Great Nepal

In the 1790s, the struggle to unite the Himalayan region had been greatly intensified. Nepal spared no efforts and resources to accomplish this great historic mission. The process of unification had gone ahead at an exceptionally rapid pace. In 1789, to the west of then Nepal was the Bheri river. By 1791 the western border of the Great Nepal was about to hit the Sutlej river. Powerful kingdoms like Jumla, Doti, Kumaun and Garwal had come within the Great Nepal. The western border had thus shifted almost across a distance of about 400 kilometers within a short period of just two years. Nepal was able to rise to become a formidable Himalayan power within a very short time. Nepal had gathered enough strength to move forward to protect the peoples dwelling in the western part of the Himalayan region from growing anarchy and also from the danger of coming under European domination. However, the build up of Nepalese strength brought her on a collision course with the colonial power of that time. Colonial power



Great Britain had good reason to fear that if the Nepalese build up continued for some time, the colonial rule over South Asia could soon come to an end much the same way as in the North America a short time before.

### A New Sense of Patriotism

Nepalese patriotism has been described in the book *Rediscovered History of Gorkhas*. It is explained why the Gorkhas succeeded in unifying Kumaonis, Garhwalis or Himanchalis to establish the Great Nepal. The Gorkhas had been spurred by their overzealous new concepts of nationalism (*Hami Gorkhali hom*). It had leadership that grew stronger as it moved from Kumaon to the Kashmir border. Leadership and character were the hallmarks of the Gorkhas that got them victorious. Even now Nepalese people living in Darjeeling, Sikkim, Assam, Burma and various other parts of the World are proud of their Gorkhali ancestry.

### British Preparation For War

The Great Nepal was seen all along as a threat to British rule in India till the end of Anglo-Nepal War of 1814-16. Thus it was very clear that British rulers in India did not want Nepal to become a strong power. They must have realized that sooner or later they would have to wage a war against Nepal. British and Nepalese forces were virtually standing eyeball to eyeball in the west after the Wellesley's conquest of the North India. However, British rulers must not have initially liked to risk getting caught in battles against Nepal in unknown high mountain terrains without penetrating into Nepal's defense system in advance.

Finally, the British actively began preparation for the war from the time when F.R. Hastings-Earl of Moira landed in India as Governor General and Commander-in-Chief in 1813. The actual declaration of war against Nepal is recorded as 1 November, 1814, though the war began from middle of October. The decision to declare war had been made six months earlier so the territorial dispute appears to be only a pretext. British force had marched into Nepal across a frontier of more than 1500 km to attack at several points at the same time. The eastern British flank was moving north from the Teesta area whereas the farthest western flank from the Sutlej river area. It was virtually a modern type warfare extended over a period of three calendar years and necessitating to protect the entire region bordering the enemy held territory. The British invasion force, in

comparison with Nepalese, had absolute superiority in cavalry, pioneers, and at least the superiority of 10 times in infantry and 100 times in artillery. They also had the advantage of maneuverability in movement of their fighting force.

### War Prolonged

British had expected a blitz-krieg victory. It is said that the Governor General Hastings had planned to win the war in one mighty sweep in one to two months in end 1814 but certainly before the Christmas. He was badly mistaken in his assessment. We Nepalese fought very bravely. In early months of the war the initial British invasion was completely beaten off. British offensive ended in complete failure. Nepalese force stationed within the shelter of the fortress were not only able to defend their position against an invading enemy many times superior in strength but they even shocked them by their dreadful counteroffensive that used to be accompanied by big losses on British side. The British rule in India was at a risk of falling apart. Unfortunately at that time the Sikhs and Marathas did not join Nepal in liberating the whole of the South Asian Continent from the grip of the European domination.

### Nepalese Bravery Astonished the World

It might surprise many of us to learn that the Bhakti Thapa who sacrificed his life at an age of 74 in a counter attack in Deothal Battle against the British became a legend even in the eyes of his enemy. Historian CB Khanduri writes quoting various contemporary British historians "The euphemism of the BRAVEST OF THE BRAVES had been used by Napoleon for Marshal Ney, whose bravery during the retreat from Moscow in 1812 was one of the highest. BRAVE LES BRAVE, said Napoleon of him. British then used this citation for the Gorkhas during and after the Anglo-Nepal War. Such was the bravery shown by Bhakti Thapa that the next legend of the Bravest of the Braves had been created on the day- 16 April 1815 at Deothal."

### In Last Century

Nepalese bravely fought in First and Second World Wars to defeat fascism and Nazism. Similarly some Nepalese had fought along side the Indian National Army of Subhas Chandra Bose to free India from Britain. In recent years Nepalese have been playing very active role in helping the UN to bring peace in various parts of the World.

*(Thapa writes on history)*



## ARMS MANAGEMENT

# Arms Count Vs Trust Count

The revelation of the weapons count held by the Maoists has raised many eye-brows

By SANJAYA DHAKAL

When the UNMIN chief Ian Martin revealed the number of weapons registered by the Maoists, many people raised their eye-brows. It appeared that the Maoists were able to control "eighty percent of the country's territory" (as used to be claimed by the Maoist leadership) with the help of just over 3000 arms.

For discerning observers, the number of the weapons was both interesting and meaningful.

According to the UNMIN, the total number of Maoist army combatants registered at the seven main and 21 satellite cantonment sites stands at 30,852. Likewise, the total number of weapons registered so far is 3428.

The revelation was met with a great deal of skepticism. While some leaders made outright accusations that the Maoists might have concealed weapons, others said that since the Maoists have already committed themselves to the peace agreement, any more weapon discovered outside the camps will automatically be deemed illegal.

On their part the Maoists have tried to draw the attention of all towards the level of their political honesty. "We have reported all our weapons. We are politically honest on this count," said Nanda Kishore Pun aka Pasang, deputy commander of Maoist army.

The weapons registered so far include weapons of various types: 91 mortars (55 of which are locally-made); 61 machine guns; 2403 rifles; 61 automatic weapons (sub-machine guns); 114 side-arms; 212 shot guns; 253 various/miscellaneous; and 233 home-made weapons. This includes 524 weapons retained for perimeter security by designated guards, in accordance with the arms accord.

"UNMIN is not and will not be in a position to state whether the weapons it has registered correspond to the full total of weapons held by the Maoist army. The Nepal Army has made available to

UNMIN a breakdown of types of 3430 weapons which it states were taken from the Nepal Army, the Nepal Police and Armed Police Force," Ian Martin said at a press conference last week.

Martin added that there were high degree of correspondence between the



Registration of combatants: First stage over

OPRSG

types of weapons listed by the NA and the types of weapons registered. "UNMIN is not in a position to confirm or refute reports of weapons purchases by or on behalf of the CPN-M, although the weapons registered include a number of weapons not held in the stocks of the state security forces, such as AK-47s," the statement read out by Martin during the press meet added.

Martin further said that full modalities of the second stage verification process are under discussion and could begin by mid-March. He said if any minor is found to be associated with the Maoist army, they will be honorably and automatically discharged, and only those who were members of the Maoist army before 25 May 2006 will be eligible for cantonment.

The weapons and ammunition stored at the seven cantonment sites are under 24-hour surveillance by the UN

monitors.

Martin, however, said that any determination as to whether the registration, storage and monitoring are sufficient to allow for the entry of the CPN-M into an Interim Government is a decision "to be made by Nepal's political leadership."

With the deposition of their arms and registration of their combatants, one chapter of Maoist movement seems to have come to an end.

Martin said brief details of each combatant have been recorded at the first stage of registration, but have not been verified, each has been photographed and issued with an identity card with a UN bar code.

"Detailed information will be

collected through individual interviews at the second stage of registration," said Martin. He informed that 70 UN arms monitors and 22 electoral advisors are now in the country.

During the press meet, Martin said incidents of Maoist army combatants leaving the camps were of grave concern. He urged Maoists and government to cooperate over urgent measures to improve camp conditions.

Meanwhile, following news reports that 2100 combatants left the Shaktikhor camp in Chitwan complaining lack of basic services including food, the government has decided to provide each combatant with the daily allowance of Rs 60 for their upkeep. As per the decision made by the high level committee to manage the cantonments, which is headed by the Prime Minister, the government will provide Rs 50 million per month for this purpose. ■



## SAFTA

# Regional Tangle

The regional free trade pact is not moving ahead as expected

By SANJAYA DHAKALA

Even as the Doha round of the World Trade Organization (WTO) has become stalled for the last many months, another regional trading arrangement of equal importance to Nepal – the South Asian Free Trade Area (SAFTA) – too, has not shown encouraging signs.

As the seven member states of

## PAKISTAN PUSHES FOR FTA

Addressing a press meet on the sidelines of the SMC meeting in Kathmandu, the Pakistani commerce minister Humayun Akhtar Khan said his government intends to sign a Free Trade Agreement (FTA) with Nepal soon.

Khan informed that processes have already been initiated to negotiate such FTA. The minister said that Pakistan is ready to offer virtually whatever access Nepal wants. "Whatever access Nepal wants, we are ready to give it," he said.

Pakistan has already provided a duty free access to Nepalese tea following which the volume of its exports to Pakistan grew substantially. Khan added that as per the request of Nepalese business community, the Pakistan International Airlines (PIA) has already reduced the cargo shipment charge from \$1.13 to 72 cents per kilo.

Pakistan has already signed FTA with Sri Lanka and is now working to sign it with Nepal and Bangladesh. The volume of trade between Nepal and Pakistan stood at US\$ 8 million last fiscal year.

SAFTA – Nepal, India, Pakistan, Bhutan, Bangladesh, Maldives and Sri Lanka (Afghanistan is poised to join it soon) – have been unable to resolve important issues like finalization of negative list, dispute settlement mechanism, ways to deal with Non-Tariff Barriers (NTBs) and Para-Tariff Barriers (PTBs), and so on, the crucial second SAFTA Ministerial Council (SMC) held in Kathmandu on February 26 ended inconclusively.

Ahead of the SMC meet, a two-day meeting of the Committee of Experts (CoE) – a come joint secretary level panel – too, had failed to bridge differences over these issues and had forwarded the pending issues to the SMC.

However, the SMC could not reach the desired understanding even though commerce ministers and senior officials of the regional member states were locked in hours of discussions.

Following the meeting, the commerce ministers of India and Pakistan traded accusations over the virtual deadlock.

According to Indian Commerce Minister Kamal Nath, Pakistan had resorted to selective implementation of the multilateral trade agreement in the case of India, violating the very essence of SAFTA.

On the other hand, Pakistani

Commerce Minister Humayun Akhtar Khan said that the two countries will now talk bilaterally over the contentious issues to ensure the effective implementation of SAFTA.

The SAFTA has not been able to move forward as desired since the countries have not been willing to considerably reduce the tariff lines. Even if they have reduced it for certain items, the reductions have been nullified by the introduction of NTBs and PTBs like quantitative restriction.

## INDIA WANTS TO SIGN CEPA

India's Commerce Minister Kamal Nath has said the Indian government wants to sign a Comprehensive Economic Partnership Agreement (CEPA) with Nepal. The CEPA is an umbrella pact covering all aspects of business, investment, trade, tourism and so on.

Speaking at a press meet on the sidelines of the SMC, he expressed India's willingness to extend all possible help to increase Nepal's exports to India. He informed that the Indian government was considering waiving four percent additional duty levied on Nepalese readymade garment to India.

He also informed that trade treaty between the two countries will be renewed automatically.

quarantine specifications and so on.

Since the SAFTA – which envisages a duty free trading zone in next one decade in this region – has not moved forward, the talks by the political leadership of the region about floating SAARC Economic Union appears nothing more than a chimera, at least for the time being, to the sadness of one-sixth of human beings who call this region their home. ■

# Question Of Identity

At a time when Nepal is living under an interim constitution, which has made all the institutions, values and ideals interim, every one is in search of their identity. Although demands from autonomy to federalism and right to self determination are definite to incite further chaos and confusion with long-term implications, the nation is still capable of upholding heterogeneous interests of cast, ethnic communities and linguistic groups into a common thread - that is the identity of Nepal. A time-tested lesson for all ethnic, regional groups in this country as well as neighboring countries – which have huge stakes in Nepal – is that only a unified and integrated Nepal can well serve the interests of all

By KESHAB POUDEL

\* Tharu Kalyankari Sabha called general strike in some parts of terai region demanding Tharuhat autonomous region in certain parts of terai region.

\* Nepal Federation of Indigenous Nationalities (NFIN) has been launching series of agitation demanding autonomy for ethnic groups living in different parts of Nepal and wants elections on the basis of ethnicity.

\* Similarly a group of Muslims have already threatened to launch nation wide agitation demanding reservation for Muslims and recognition of Madrassa

and their religious fest at national level. Muslims argued that the agitation launched by Madhesi Janadhikar Forum did not address their issues.

\* Likewise, the indefinite general strike called by Chure Bhawar Ekta Samaj paralyzed the life of the villages of Sarlahi, Mahottari and Rautahat districts.

\* Nepal Chepang (Praja) Association (NCA) has called Dhading, Makwanpur, Chitwan and Gurkha bandh demanding Chepang Autonomous Region with right to self determination

\* Madhesi Janadhikar Forum, a large regional group, has called general strike in entire terai region demanding federal system of government in the region. After successful first phase of agitation, it has already announced second round of agitation from February 26.

\* A Hindu religious group called National Defense Army has recently bombed two government offices in Biratnagar and CPN-UML offices in Birgunj demanding to declare Nepal as a Hindu State. They also bombed offices in Biratnagar.



Although all of these groups have different religions, languages and ethnicity, they had been living together without any violent conflict in Madhes and hill for quite a long time.

There is no expression of race or linguistic group against the other with a tinge of animosity. Differences are there in the views and in the priorities but none of the powerful opinion groups has expressed separatist attitude against the unified Nepal.

"Taking note of all these factors, it is not at all convincing that the demand of autonomy or federalism is natural and spontaneous. Like so many unfortunate cases in the past, Nepal seems to be a victim of a grand design to achieve certain desired results by creating dissensions and disruptions but ultimately this has a limit and no force can proceed more than the space it is permitted. In Nepal's case, now the time has come to say enough is enough to all concerned machinations of destabilization," said a political analyst.

Among the people living in Terai, the fore and foremost are Tharus. According to anthropologists, Tharus are of Mongoloid origin. Other various groups of population in terai are mainly local inhabitants as well as immigrants from nearest points of India.

The third group consists of mixed population and is mainly from hills. Like all parts of Nepal, none of the population group is in a position to run a workable autonomy or a federal state within this rectangular size of the country - whether is terai or other parts of Nepal.

With population of more than 26 million, Nepal is multi-ethnic, multi-lingual and multi-religious with diverse geographical region. No single linguistic, ethnical or religious group has absolute majority in a particular region and/or pockets.

From Madhes to hill and mountain, the country is diverse in culture, ethnicity, language and religion. Only unified Nepal can protect the identity of all ethnic, regional and religious groups. Once it is torn apart, all will lose their identities.

One can see this realization in all the groups- which have been launching

agitations. From the leaders of MJF to NFIN or from Muslims to Nepal Chepang Association or Tharus and other ethnic bodies, all have shown this realization.

"We are demanding the autonomy for Madhesh in federal Nepal. We are not separatists," said Dr. Upendra Yadav, president of Madhesi Janadhikar Forum.



Unrest in Chitwan: Maoists Vs Janjatis

Kantipur

"We are committed to integrity of Nepal."

Others, too, have similar arguments. "We are demanding the respect of our ethnic identity," said Pasang Sherpa, president of NFIN.

NFIN is also demanding for proper representation in the forthcoming elections for Constituent Assembly. Their main demand is to hold the elections for CA under the proportional representation. "We want autonomous region in Chepang dominated area," said Santa Bahadur Chepang, president of Nepal Chepang Association.

Whatever the demands may be, all ethnic, regional, lingual and religious groups know that the identity of nation is still capable of upholding heterogeneous interests of cast, communities and language into a common identity that is the identity of Nepal - oldest country of this region.

"Until now the ruling ideology has been that Nepal was an untied country and people lived together happily. There is still strong sense of being Nepali. But there is also demand for recognition of identity of differences. And many countries have gone through that. It is not unique to Nepal," said Yash Pal Ghai of the Constitutional Advisory Services Unit UNDP in The Kathmandu Post. "If parties acknowledge that there is a

fundamental problem, I think they can handle it."

### Country of Heterogeneity

In a fluid political situation as now, it is natural to see these kinds of opinions and voices like right to self determination, federal structure on the basis of geographic region and autonomous areas on the basis of caste

and ethnicity. The ground reality of Nepal is different where none of the racial, ethnic, lingual and religious groups have majority.

Published by the Ministry of Population and Environment, Nepal Population Report 2004 states that only a few people originating from terai live in hills or mountains but about one-fifth of people of hill-origin live in terai region. The census of 2001 has listed 103 castes and ethnic groups including unidentified groups in the country.

The major caste and ethnic group identified by the 2001 census are Chettri (15.8 percent), Brahmin-hill (12.7 percent), Magar (7.1 percent), Tharu (6.8 percent), Tamang (5.6 percent), Muslim (4.3 percent), Yadav (3.9 percent), Rai (2.8 percent), Gurung (2.4 percent) and Damai and Dhobi (1.7 percent).

The census records 92 different languages spoken in Nepal with 93rd category as unidentified. Data indicates that the major languages spoken in Nepal are Nepali (48.6 percent), Maithali (12.3 percent), Bhojpuri (7.5 percent), Tharu (5.9 percent), Tamang (5.2 percent), Newari (3.6 percent), Magar (3.4 percent), Awadhi (2.5 percent), Bantawa (1.6 percent), Gurung (1.6 percent), and Limbu (1.5 percent).

According to the census report, Nepal has over 80 percent population as Hindus

and Buddhism is practiced by 11 percent of population. While Islam constitutes about 4.2 percent of the population, Kirat accounts for nearly 3.6 percent of the population.

### Geographical Interdependence

Sandwiched between two major economic and military powers India and China, Nepal's east-west length is about 1600 kilometers and north-south width is about 140 kilometers. Divided into three distinct ecological regions: mountains, hills and terai, the country's all ecological regions are interdependent with each other.

"The way to analyze the situation for Nepal is to ask – in its own context – what is the best way forward? And federalism may not be the best way if we are talking of every community having its own state. I don't believe in that because there are too many groups and too many overlapping differences," said constitutional expert Ghai.

Nepal has unique geographic distribution. The eastern hills and eastern terai are interdependent in trade business and everything but the Madhesis of far-east have least contact with Madhesis of far west. Similarly, Tharus of the far west have least contact with Tharus of east and central region. Magar of eastern region has least contact with Magars of mid-western region.

### Upsurge of Ethnicity

Along with the Maoists, the sudden upsurge of new demands of federalism, right to self determination, autonomy, reservation for women have surprised many.

Although the CPN-Maoists were a harbinger of the present change, its leaders are complaining now that their agenda are stolen by others. "Our party was the first political force in the country championing the issues of Madhes and Janajati and right to self determination but now many unknown groups are stealing our cause. There are enough reasons to suspect that these new groups are backed by monarchists and regressive forces," said CPN-Maoist leader Prachanda at a recent press conference.

Had it been a real upsurge of ethnicity, region, language or religion, the harbinger of present change CPN-Maoist, which championed causes for Janajatis and Madhesis till recent past,

would not have been put into a position where it now directly confronts them. Now reports are coming from different parts of the country about the conflicts and disputes between the Maoists and various ethnic groups. "Had that aspiration been real and their leadership to Maoists genuine, how this sudden cut-throat conflict among them would have been possible?" asked the analyst. "Ultimately, the basic character of people remains the same which desires continuity with change. Different news media have come out with their opinion surveys and almost all reflects the same conclusion that people of Nepal want to live in harmony with all the groups. They expressed their desire to live with the institution of monarchy under the democratic disciplines."

"My wish is to see prosperous, strong and unified Nepal. As you know I was born in Bhedasing, heart of capital Kathmandu but I have home in Birgunj, terai. I have grown up amid contacts with people from all three geographical regions of Nepal; Himal, Pahad and Madhes. These three regions of Nepal are complimentary and supplementary to each other. I want to see a situation when every one feels pride of being a citizen of Nepal," said industrialist Mohan Gopal Khetan. (See interview). Although he belongs to Marwari community, Khetan identifies himself with Nepal's national interest.

By their own distinct professional interests, Marwari's have multinational identity. In Nepalese context because their business interests are rooted in Nepal, they completely identify with its national interests. They cannot prosper in business if Nepal is ruined or destroyed.

It is not mere a commitment by one particular group or region but every body realizes this reality. "By convictions and by compulsions, too, people have to live together. Nepal as a nation has its own identity as the oldest state of this region. Most of other countries in South Asia regained their



**Ethnic community:** In search of identity

national independence after the World War II but Nepal was integrated into one in 1768 by King Prithivi Narayan Shah, who is remembered as a farsighted statesman and architect of present Nepal. Since then there has been continuity of monarchy under the Shah dynasty," said the analyst.

Whether it is natural or unnatural, maximum numbers of interest groups have been aroused to achieve the same result- to smash up the identity of Nepal, which the country has till now – and to transplant something alien and unusual in its body politic.

### Monarchy's Role

Following the unification, this country of multi-ethnic, multi-lingual and multi-religious nature assimilated these different communities and emerged into a prominent identity as a nation. "This was neither like Muslim invasion in India nor like British colonial rule in the rest of countries of South Asia. The monarchy in Nepal, because of its socio-cultural background, was widely accepted despite its changed characters. The beginning was with an absolute monarchy. In more than a century during Rana's autocracy, the King was simply a figurehead but stood as a continuity of its unifying role,"



said the analyst.

Monarchy has changed its role in different political contexts. Whether it is in power or out of power, institution of monarchy remains a formidable force in Nepal. Despite continuous pressures of almost all leftists and radical parties for its abdication, there is still a strong presence of opinion in favor of institution of monarchy.

The opinion survey of two leading media houses - Himal Khabar Patrika and Annapurna Post - revealed that reality as both the opinion polls showed that monarchy still retains its basic identity among the people who want to see it continue in some form. At a time when no recognized political parties and groups are supporting monarchy and its relations with military is cut, consecutive opinion polls show that monarchy's popularity, although eroded to a certain extent, is still there. Earlier, opinion poll report by Interdisciplinary Analysis also had revealed similar result.

From Maoist leader Prachanda to Nepali Congress leader Ram Chandra Poudel, everyone is engaged in using derogatory remarks against monarchy; but it still has a strong grass root support. Whether one declares Nepal as a republic or not, no one can wash out the opinion in favor of monarchy.

"There is a unique and glorious history of Nepal's unified identity as a nation based upon assimilation or reconciliation of various identities. A Newar King Jaya Prakash Malla was replaced by Prithvi Narayan Shah, a non-Newar king of Gurkha. It has been a continuity of tradition by original Newar Shakya community who continue to wash the feet of present King with the same religious reverence with they had for Newar Kings. That would not have been possible for a Muslim invader or British Viceroy to this continuity of reverence which Nepal could maintain," said the analyst.

After 1951, the monarchy, too, was in search of its role in a democratic struggle. As the political situation always remained unstable, the role of monarch of different times remained different. "But, in all these phases the country had a unified identity based upon compulsions to survive together as well as convictions to remain as

interdependent components of the nation," said the analyst. "In such a stable and time tested foundation of its own as a nation, Nepal had enormous opportunities to grow as a liberal democratic state with its continuity of monarchy. But a process of series of destabilization was invisibly unleashed against it."

### Pluralism, Way Out

As long as Nepal had functional pluralistic system, the country had not seen the present scenario like ethnic upsurge. Following the restoration of democracy in 1990 and three consecutive parliamentary elections, major political parties contested elections on the basis of political ideology as an independent nation. The voices of dissensions were virtually unheard. People did not elect many prominent leaders on the basis of ethnic identity.

"The pluralist structure of Nepal is temperamentally fit for pluralistic democracy. Pluralism has its way of life. Therefore, it had exhibited an amazing capacity in its democratic exercise within the last three elected parliaments," said the analyst.

When the first parliament had almost completed three and a half years exercise, an armed revolution was declared against it under the banner and leadership of CPN-Maoist. Nepali Congress was in power at that time and supreme leader of the party was Girija Prasad Koirala. After 12 years, a dramatic turn of events has brought Koirala again as the supreme person in the power and Maoists need him more than even Nepali Congress now.

Experts argue that democracy is way out to unite all these interest. Democratic Nepal can only be united peacefully under federalism. Non-democratic countries can remain united without federalism because people do not have right to express and mobilize and thus, the state can easily repress. That is not so easy in democracies," said Dr. Mahendra Lawati, professor of political science at western Michigan University, in his interview in People's Review. "If government denies federalism, Nepal will first encounter ethnic violence (insurgencies, riots etc). Later on, the movement could turn into separatist

movements and Nepal may eventually disintegrate."

UN constitutional expert Ghai, however, holds the view that federalism cannot alone guarantee the right of the people. He argues that the country like Sweden manage the dissension with adequate decentralization of authority.

What is lacking now is the leadership in the country to guide Nepal. "Unfortunately, people of Nepal, at this critical juncture, have no leaders of wide acceptability like B.P. Koirala or even like King Birendra. King Gyanendra had to deal with a very critical situation of the country after the Royal Palace Massacre. Though matured by his age, King Gyanendra had no experience to deal with the complicated situation of the country. He failed to take notice of the great game plan against the country. In fact, he was trapped for a counter productive game of his own. At critical junctures of this country, purposeful visits of old and experienced experts and their hobnobbing around the Palace were successful to achieve certain desired results which aggravated Nepal's conflict and has set in motion a whirlwind of crisis."

After an uncalled for and unexplainable abortion of the constitution of 1990 some experienced and established lawyers associated mainly with NC and UML had raised their grumbling voices. Most of the sensible persons in the legal profession don't find any space to ventilate their disagreements with what is going on in the name of right of self determination by all ethnic, regional and linguistic groups.

"It is not a utopia or superfluous idealism but a time tested lesson for all ethnic, regional groups in this country as well as friendly countries - which have security stakes in Nepal - that a unified and integrated Nepal with central chain of command at the center can serve the interest well than a fragmented parts of so called autonomous and federal units of governments," said the analyst. "An artificial revolution of high expectations to be achieved through divisive and separatist outlook would help none and serve nobody's interests." ■

# "These Three Regions – Hills, Mountains and Terai - Are Complimentary And Supplementary To Each Other"

Mohan Gopal Khetan

*Born 61 years ago in Kathmandu, industrialist MOHAN GOPAL KHETAN has seen many ups and downs in the country's political history. A law graduate of Tribhuvan University, Khetan completed his school education from Juddhodaya High School of Kathmandu. Living under the medical supervision for uncontrolled diabetic, Khetan, whose Khetan Group of industry is the second largest tax payer to the country, spoke with KESHAB POUDEL on various issues. Excerpts:*

**As a person heading one of the largest business houses, what do you want to see for the future of Nepal?**

My wish is to see prosperous, strong and unified Nepal. As you know, I was born in Bhedasing, in the heart of capital Kathmandu but I have home in Birgunj, Terai. I have grown up with the contacts of people from all three geographical regions of Nepal Himal, Pahad and Madhesh. I have industries in hills, mountains and terai where people from all three geographical regions work. These three regions of Nepal are complimentary and supplementary to each other. Personally, I have great attachments with all these regions. I want to see all these regions remain closer. I want to see a situation when every one feels proud of being a citizen of Nepal. When I visited foreign countries many years ago, only few people knew about Nepal. Many knew this as a country of Mt. Everest. There was a prestige in carrying Nepali passport.

**At a time when the country has been passing through a very unstable situation, how do you see the future scenario?**

Of course, present political scenario is very gloomy as political instability continues. I think there is a silver lining as well. As Nepal's two neighbors India and China are moving ahead with high economic growth, it will bring prosperity as well as opportunity to Nepal. I am very hopeful of future of Nepal.

**How do you see the present situation?**

The seven party government enjoys overwhelming international and national support but it is unable to translate this goodwill for the benefit of larger sections of poor people of Nepal. Thanks to enormous international support and goodwill, this government can make a lot of difference. As all of us know Nepal is now one of the debt-trapped countries spending huge amount of resources just to pay loan and interest. Had the government proposed for debt relief, international communities would have responded positively paving the way for poverty alleviation. Our country is in crisis of survival and we have to protect it.

**How can we protect it?**

Whenever some one buys land, he or she will construct wall around it. Then he/she will pay attention to things like road connection and sewerage facilities. After securing the border only can a person plan what kind of land he wants to

develop. In the present case, it is for the SPA and Maoists to decide what kind of new Nepal they want to build. Instead of fighting for petty interests of who gets how much share in resources, they should give attention to larger interests of the country.

**What is the status of Nepal's debt now?**

According to published documents, every Nepali now owes about Rs.13000. The government is annually paying more than Rs.6 billion as interest. The country needs more resources to address the country's development challenges and it is not in a position to generate more internal revenue now. As some countries like Japan have already started to provide debt relief to Nepal, others too will give similar gesture. Had we requested for debt relief, other countries would have supported it.

**It is often reported in newspapers that you supported political parties?**

There is nothing to hide about it. A political diary - which is in my heart - will show that I have supported all political parties irrespective of their ideology and nature.

**As you have fair knowledge of politics of Nepal, how do you see the issues like federalism raised by various groups?**

I am not a constitutional lawyer or a scholar but a businessman. One must keep in mind that the United States was not made overnight. It took more than two hundred years for the US to see the present state of federalism. If we turn the country into various federal states as demanded by various communities, castes and ethnic groups, we too need to spend another century to learn the functioning of federal state. At a time when our two big neighbors are moving ahead with high economic growth bringing prosperity to their people, debating too much on unknown political issue will push us far behind. If we continue to involve in political debates of various kinds, our country will never move forward economically.

**Even civil society members of the country are raising similar demands. How do you look at it?**

From technocrats to former bureaucrats and retired diplomats, all are claiming now as a civil society member. Running a civil society organization and business are two different things. There must be difference between the members of civil society and businessmen. Civil society members must speak truth showing that they are impartial and above political considerations.

**How do you see businessmen different than civil society members?**

Whoever may come to power, we businessmen have to work with those in power since we have business interests. This is not necessarily so with the civil society members. I admire Dr. Sundermani Dixit since he is one of the good doctors of Nepal. Had he taken the responsibility

**I was born in Bhedasing, in the heart of capital Kathmandu but I have home in Birgunj, Terai. I have grown up with the contacts of people from all three geographical regions of Nepal Himal, Pahad and Madhesh.**



to manage Bir Hospital, tens of thousands other poor Nepalese patients would have got service of his expertise. Many people who are now claiming to be Civil Society members held high positions in politics, civil service and bureaucracy. When they were in decisive positions, they were unable to bring tangible change. Now, I can see such retired people are sitting in different sides of Singh Durbar demanding to kick out the King from his power. The King has already been made powerless so where is the logic of always talking about him now.

**How do you see the state of business and industry now?**

Don't talk about business and industry. There is no day when one or other events do not disturb the business and industries. One day, there is a trade union strike of seven party alliance and the next day there is general strike of Maoists trade union. If we manage to settle the internal trade union problems, then there is indefinite general strike by one or other groups. Besides the general strikes of political groups, even local level groups call transport strikes. Now, the power cut has added another problem. It is impossible to run industry and business now but we have been trying to do impossible thing. We have no option other than to live with this new reality. Manufacturing is a long process. When you stop it once, you need to spend additional money to restart it. It means the cost of production goes high. One day's closure means disturbance of 15 days of production process. We are spending all our energy in such disputes. Once we produce the commodities, nobody can predict whether it will reach the particular market in particular time. We cannot not deliver goods and/or import raw material.

**What are the options before the industrialists?**

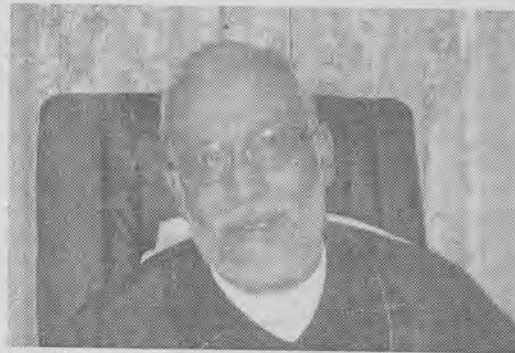
If one cannot create conducive environment, it is better to ask industrialists to stop the industry for at least three months. If we shut down the industries, common people can get the minimum electricity required for household consumption. You can see the contradictory situations: when one section of local people were organizing Narayani Fair in Birgunj, another was calling Narayani bandh. What kind of Nepal are we building?

**As you claim you support all political parties, are they supporting you now to operate your industry smoothly?**

As I said, nobody is safe and sure in this stage of instability. One of my industries, Mayos has been facing frequent strikes. When our factory management signed an agreement with trade union of seven parties, the Maoists trade union called another strike. When both the trade unions agreed to work, the security guards who are hired to provide security themselves locked the gate.

**You have seen all political changes, what is your impression about the present change?**

I have seen all the changes in the past but we retained certain thing in the past. But, now all have been shaken badly because we have dismantled our previous good things as well. Nobody is safe. Road is unsafe and uncertain as nobody can predict who will obstruct the vehicle mobility. Government is unstable and bureaucrats are



directionless. There is no institution in the country which is not shaken. There is a bizarre situation. For instance, a minister is staying home forwarding his resignation but nobody is responding. According to the minister, the reason behind his resignation is to uphold the dignity of Madhesiyas. He seemed to have accepted ministerial portfolio without keeping in mind whether it would upheld dignity of Madhesiyas or not.

**What do you suggest for stabilizing the country?**

I know there is a difficult path ahead. We have to build new infrastructures. Maoists should be given the responsibility in the interim government so that people can judge their performance. I had personal differences with prime minister Girijababu in the past but he is now doing quite good job and he is the politician who has the capacity to stabilize the country. He has shown a quality of statesman by leading eight party alliance. As he is old, he needs strong second man to support his efforts.

**How instability is affecting bureaucracy?**

I don't see any change in bureaucracy as it is working in similar manner like in the past. What I see is the change in the guard. Some retired bureaucrats like Dr. Bholu Chalise, who is one of my well wishers and good friend - is getting prominence. From improvement of government corporation to settlement of Melamchi water dispute, Dr. Chalise, who worked as Secretary at the Ministry of Industry, is now shouldering all sorts of responsibilities. He is over loaded. How can one person do all those things? There is a need to change old mindset of civil servants in the new context. Nobody is following the order. Udayapur Cement Industry's board ignores the directives of Ministry of Industry and general manager of Udayapur Cement Factory does not abide by the decision of the board. We have already seen garbage crisis. With the support from India and Japan, Nepal received enough equipment to manage the garbage but we could not just dump the garbage. This shows we lack mentality more than resources. We require a new set of civil servants.

**What about the law and order situation?**

The crime rate has gone high but nobody seems to be worried about the common people. The Maoists are concerned about their own security and leaders of other political parties, too, are concerned about themselves. If crimes increase, people will certainly be concerned. When the country is facing these kinds of situation, leaders of political parties are busy

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going on foreign junket.

**How do you see the development of Nepal's two neighbors?**

Nepal's two neighbors are developing in such a way that they will be economic powerhouse within next decade. As both of countries are moving ahead, Nepal needs their support to bring the prosperity. As Nepal is between them, there is a possibility to develop Nepal as a Switzerland or Austria. Since Nepal shares many commonalities of interests with India, India has major responsibility to support Nepal become prosperous. It should show the big heart. India can support new government by righting off the debt owed to the Indian Oil Corporation. That would be a good gesture.

**When Nepal's neighbors are generously supporting, how can we reciprocate?**

Nepal needs to give credible security guarantee to both the neighbors. Along with security guarantee, India also needs water and power of Nepal. Since the exploitation of water resources is in the interest of both the countries, Nepal should not have any hesitation to exploit it. As India and China are gradually coming closer and warming their relations, security worry is gradually disappearing. Last week, Indian, Chinese and Russian foreign ministers met in New Delhi. This is good sign of reducing tension.

**How long has Nepal been receiving foreign aid?**

The history of foreign aid in Nepal is very old. After the establishment of bilateral agreement with India, China, United States and United Kingdom, Nepal started to receive foreign aid but the early phase was dominated by grants. In early 1960s, former Soviet Union constructed a number of industries like Janakpur Cigarette Factory, Birgunj Sugar Mill, Birgunj Agriculture and Tool factory under grant. Janakpur Cigarette factory is still in operation. All others have been shut down. The India, America and the UK were also involved in the infrastructure buildings. In early period, there was no concept of taking loan.

**When did the loan started to come?**

After 1960s, many new educated persons like Dr. Bhekh Bahadur Thapa, Dr. Yadav Prasad Panta joined the government, after which Nepal's area of international cooperation opened up. Following the visit of King Mahendra to Washington, World Bank had shown its interest in Nepal. Then president of the World Bank Robert McNamara visited Nepal and lent its support. McNamara proposed to build a Karnali project and other power projects in Nepal as it agreed to invest all the money required for it. Unfortunately, it did not materialize because of internal and external complications. We missed opportunities when the World Bank gave blank check to us. Had we produced power from Karnali, Nepal would have permanent source of money. McNamara's also wanted to see this. Although we were unable to secure loan for such projects, we demanded loan for many unnecessary projects. Thanks to frequent changes in the policy, the government could not give a vision. As a business man, I have seen many ups and downs and difficult periods but I continue to follow my own policy. Even now the situation is so bad but I have to wait to see better days. The country does not have long term policy so it suffers a lot.

**Can you elaborate how we suffered?**

As you know Nepal has just two neighbors India and China, our relations with India is very important. Nepal needs support and cooperation from India for fast development. In the past because of misunderstanding with India, Nepal was unable to get loan from Asian Development Bank and the World Bank for bigger projects including hydropower projects like Karnali. As a big country, India had major say in the World Bank and the ADB. Nepal's proposals were not endorsed in the board because of mistrust and suspicions. Our experiences have shown that we need goodwill of India to develop our power projects.

**Maoist leaders have been saying that they will respect nationalist industrialists, how do you see their statements?**

Although CPN-Maoist leaders including Prachanda have repeatedly said that they want to protect national industrialists but the ground situation is different. Many industries based on local raw materials and local consumption like cotton mills have already closed down. There are problems in magnesite, zincs and other many mineral-based industries. In some places, you can grow coffee but there is no market. The frequent strikes have already paralyzed the industries. In this background, how Prachanda's vision to protect nationalist industries will materialize remains to be seen. I am encouraged by some of his statements. I want to see it translate in practice.

**How do you see the present trend?**

Every one wants to make easy money and no one has patience to go for long term vision. Most of the industries in the last decade were established looking to exploit the loopholes of Nepal-India Trade treaty. We have hardly made efforts to establish the industries based on locally available raw materials. This is the reason our industries have not sustained. In the last twelve years many industries collapsed. Even Nepal's big hotels are unable to attract tourists as our valuable times were spent in tackling political instability and chaos. Now, I think the eight parties can make difference if they wish so. It is disappointing to see that the government of such wide support cannot appoint officials in universities and ambassadors in foreign missions. All are interim, as bureaucracy is under the acting secretaries.

**How do you see the role of UN?**

The phase of the weapon management comes to an end and the UN is now inspecting the peace process. It is a positive thing. I am very hopeful that the UN will bring peace in Nepal. As the new UN secretary general is married to an Indian, he is well aware about south Asian situations and he is somehow familiar with the region. Although there are many weaknesses in the UN system, it can be used to bring the peace in the country.

**What role Nepalese working in foreign countries can play?**

People of Nepal are still like a family as they know each other. Many Nepalese now are working in various international organizations in different parts of the world including Kosovo, Cambodia and former Yugoslavia. The time has come to use their talent for the overall development of the country. People like Kul Chandra Gautam should be invited in Nepal to take some responsibility. There are many others like him.

**Since Nepal shares many commonalities of interests with India, India has major responsibility to support Nepal become prosperous. It should show the big heart. India can support new government by righting off the debt owed to the Indian Oil Corporation. That would be a good gesture.**



# Peace And Development

- James F. Moriarty

The United States wrestled with the link between peace and development in the immediate post-World War II period in Europe. After the defeat of Nazi Germany and its Axis allies, it seemed the West was destined to lose the peace. In those gloomy days, war-ravaged economies stalled, millions faced hunger, and a totalitarian ideology seemed to some the only path out of Europe's crisis. In response, the United States, working with partner European states, developed the European Recovery Program, better known as the Marshall Plan. From 1947-51, some \$12 billion in economic and technical assistance supported the recovery of participating European countries. The Marshall Plan, named after then-Secretary of State George C. Marshall, who first proposed it, has long been viewed as vital to reviving Europe's economies and promoting peaceful European integration.

Since that era, my country has sought the most effective ways to help nations in need. In 1961, for instance, we created the U.S. Agency for International Development, better known as USAID. This was the first U.S. foreign assistance organization whose primary emphasis was on long-range economic and social development assistance. More recently, the U.S. launched the Millennium Challenge Account and the President's Emergency Relief Plan for AIDS, both large assistance initiatives. In fact, as Secretary of State Condoleezza Rice has noted: "Under President Bush's leadership, the United States has embarked on the most ambitious development agenda since the Marshall Plan."

The Secretary herself has focused on the peace and development nexus. "To better align our foreign assistance programs with our foreign policy goals," as she put it, Secretary Rice last year created the job of Director of Foreign Assistance, a new leadership position in the State Department. The Administrator of USAID occupies this post, ensuring closer assistance and policy coordination between State and USAID.

Nepal, where USAID/Nepal and its forerunners have been active for some 56 years, has already benefited from this improved coordination. Just recently, as you may have seen in the news, the State Department and USAID successfully petitioned the U.S. Treasury Department for permission to continue our development assistance to the Government of Nepal, even after Maoists - designated a terrorist organization by the U.S. - join an interim government. I was most pleased when we received the required license, which enables us to continue both long-term development assistance and more immediate initiatives to support the ongoing peace process and democracy in Nepal.

In a visit last week to Chitwan, I was

reminded of the effectiveness of our long-term assistance by several Nepalis. They recalled how U.S. efforts to check malaria in their district and elsewhere helped open the Terai. In the 1950s, malaria was the country's most serious health problem, affecting almost one quarter of the population. With U.S. support, the Insect-Borne Disease Control Bureau began working to control the disease, and by 1968 annual malaria cases had plunged from more than two million to under 2,500. This was one of our most successful health programs in Nepal. The now-populous Terai, of course, produces more than 65 percent of Nepal's foodgrains. Similar long-term assistance continues, particularly in Nepal's health sector, where USAID/Nepal is the largest donor.

After the King relinquished power last Spring and reinstated Parliament, the United States moved quickly to support the unfolding peace process and strengthen the transition to democracy. USAID's Office of Transition Initiatives (OTI) set up shop here last July and expects to spend \$4 million this year in this effort. Some funded projects include:

- Purchasing critically-needed equipment for Nepal's Election Commission to register voters;
- Translating, publishing, and widely distributing in local languages key documents, such as the Comprehensive Peace Agreement, the Arms Management Agreement, and the Interim Constitution;
- Mounting a live, national, toll-free, call-in radio show, linking Nepali listeners to their elected representatives and other influential leaders who are helping determine Nepal's future.

By the way, if any of you drove past Ratna Park last Saturday, you could not have missed hearing a loud and vibrant rock concert. It featured a Grammy-award winning U.S. group, Ozomatli, which entertained some 12,000-15,000 enthusiastic young Nepalis. Ozomatli is a multi-ethnic, Latin hip-hop group with a socially-conscious focus. The group performed under the slogan, "Different instruments but one rhythm, together we can make a prosperous Nepal." USAID/OTI and our American Center teamed to make this performance possible. Whether you enjoy rock music or not, the band's message seemed especially relevant for Nepal.

As we consider Nepal's development potential after the insurgency, the hydropower sector looms large. It is really not a question of whether Nepal develops this resource, but rather, when? With a potential estimated at more than 83,000 Megawatts, Nepal could become the Kuwait of hydropower, fueling economic advances throughout the country and the region. To do this, Nepal will need to focus on the export



market, which in turn should attract substantial investment for hydropower development. In short, with the right investment, technical assistance, and leadership, Nepal could tap this clean, renewable resource to the benefit of its 28 million people and millions more throughout South and Central Asia.

A big question in this potential development, at least for an outsider like me, is: How effectively will Nepal manage the vast sums when it chooses to develop its hydropower? If this undertaking is managed transparently so that Nepalis understand their government's plans and decisions, then the money will benefit all Nepalis. On the other hand, care must be taken to avoid corruption or the launching of vast "prestige projects" that might look good in a brochure but fall far short of maximizing the hydropower potential. As many of you are businessmen, I know you appreciate this potential. If developed wisely, the promise of hydropower for Nepal is high as the Himalayas.

Such a hopeful prospect of large foreign investment, of course, will also depend on the peace process here, and the successful establishment of a solid - and peaceful - democracy. Nepal has the opportunity to lay the foundation for a peaceful and democratic future that will spare your children the miseries that you and your families suffered during the past 11 years. But large challenges remain. Recent disturbances in the Terai, for instance, suggest the need for greater transparency and inclusiveness to address ethnic groups with long-time grievances who feel excluded from Nepal's democratic transition.

On another central issue, arms management, we are informed this process is about to conclude. I am hopeful this exercise will succeed, and the Maoists' usable weapons will be locked up and registered by the UN. If this proves to be the case, it will go far to assure the people of Nepal that a peaceful future really does beckon. Such an effective process also would pave the way for the Maoists - unarmed at last - to enter an Interim

Government of Nepal. Permitting them in otherwise, in my government's view, would be the height of folly.

If Nepal is to carry out free and fair elections to the Constituent Assembly later this year, it is central – I repeat, absolutely central – that Nepalis go to the polls without fear of intimidation or reprisal from armed Maoists or, indeed, from any other group. Competing political parties also must be free to campaign for votes anywhere, in all districts and villages, without interference.

Nepalis have lived with fear for more than a decade. It is time to wipe away this fear, and the Maoists have the ability to play a big role in this. As I have said on many occasions, this means they must finally match actions with words. The Maoists say they support democracy, and that they are for the people. Fine. Now it is time they prove it. The formula is simple: Stop intimidation. Stop extortion. Stop violence. Once and for all.

I cannot help but notice that Maoist leaders have stepped up their criticism of me and of my government. They charge that the United States is doing everything from supporting the King to fomenting unrest in the Terai, all in an attempt to derail Nepal's peace process. Nothing could be further from the truth. As I have noted above, the United States is doing everything possible to ensure the success of the peace process. And let me note here, as I have said on numerous occasions, the future of the monarchy is for the people of Nepal to decide. But let us be clear: for the peace process to succeed, the Maoists must abandon their weapons and genuinely come into the political mainstream. We will not be dissuaded or distracted from this goal by baseless allegations from the Maoists.

Instead, we will call upon the Maoists to undo their continuing, cynical violations of their peace commitments. Just three days ago, Nepali newspapers reported that thousands of Maoist combatants left their compound in Chitwan, and yesterday Maoist combatants left their camps and reportedly returned in Kailafi. No matter what the excuse for these actions, they constitute a flagrant and intentional violation of the most solemn agreement made by the Maoists: to keep their combatants in cantonments in the run-up to the constitutional assembly election. The United Nations has rightly noted that this is a clear breach of Maoist commitments and has called upon the Maoist combatants to return to the cantonment immediately. If the Maoists do not respond by doing just as the UN has asked, they will be putting Nepal's peace process at risk.

U.S. policy toward Nepal is straightforward. We support a peaceful, prosperous, and democratic Nepal. We are working hard to help the people of Nepal reach these goals. In the end, of course, as this group knows well, Nepalis themselves must make the hard choices and decisions about their future. In these historic times, with the right leadership and commitment, and with the active involvement of all Nepalis, your country has the opportunity to secure a bright, democratic future for all of the Nepali people.

*(Excerpts of February 23 statement delivered by the US ambassador to Nepal at a Rotary conference organized on the occasion of World Understanding and Peace Day and the 102<sup>nd</sup> birthday of the Rotary organization)*

## LAXMI BANK

# Remit Service

The Laxmi Bank has launched its internet based online remittance service branded as "Laxmi Bank – eXpress Money Transfer" (eMT) to facilitate transfer of money from abroad and between various points within Nepal.

According to a statement by the bank, the eMT has been developed in-house and is in line with the Bank's technologically driven business model. Beneficiaries of remittances made through eMT can avail money within minutes of the transfer having been effected at the remitter's end.

Remittances, both international and domestic, have been a prime focus area for the Bank. In relation to this, Laxmi Bank was the first Bank in South Asia to adopt SWIFTNet, the advanced version of the SWIFT for its international remittance business. On the domestic front, Laxmi Bank powered by flexcube, the world's number one selling core banking system, has all of its branches online and accessible to each other in what is known as the any branch banking system.

Laxmi Bank eMT has been designed especially to facilitate remittances for the "unbanked" or beneficiaries who do not have bank accounts – either because they do not fulfill a Bank's criteria for opening an account or do not have physical access to a Bank branch. eMT is operated through the internet and funds are collected and paid out by appointed agents of Laxmi Bank.

Sanjeev Joshi, Manager – Branches and Global Network at Laxmi Bank says that Laxmi Bank eMT already has a network of about 100 agents across Nepal, many of which are financial institutions, to facilitate the money transfer process. The Bank plans to increase the number of agents on need basis to cover the length and breadth of the country.

Amid the crucial significance of the remittance in holding the national economy together, services launched by the Laxmi Bank will increase the

trend of sending remittances through safe, secure and official banking channels rather than depending on informal and risky hundi or middlemen process. The statistics from Nepal Rastra Bank reveals that the Nepali economy in 2004/05 earned over USD 922 million in remittance from overseas workers-accounting to 12.4 percent of national GDP.

Laxmi Bank eMT will first be used in Malaysia where Laxmi Bank has tied up with Merchantrade Asia Sdn Bhd, a Malaysian company with an established track record in the communications sector in Malaysia and other parts of the world. Merchantrade is already catering to Nepali workers in Malaysia with its communication business.

Suman Joshi, CEO of Laxmi Bank expresses confidence that the resultant synergy of this tie up between Laxmi Bank and Merchantrade will go a long way in setting standards for the remittance business as a whole for Nepal.

"We chose Malaysia to launch Laxmi Bank eMT as Malaysia has become a key destination for Nepali job aspirants where it is believed that around 250 thousand workers are currently working," he said. Latest statistics show that remittance from Malaysia accounts for 20% of total remittance received by Nepal from abroad. It is believed that around 40% of remittance from Malaysia is still routed through informal channels ("hundi").

Established in April 2002, Laxmi Bank was recently been awarded with the prestigious "Best Presented Accounts" for the second year running by the Institution of Chartered Accountants of Nepal. The Bank's balance sheet size as of January 2007 is NPR 6.5 billion. Non performing loans comprise 0.54% of total portfolio, that is indicative of the measured growth and sound risk management practice in the Bank, states the bank's statement. ■



## BOOK

# Historian Pant

Professor Dinesh Raj Pant is a well known scholar in Nepalese history and is following the footsteps of his august father

## By A CORRESPONDENT

As the oldest country of South Asia, Nepal's long history is yet to be completely studied. As we have to depend on writings by foreigners, there are many distortions and factual errors in the study of history of Nepal.

Looking at all these lacunae, late historian Nayaraj Pant made certain efforts to correct Nepalese history. In his quest, late Pant explored many important things and events of Lichhavi period. Late Pant made a significant contribution to reveal the history of Lichhavi period.

Like his father late Nayaraj Pant, historian and well known scholar Dinesh Raj Pant has too made significant contribution by correcting and revealing Nepal's history. Among the historians and scholars in Nepal, Pant, who is a professor at Balmiki Campus, has his own position and place. He is famous not because he is a son of renowned Nepalese scholar and historian late Naya Raj Pant, but because he himself has dedicated his life to conduct research in Nepalese history.

"Historian Dinesh Raj Pant is dynamic, simple and dedicated person and he has made enormous contribution finding many hidden aspects of Nepalese history," said Professor Tulsiram Vaidya, vice chancellor of Lumbini Buddhist University.

Edited by Shesh Raj Shiwkoti, this is a first book dedicated to historian and scholar Dinesh Raj Pant. Many writers like Janak Lal Sharma, Madanmani Dixit, Nayanath Poudel, Pushkar Lohani, Dr. Jagdish Chandra Regmi and Dr. Surendra K.C also have written articles dedicated to historian Pant.

From editing Purnima, a historical journal to doing research, Dinesh Raj Pant is always busy in his scholarly work. For many historians from Nepal and outside, Purnima is now major resource to know about historical facts of Nepal.

Working in Nepalese history amendment board, scholar Pant has already corrected many mistakes. Having done a number of research, Pant's main contribution is also in Prithvi Narayan Shah's Diba Upadesh. He has contributed a lot in explaining about King Prithvi Naryan Shah's economic policy.

In the words of veteran journalist, Madanmani Dixit, Dinesh Raj Pant is man of dedication and commitment. He is a patriot and scholar. According to him his contribution in Nepalese history is immense. ■

**Prof. Dinesh Raj Pant: Aksharko Abhibadan**

(Prof. Dinesh Raj Pant:  
Felicitations of Letters)

Edited by: Shesh Raj Shiwakoti  
Published by: Gyangun Shahitya  
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4416357



# Young Love

Kishan Singh Dhama's new novel describes love and affections

## By A CORRESPONDENT

Like all societies transforming from traditional to modern one, Nepalese society is also facing many challenges. From penetration of technologies like internet to email, all new phenomena are gradually taking shape in society.

Having survived for long on subsistence-based economy, these new technological challenges are also rocking the society. A mundane society is gradually feeling the heat of new changes. From individual to family relations, all dimensions are changing. This is what author Kishan Singh Dhama is trying to explain in his book. Dhama chooses characters of a married young boy and unmarried college girl to explain about the change Nepalese society is going through.

Although he is one of the new comers in Nepali literature, Kishan Singh Dhama is already a well known name. In the last few years, Dhama has already written a number of poems. In all his literature works, Dhama shows his inner feelings about patriotism.

His recent novel College Girl Lai Email highlights complexity of modern ways of life when people are gradually moving towards the new social system embracing new values. In his novel, writer Dhama discusses the way of life adopted by young boys and girls of neo rich and middle class family.

Despite social complexities, Dhama is able to portray very carefully selected words and characters. This book is all about challenges and realities of urban life of young people and their ambitions.

This book is about the millions of young boys and girls who are trying to establish their own social status. In a stiff competition, these boys and girls explore new ways to survive in society. Based on a story of married boy and unmarried college girl, the novel's characters are able to depict the present reality of society.

Dhama's book is a short novel but it is very helpful to understand the complexity of relations of human society. ■

**College Girl Lai Email  
(Email to College Girl)**

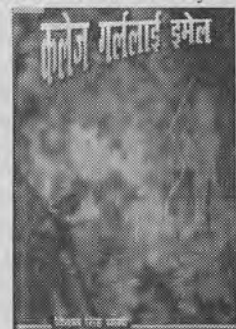
**By: Kishan Singh Dhama**

**Published by: Ratna**

**Pustak Bhandar**

**Price: Rs 55.00**

**Pages: 75**



# Interim Crisis or Interim Learning?

- By Prof. Andrew Arato

The new Interim Constitution of Nepal is an important achievement of a democratic process. It is however a document with serious problems of drafting and formulation, that could lead to political difficulties, even constitutional crisis. Fortunately it is relatively open to constitutional amendments, that is constitutional learning. With a few necessary amendments, this constitution should be strongly supported by democrats because there is no alternative regulation for the transition period.

The interim constitution places Nepal in the forefront of the best recent experiments in non-revolutionary democratic transformations, starting in Spain and culminating in South Africa. These experiments all involved two stage models of change, negotiated for most of them through round table or multi-party agreements, and in the most advanced form relying on interim constitutions. Nepal unlike many of the cases had a legal break initiating the changes, but like the most developed form had a series of multi-party agreements and now completed an interim constitution. And that, under difficult historical circumstances is a great achievement, especially if it works.

With this said the Interim Constitution recently enacted has serious faults, some of which became clear during the recent popular movement in the Terai region that is already forcing probable amendments. Let me note the main problems. First, the Interim Constitution makes a great mistake in its Preamble to speak in the name of "We, the people of Nepal". The American original could do so because it was submitted to ratification by popularly elected bodies. Other constitutions that follow this example are drafted by popular bodies, or are submitted to popular ratification, or both. Neither is the case for the Interim Constitution of Nepal; it was drafted by an 8 party bargain, and ratified by a chamber elected in 1999, and illegally (though perhaps legitimately) recalled. These two instances do not add up to the authority of the "people" in any sense. Moreover, an interim constitution does not need such an authority, because its function is to enable the people, or those legitimately speaking in its name to draft a new constitution. While greater legitimacy in negotiating the Interim

Constitution through a more public, consultative and open process would have been important, taking on the mantle of the people is especially paradoxical in the absence of such proceedings. It has finally a very dangerous consequence: it is assumed that the makers of the interim constitution had the authority in principle to decide questions that only a democratically elected body could decide, in particular to transform the state from a centralistic to a federal one. Now under pressure the government seems to be getting ready to make an amendment on this question, preempting the work of the constituent assembly. But to some extent it invited the raising of this problem, and who knows what others, with the possible absurd end result that the constituent assembly would have nothing left to decide.

In fact, a careful examination of the document shows (rightly in my view) a conservative rather than innovative spirit at work, belying the supposed popular mandate. Most of the interim constitution tracks the structure and sometimes the very paragraphs of the 1990 Constitution of the Kingdom of Nepal, eliminating most references to royal powers and prerogatives of course, or worse substituting Prime Minister for King in some crucial instances. When such tracking and repetition is unfortunate is when it invites repetition of the authoritarian practices of the old regime. In particular the presence of the Constitution of 1990 is obviously visible in many of the provisions concerning civil rights for example that are full of the old loopholes and in the provisions concerning judicial structure. The latter justifiably raised questions, in Nepal and outside, concerning judicial independence. Granted, the Interim Constitution adds whole sections on The Right to Equality and Rights against Untouchability and Racial Discrimination (articles 13 and 14). But these new rights are in no better shape than the old if the judges needed to enforce them are picked exactly in the old way, with Prime Minister substituting for the King in the exact formula of the 1990 Constitution.

Moreover, astonishingly enough, this Prime Minister will be for the next two and half years under less parliamentary control than the old one was supposed

to be, though of course that control was shared with the King in a highly undesirable fashion. In the Interim Constitution, the PM is supposedly picked by

consensus among the 8 parties, and failing that by 2/3 of the new parliament (Legislature-Parliament in the new terminology). There is however no possibility of removal through loss of or votes of no confidence as there was in Article 36(5b) of the Constitution of 1990. Astonishingly, with the election of the Constitutional Assembly (rightly defined as also a new Legislature-Parliament) there is no requirement of new government formation. So appointed under one majority, a PM may choose to govern when he is in a weak minority position. Of course he could resign, but he does not need to, and the Constitutional Assembly has no powers to force him. Even more astonishingly Art 160 of the Interim Constitution states that the Council of Ministers in office at the time of the promulgation of that constitution stays in office making Art 38 (1 and 2) basically irrelevant, except in cases of death or resignation of a Prime Minister. The road is open for the current government to stay in office for 2 and ½ years, if it wishes, and if it is favored by natural factors. If the idea was to produce a power sharing formula among the major parties, this was not the way to do it, especially because it is hard to know what will be the major parties after the elections for the Constituent Assembly.

Preparation for those elections and the rules for the Constituent Assembly were in fact the major tasks to be solved by the Interim Constitution, and I strongly disagree with those who argue that it was their makers' task to come to agreements about all kinds of substantive issues confronting the country, like federalism and material social justice. Those issues are the legitimate province of the democratically elected Constituent Assembly, and even subsequent legislatures to the extent that social and economic policies are involved. The task for now was only making sure that the Constituent assembly would be constituted in a free, fair and truly





inclusive way, so that its decisions on all the relevant questions will be democratic, fair and inclusive in turn. It was also important to restrain the Constituent Assembly by rules so that minorities could not be simply outvoted by majorities, producing an imposed, majoritarian constitution, and the Interim Constitution accomplishes this last task reasonably well. The way the Constitutional Assembly is supposed to deal with the issue of kingship through simple majority is not too reassuring, but there is the option still of calling a referendum on this question according to the Interim Constitution. (Articles 157, 159(3)). The really difficult issue remains that of the Constituent Assembly's membership. While I do not sympathize with those raising the issue of federalism now, others questioning the Interim Constitution's decisions on the electoral rule and citizenship have a much stronger point because these two domains have to do with the very composition of the Constituent Assembly and the possibility that it will not be genuinely representative of both the unity and the diversity of the people of Nepal. As to citizenship, I am no expert, but the kind of additions I detect vis-à-vis the Constitution of 1990, though important, do not seem to go very far. So (I cannot judge) if the grievances of the Madhesi community are serious, more adjustments and changes in this area would be called for. Perhaps independent international experts need to give their opinion on this question. If the lists of citizens can be expanded in the Terai, I must admit I think this would be a better solution than adding more first past the post districts in that region. The mixed system in the Interim constitution is not a bad one (though I would have chosen a single country PR with rules for ethnic and gender fairness) reflecting the fact that some minorities are geographically concentrated and would benefit from more districts in their area, while others like the Dalits (and women who are not a minority) are dispersed and need PR with legal restrictions to get seats. The present regulation is however a muddle (Art 63 (3 and 4) as far as I can see, though I admit that my judgment can be based only on the provision regarding women where it is required that their 1/3 parliamentary representation be assured. There is simply no way to do this with almost half the members running in First-Past-the-Post single district races, because even if parties were required to nominate 1/3 women, all these could lose. The creation of all woman candidate districts (1/3 of them) would be possible but absurd. What I am arguing is that only in the proportional representation part of the competition could the law mandate fair representation of women and other groups, and adding more first First-Past-the-Post races to help one underprivileged group winds up hurting the others. If both types of seats are added as currently proposed, the size of parliament grows and no group is helped. Thus, it would be better to handle the citizenship issue head on, rather than further tinkering with the electoral rule.

In my view then two issues still require adjustment: judicial independence, and (possibly) the question of citizenship. The Interim Constitution allows its own amendment by 2/3 of (in the English it is unclear:) all or attending members. That rule should be used, though sparingly so that the Constitution is not converted into a simple statute. It is equally important now that the Interim Constitution be accepted, even with its glaring faults. Renegotiating it would put off elections indefinitely, and who knows what conflicts a new Interim constitution would unleash. The current document seems to provide internationally accepted criteria for moving toward free elections, and the most important thing is that it be enforced and upheld during the two and ½ years of its likely existence. Since the government created by it is a power sharing one composed of many forces one would imagine that their internal relations would play some role in constitutional enforcement. Political forces that feel excluded are right to charge an elite agreement to some extent over their heads, and the absence of really open, public and consultative negotiating process, but their best hope in a more democratic outcome is a speedy movement toward a freely elected constituent assembly.

**(The author is a Professor at the NewSchool for Social Research, New York. He has visited Nepal and delivered talk programs as an expert on constitution-making and can be reached at Aarato1944@aol.com)**

## Book List

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EK RAAT

# Struggle for Freedom

**B.P. Koirala's Ek Raat highlights the importance of freedom in human life**

By A CORRESPONDENT

After a long time, Birendra International Convention Center had seen an interesting display of drama Ek Raat (One Night). Although B.P. Koirala has written a number of stories and fictions, Ek Raat was written during the period when many Nepali leaders were in prison.

Performed by Sarvanam, the leading theater group and pioneer of street drama in Nepal, Ek Raat is a thrilling drama which shows a struggle of a man for the cause of freedom. The drama reflects the sentiments of the nation today in the current political turmoil.

The play depicted a story of a person and his struggle for the cause of freedom. Although Koirala wrote many stories in prison, this was the only political play written by him. Directed by Ashesh Malla, the characters chosen for the play demonstrated best of talents.

Thanks to the efforts of director Malla, all actors were able to show their



**On Stage:** Stellar Performance

*The Himalayan Times*

inner convictions and emotions in the play. "Unlike other plays, this was a very difficult play to perform," said Malla.

Organized by Embassy of India and B.P. Koirala India-Nepal Foundation, the decoration of stage, dress and acting of all actors were quite matching. The

audience felt as if they themselves were in prison. The artists had shown all kinds of human nature from highly aggressive to a subdued one. The play was flawless.

Focused on youth who in their yearning for democracy and freedom sacrifice their lives for nation.

The protagonist is a character of that time that revolted against the system, along with other young students. In this

case, he is caught and put into jail. His brave act results into death penalty for him. Sarvanam also presented enactment of this story in January 2007 in Benaras.

From beginning till the end, the crowd gathered

at the BICC found themselves thrilled and swept by emotions that touched their inner heart. The sacrifice made by youth for the cause of freedom reminded the dark days of Panchayat when many leaders spent their life in prison. ■

## WORLD HINDI DAY

**All Nepali languages have some sort of relations with Hindi language**

In the last few decades, Hindi language has expanded its influence throughout the world.

Like most other South Asian languages including Nepali, Sanskrit is the mother of Hindi language. Written in Devanagari script, Nepali and Hindi share many commonalities. From grammar to words, these two languages have very close relations.

Spoken by more than 500 million population world wide, Hindi is gradually gaining reputation of international language. Among more than four dozen languages used in Nepal, Hindi language has great influence on them.

Along with Nepali, Hindi has major influence in Abadhi and Bhojpur. Even Maithali language borrows many words from Hindi. Organized by Indian Embassy under the support from World Hindi Council, participants at a program held in Kathmandu recently highlighted the importance of Hindi language to bring all the communities of South Asia together.

Inaugurating the seminar, Indian ambassador to Nepal Shiv Shanker Mukharjee said that Hindi language is one of the important components to bring India and Nepal closer as both languages use Devanagari as a script.

Delivering welcome speech, president

of Council Dr. Damber Narayan Yadav said not only Nepali language, Hindi has had influence even on Newari and other languages spoken in different parts of Nepal

Former prime minister Lokendra Bahadur Chand was the special guest of the program. Addressing the seminar, Chand said Nepali and Hindi are like twins.

The program was divided into four sessions. The first session was chaired by former speaker of House of Representative Daman Nath Dhungana when R.N Mishra presented a paper on role of Hindi in World Media and former foreign minister Shailendra Kumar Upadhyaya discussed Hindi in world context. Dhuswan Sayami also spoke on Hindi's influence on other languages. Dr. Suryanath Gop, Dr. Ramdayal Rakesh and Dr. Mirdula Sharma chaired other three sessions. ■



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