

everest assured

You take care of the good times,
we'll take care of the bad times
Everest Insurance.
Keeping You Secure.



Everest Insurance Co. Ltd.
Hattisar, P.O. Box: 10675, Kathmandu, Nepal
Tel: 4425258, 4444717, 4444718 Fax: 977-1-4444366 Email: www@everest.com.np



Times nepalnews.com
Weekly Internet Poll # 145

Q. Should the government declare a unilateral ceasefire?

Total votes: 888

Weekly Internet Poll # 146. To vote go to: www.nepalimes.com

Q. Should elected local bodies be reinstated?

STATION
Repurposed, Tel: 55 47 480/590/600
Web: www.graphicstation.net

Mandala House
APARTMENT HOTEL
Tastefully decorated and perfectly located in a quiet residential area close to shopping centers, business houses and diplomatic enclaves. Ideal for expatriates on short or long stay.
Contact: 4412412
98412-45814 (after 5:00 pm & Saturdays)
or
check: www.amandala.com

Conference at **Godavari**
It is not just a business affair.
We provide high quality performance and support facilities, in a perfect ambience and setting, to create an environment that helps you to achieve the goals and deliberations for your conference.
Tel: 977-1-59606075, 5960775 - E-mail: godavari@com.np

ARISTON
Europe's No. 1 selling Water Heater
HOME FURNISHERS
Tripatheshwor (way to Thapathali), Kathmandu
Ph: 4254601, 4262240

War or peace?

Adhikari tries to combine defence and development in the new budget

NAVIN SINGH KHADKA

Deputy Prime Minister and Finance Minister Bharat Mohan Adhikari has had to work, somewhat literally, on a war footing to prepare for Friday's budget announcement.

Appointed only two weeks ago, the 68-year-old minister (*pictured, right*) needed to bring himself up-to-date with state finance, accommodate the interests of coalition partners and still be true to his UML party platform.

Adhikari has already been mocked for toning down his position on slashing the military and royal palace budgets. When his party was agitating on the streets those were great slogans, but things seem to change once in government.

Senior sources in the Finance Ministry told us privately that Adhikari has come under pressure from Prime Minister Deuba, who holds the royal palace affairs and defence portfolios, not to touch the two allocations.

UML central committee members grilled Adhikari earlier this week for not being more assertive. In last year's budget, security expenses stood at Rs 13.5 billion and nearly Rs 330 million was set aside for the palace. The increase in the military budget has been justified on the grounds that it is still within three percent of the GDP.

The government's mid-term evaluation of last year's budget had stated that security expenses

would have to be raised, but did not say by how much. The army wants a 30 percent increase for new recruitment and weapons.

Even though only three-quarters of the last development budget was actually spent, allocations are being raised from Rs 41 billion to Rs 47 billion this year. Donors want a cap on development expenditure unless there is disbursement.

The finance minister has been working on a strategy he calls 'Participatory Community Based Projects' to increase development spending by giving grants to village bodies. But the plan is controversial because some believe the money allocated for grassroots service delivery could fall into Maoist hands.

But Adhikari is not worried about this, saying, "We want to use this budget as a confidence building measure to build trust with the Maoists."

Other members of the coalition are sharply opposed to the money falling into Maoist hands. Science and Technology Minister Balaram Ghartimagar of the RPP said the idea was absurd. "We haven't discussed it, so how can such an idea be implemented," he asked.

Editorial p2
We ain't seen nothing yet

continued p8



KIRAN PANDAY



BUY ONE... GET ONE FREE

To the most exotic locations on earth.

Fly **Royal First Class** or **Royal Executive Class** and bring a companion for **FREE**.

THAI is proud to invite customers to experience its premium class hospitality. THAI is delighted to welcome you to the sumptuous luxury of premium class travel with an extraordinary offer. Simply buy one THAI Royal First Class or Royal Executive Class ticket to the destination of your choice* and receive a second ticket, for the same class of travel, completely FREE.

THAI. Smooth as silk.

*Limited Destinations. Conditions Apply. Offer valid till 31st August, 2004.

A STAR ALLIANCE MEMBER



NEPALI
Times

editors@nepaltimes.com, www.nepaltimes.com

Published by Himalmedia Pvt Ltd, Chief Editor: Kunda Dixit
Desk Editor: Jemima Sherpa
Design: Kiran Maharjan Web: Bhushan Shilpakar
Advertising: Sunaina Shah advertising@himalmedia.com
Subscription: Anil Karki, subscription@himalmedia.com
Sanchaya Kosh Building, Block A-4th Floor, Lalitpur
GPO Box 7251, Kathmandu, Nepal
Tel: 01-5543333-6, Fax: 01-5521013
Printed at Jagadamba Press, Hatiban: 01-5547018



Mandated legitimacy

How much freedom are we willing to forego today to ensure future Nepalis have the full spectrum of liberties?

On the opposite page, CK Lal contended two weeks ago that Deuba holds office at the pleasure of the king ('The lure of legitimacy', #203), and gives his audience a lesson on the evolution of American foreign policy, alluding to 'regime sponsors looking for peace and stability rather than democracy

GUEST COLUMN
Dipta Shah



and justice'.

Without doubt, American foreign policy has transformed in response to the threat of terrorism. And in the process of the war on terror, the US has forged alliances with the likes of President Musharaff in Pakistan, Hamid Karzai in Afghanistan and Iyad Allawi in Iraq. All of these offer examples of 'mandated legitimacy', and yet, given the state of geopolitical affairs, are indispensable forms of governance. While these examples pose a complex system of double standards and hypocrisy to some, they exemplify skillfully crafted, credible policy initiatives to others.

Lal's implicit suggestion of the US as a 'regime sponsor' is not uncommon. His play on reductionism by superimposing past outcomes on current trends however, is self-defeating. Nepal's current situation is not a consequence

of the 'certainty' fostered by 'dictatorial strongmen', it is a direct by-product of a number of factors, the ineptitude and lack of culpability of past, 'legitimately' elected officials, being the most prominent. Lal's assertion that 'competence and cleanliness aren't attributes that determine the fate of a government' is absolutely correct in the context of a semi-functional or even, dysfunctional democratic environment such as Nepal. In any functional democracy these attributes serve as the hallmarks of credible candidacy.

There is a payoff between liberty and the promise of peace. The question is, which comes first, the chicken or the egg? Perhaps the more relevant question is, how much liberty are we willing to forego in the present to ensure that upcoming generations are extended the full spectrum of liberties in the future? What is the cost of Deuba's premiership as a form of 'mandated legitimacy' versus the cost of daily riots, general strikes, or the potential benefits of a negotiated peace?

Lal extends an argument that pecks at every possible flaw in Deuba's nomination as prime minister, but eludes every opportunity at referring to alternatives and purposely avoids any reference to the immediate past. Lal champions a brand of legitimacy that can only come from the ballot—a virtual impossibility considering the present security situation in Nepal. But does the inability to democratically endow legitimacy necessarily imply that the Nepali state remain without a constitutionally mandated

WE AIN'T SEEN NOTHING YET

Every monsoon, television screens and column inches of newspapers are flooded with news of floods. Our region is in an area of either too much water in the monsoon, or too little during the dry season. Sometimes, like this year, this paradox of penury and plenty is concurrent. While the eastern half of Nepal is reeling under floods, the western side is in the grip of a serious drought.

Ever since the Himalayan mountains started forming after the Indian plate bulldozed under the Eurasian landmass 60 million years ago, the rising terrain acted as a rain trap. Prehistoric monsoon rains lashed the young mountains as they rose, depositing vast sediments on the Tethys Sea, ultimately filling it up to form what is today the Indo-Gangetic plains. Earthquakes, flashfloods, cloudbursts and landslides are the dynamic effects of the processes of mountain-building and erosion. They have always been going on, and they always will.

As human habitation in the mountains and the plains downstream grew, we started calling these seismic and water-induced events 'natural disasters'. The events may be natural, but there is nothing natural about the increasing loss of life. The death toll and displacement is a man-made disaster. They happen because the landless have nowhere to go and settle along vulnerable floodplains, expanding cities encroach on rivers, highways cut the drainage basins and expensive embankments designed to control floods make them worse.

Just like earthquakes don't kill people (poor housing and lack of preparedness do) floods won't kill people unless we get in the way. Bangladeshis have learnt to live with floods, in fact they are a vital part of the agricultural cycle as the flood-borne silt replenish nutrients in their fields.

It is the government's duty to rush relief to the victims of this year's flood in the eastern and central tarai and the drought in the west. But what are we going to do this year so the scale of the destruction is reduced next year? The monsoon season is not the time to be worried about floods, by the time it starts raining it is already too late.

Nature is neutral, it is neither malevolent nor benevolent. Floods are natural phenomena. We have to learn to live with them by being smarter about where we live, how we live, and not tampering with nature to make problems worse. The Ganga-Brahmaputra basin includes at least five countries, including Nepal. Rivers do not respect manmade boundaries, and floods happen when someone, somewhere constricts their drainage to the sea. If we keep doing that, then we ain't seen nothing yet.



KRIPA JOSHI

LETTERS

BAJRACHARYA

After reading the troubling story about Purna Raj Bajracharya ('I'll sue the US government', #203) I figured that although unfortunately I can't help him with legal matters, I can assure him that as a Nepali American, I will make sure I go to the polls and vote for John Kerry in

November with Bajracharya's name in mind.
S Thapa, email

JOYRIDE

Re: Kunda Dixit's 'Joyride' (#204). This is to let your esteemed readers know that the \$15 million approved by the World Bank Executive Board for the Poverty Alleviation Fund is yet to be formalized by signing of the Agreement between the World Bank and the HMG, Nepal. Hence, it is not true that the Fund is "lying

idle" as stated. The Poverty Alleviation Fund (PAF) is ready to launch its program.

PAF Secretariat, Chakupat

BAD FUEL

Reading Mudita Bajracharya's 'Killer kilns' (#202) I was surprised that she, like many other previous writers on this issue has sidelined the main cause of pollution from brick kilns. Many studies and surveys conducted on the brick industry by NESS, GTZ, ENPHO, DANIDA, CEN, have revealed that the primary cause of pollution and health hazards are from high sulfur coal. Most the brick kilns use Assam coal which contains over 5 percent sulfur. It is this sulfur which produces sulfur dioxide and causes the most damage. It not only has bad effect on the health of the workers and surrounding population, but also damages the metallic chimneys of the kilns so they don't last more than six months. Once there is leakage in the chimneys no matter

how high the chimney is, you have oxides of sulfur and nitrogen in and around the kilns. Of course, you can introduce new technologies, but to reduce the oxides you have to use either fuel with less sulfur or capture the acidic oxides during combustion. In this context we did conduct some research which gave very good results. More than 80% of the sulfur dioxide could be captured by desulfurising agents in the coal during combustion. The standards and specification of the fuels used should be stated and monitored and the emissions standards should also be adopted. The question of top soil loss is another major issue. But without clay, you can't bake bricks. The only way you can get around this problem is to use alternative building blocks: stone or concrete blocks. New technologies will not solve the problems of the brick industry, and short-term measures could create other unforeseen problems.

Ramesh Singh, email

MARKET DRIVEN

Re: Ashutosh Tiwari's Strictly Business column ('Imagine no free market', #203). I am not sure what Tiwari means by 'market-friendly mechanisms into how we want goods and services provided to us'. I am assuming he is referring to market driven economy. The economic variables such as the basic demand and supply are not reliable in Nepal, specially with poor infrastructure and political instability. When economic variables and indicators are not reliable, the market can't determine how or what we want goods and services provided to us. Whether it is a cold store, an airline or a VSAT provider, most of the businesses in Nepal are forced to act with instinct rather than with economic indicators.

D Mahat Baltimore, USA

KOSI

In trying to be balanced in his coverage of the renewed Indian interest in building the Kosi dam,



government to run it? Isn't this alternative precisely what the 1990 People's Movement was designed to eradicate?

More alarming is Lal's subtle suggestion that vigilantism will reign supreme over due process and the established laws of the land. To insinuate that Girija Prasad Koirala's 'negotiations' may prove to be the solution to Nepal's ailments is a bold proposal indeed.

Perhaps Koirala's efforts would have appeared more genuine had he focused on negotiations prior to Deuba's reinstatement. And on whose mandated legitimacy is Koirala operating? Is it Lal's column that provides him de facto legitimacy?

If a debate on legitimacy is the goal, perhaps the right thing to do would be to first create a level playing field by critically examining the legitimacy of every past elected official (or for that matter, any member of civil society). Deuba may not be a 'legitimate' representative of the people (according to Lal's definition), but as the last democratically elected premier he is the closest thing Nepal has.

The very criticism of Deuba that Lal offers, is what makes him the right man for the job. Getting Deuba out of office a second time will not be as easy, and therein lies the fallacy of Lal's position: Deuba's sponsorship includes his party, his constituency and the broader alliance. Provided the democratic environment is brought back on track, Deuba's subservience to the king is limited to the king's stature as a constitutional figurehead. For all intents and purposes, Deuba, by consent of his political alliance (which in turn represents the people), has the necessary legitimacy to govern the country. ●

Dipta Shah is a graduate student of international affairs in New York.

Naxals in Naxal

Peace in Nepal will remain elusive until we overhaul our political economy

HYDERABAD—When regimes change, frequent flier accessories change too. Since Chandrababu Naidu was defeated in the Andhra Pradesh elections two months ago, laptop bags on planes have been replaced by

STATE OF THE STATE
CK Lal



briefcases of career bureaucrats. At the NTR International Airport, nerds in jeans nattering in Americanese into Nokias are replaced by a sedate crowd of dhoti-clad middle-aged men speaking Telugu.

Outside the terminal building, beggars have staged a come back. Cyberbabu had driven them out of sight. Now, they knock at the car windows demanding their dues.

The vagaries of nature, however, remain the same. In a week when forecasters had predicted daily thunderstorms, not a drop of rain fell on the Deccan. The tar of recently widened roads has started melting. Naidu was too busy turning his capital into a Silicon Plateau to invest resources in renovating storage reservoirs that have traditionally insured farmers against drought.

During the Naidu regime, subsidies such as tax holidays, public investment in infrastructure to facilitate private enterprise and loans from public banks on demand were reserved for the rich, while the poor were expected to fend for themselves in the free market. The tyranny of the market drove many cotton farmers to commit suicide.

Others embraced Maoism.

UNDP warns against five kinds of economic growth that fuel discontentment in society. Jobless growth has no meaning for the poor. Ruthless growth increases social inequality. Voiceless growth denies the right of dissent. Futureless growth causes the deterioration of commons. And rootless growth causes alienation among the deprived, leading to social upheavals.

Naidu looked to the US for inspiration, not the UN. So, for Andhra Pradesh's digitally-deprived and marginalised, the swanky Banjara Hills in Hyderabad is another country. Earlier this year, Maoist insurgents from the CPI-ML tried to assassinate Naidu with a landmine. The Chief Minister survived, and his successor negotiated a ceasefire with the *naxal*. (Lower case 'n' stands for India's Maoists, while upper case 'N' is just outside the palace walls in Kathmandu.) The truce still holds, and there has been no loss of life since 15 May.

Despite the fact that we in Nepal have a Unified Marxist-

Leninist finance minister, the budget to be made public on Friday will, in all likelihood, set the same tone for the Nepali economy that had led to the growth of violent insurgency in the country. Which means it will reflect the interests of the Washington Consensus and not the United Nations or Amnesty International.

In Andhra Pradesh, the People's Union for Civil Liberties was successful in convincing the government that political economy and the armed insurgency were closely linked. Hence the ceasefire, though fragile, still holds and the government prepares the ground for meaningful talks with the naxals.

In Nepal, the dilemma is a lack of peace activists

bold enough to question a neo-liberal political economy. Unless sincere attempts are made to address the burning issues of social injustice and a skewed socio-economic order, the search for peace in Nepal will remain elusive. Perhaps that is the lesson we need to learn from the truce between the naxals and the state in Andhra Pradesh. ●



Navin Singh Khadka seems to have missed out a couple of vital points that make this mammoth project a folly ('A high dam on the Kosi', #203). Let me enumerate:

- A 100 sq km reservoir will put Nepal's most fertile valleys permanently under water.
- The Kosi High Dam and the Sun Kosi Diversion are incompatible, building one will make the other worthless.
- The Indians are dangling navigation on the Kosi as a lollipop, but dredging a river with that kind of sediment load will make it make barge-pulling impractical.
- A high dam on the Kosi will not reduce the danger of floods in Bihar, since many of the big floods in recent years have been on Chure and Bhitri Madhesh rivers, not the Himalayan ones, as we have seen this week. No doubt, a compromise is possible, but will it happen given

the track record of India-Nepal cooperation on the Kosi?

Lok Raj Aryal,
Kathmandu

DANKE

This is to thank you for posting your news and analysis on www.nepalimes.com. As a medical student in Germany, the *Nepali Times* is the first site that I visit to get a comprehensive perspective on what is happening in Nepal. Thank you.

Birat Niraula, Berlin

CORRECTION

In 'An alternative current' (p 8, #204), the installed capacity of the Khandbari small hydro project should have been 2.5 kilowatt. In 'The secret success of Nepali soap' (p 7, #204) the photo caption was inadvertently dropped, it should have read: 'Sambhu Lama of Farm House Herbal lends a hand in his handmade soap assembly line'.

- Editor

Catechin Filter
SUPER IONIZER

Bring the nature in your room

TRIPLE
DEODORIZING
FILTER

SUPER QUIET

Panasonic Room air conditioners offer the ultimate in cooling and heating comfort to suit your different needs.

Authorised Dealers & Branches:

Ashoka Electronics, Tel: 4441874; Alpha Ent, Tel: 4226036

Esquire T.V., Tel: 4221714; New Sound & Vision, Pokhara.

Tel: 961-526280; Arun Electronics, Biratnagar, Tel: 021-524378;

Birgunj Office, Tel: 051-526035; Biratnagar Office, Tel: 021-523947;

Nepalgunj, Tel: 051-521653

Panasonic

ideas for life

TOMAS VAN HOUTRYVE



Rukum after the sweep

Three weeks after the army's operation, the Maoists are back in their strongholds in midwestern Nepal

MAARTEN POST in RUKUMKOT

A Royal Nepal Army soldier holding a Belgian-made FN Minimi gun last week in western Nepal (left). A Maoist militia unit drills at a school in Rukum's Pipal village.

After its well-publicised sweep into the Maoist heartland in June, the Royal Nepali Army has returned to its barracks. This was the first major incursion of its kind into what the Maoists consider their base area.

The soldiers didn't see much action, and Rukum's CDO, Chet Prasad Upreti, said this proved there is no Maoist stronghold in his district. Major MB Mahara in Musikot agrees: "The Maoists did not even try to stop us. Whatever they may say, they don't have any control."

The locals know better. Three weeks after the army ended its operation, the rebels are back in Rukumkot. "We knew the army was coming," Deepak, a Maoist district committee member, tells us. "We hid in the jungle for a couple of days while the soldiers searched the houses. When they left, we came back."

The army's operation was bigger than anything seen in these hills before. It was well-equipped and had air support. It would have been difficult for the Maoists to stop them, so the guerrillas simply

decided they wouldn't battle on the army's terms.

The only thing that really seems to have changed in these rugged mountains is the local's view of the army. The security forces have a poor reputation in Rukum. Many villagers remember the atrocities committed by police during the 1998 Kilo Sierra 2 operation, which led to a big increase in local support for the Maoists. The same locals now say the army has "improved". One farmer said: "The soldiers asked us questions, but did not harm us this time. Instead, they gave us medicine."

In a village between Musikot and Rukumkot, we come across a farmer who remembered a police operation three years ago. "When we heard they were coming, so we all ran away in the middle of the night", he recalls. "Of those who stayed behind, nine were arrested and later killed. Three were cousins of mine, and they were not Maoists. Fortunately, this time things were different."

But the locals are worried that the Maoists will accuse them of giving information to the soldiers.

So far, it looks like there haven't been any repercussions. The Maoists know they run the show in Rukum. Rebels greet each other by raising the *lal salam*, petty criminals are punished by the 'people's courts', and the Maoists decide whether a development organisation can work in their area or not.

The Maoists are confident enough to give educated people surprising freedom in voicing criticism. In the presence of Maoist cadres, kangresi Purna Bahadur Shah tells us the rebels are right that change is needed in Rukum. "But they are wrong in their approach. It used to be peaceful here, we had a choice. Now we have to obey their orders," Purna Bahadur says.

The main grouse of villagers is that they are forced to feed Maoists or take part in indoctrination. A 15-year-old boy recently returned from a two week 'mission' in Rolpa. "They took one person from every household. I had to work on the farms of Maoist martyrs, attend a sports tournament and listen to a political program. It was difficult be-

cause my family also needed my help at home," he says.

Rukum's DDC chairman, Rajendra Bahadur Shah in Musikot, admits he is forced to donate rice, corn and money to the rebels in his home village where his family still lives. The only government presence outside the district headquarters are health workers, teachers and postmen. All pay a five percent tax on their government salaries to the 'janasarkar'. The schools will soon have to follow the Maoist curriculum, and teacher Lila Pun says next month he has to attend a twelve-week training program that some of his colleagues have already attended.

In Bafikot, the Maoists have redistributed land that previously belonged to former MP Dhruva Bikram Shah to six Dalit families. "I am grateful to the Maoists," says a 16-year-old Dalit boy. "Before they came, I was not allowed to do pujas, I could not drink the same water as high caste people and I had to sit in the back of the class. No more."

Still, he doesn't like what they

did to his friend who was forcibly recruited for the attack on Beni in March and had to carry food, help cook, sleep in the jungle during the day and walk all night. Thousands of Maoists and porters assembled in Dhorpatan in preparation for the attack. Half were women. After the battle, he had to carry a wounded Maoist for two days without food or sleep, while army helicopters chased them. "I was very tired, hungry and very scared," the boy recalls. "The smell of rotting bodies was awful. I still have nightmares."

No one we spoke to in Rukum confirmed minors have been recruited into the Maoist militia, and all say no children were used in the Beni attack, although some of the porters were as young as 14. However, students sometimes have to wear Maoist uniforms to make them get used to the idea that one day they will become soldiers in the 'janasena'.

The boy tells us: "They say they fight for the people, but I don't want to be a member of their janasena. I am a student, and want to become a teacher. I want peace, and a chance to pass SLC this year." ●

The Anglo-Saxon disease

Nepal should be more like Europe, and less like America or Mao's China.

Call it, if you like, the European disease: the penchant for long paid holidays, 35-hour working weeks, Mediterranean lunch breaks, siestas, social provisions like paternity leave and workers' compensation for the ill and injured.

Hang on a minute. Disease? Surely some mistake. It all sounds a lot more like

HERE AND THERE
Daniel Lak



civilisation than anything that needs to

be cured or changed. But alas, Europe's civilised approach to capitalism, rather than catching on, is to be scrapped or modified. A left-of-centre government in Germany and a rightist administration in France agree on this. European workers have it too good. Too good for whom? It's a legitimate question.

Productivity in most European countries is higher than in America or Britain. Companies are profitable, exports are doing well, all the usual banker measures are being met. So why, oh why, does it have to be changed?

The answer lies in a look at the evolution of the western market economy. Economists talk about two broadly defined types of capitalism—Anglo-Saxon and European. The first is how the Americans and the post-Thatcher British do business. Robust pro-entrepreneur policies, deregulation, minimal government, labour unions kept in the background and minimal environmental protection.

On the democratic side of Cold War Europe, faced with Soviet Communism and powerful left-wing and Marxist forces in their own countries, Germany, France, the Netherlands and the rest evolved what's known as a "social market economy".

This meant building up private companies, giving them government favours in exchange for workers' rights and encouraging a mixed approach to the market. A little left, a little right. It worked wonderfully. Some of us think it had as much to do with defeating Moscow as Ronald Reagan's defence budgets and bellicose rhetoric. Perhaps more.

However, in the current post-cold war era, we are gripped by globalised free market fundamentalism. Social markets are a threat to the funds, so they must go. Capital manipulators attack countries that don't follow austere Anglo-Saxon ways. What they're doing is dumping on the European worker. What they say they're doing is building a sustainable system.

None of this is happening with any debate whatsoever, save among obviously interested parties like public service unions

and right-wing think tanks funded by investment banks. Not to mention, the World Bank, IMF, the US treasury department and, for a time, our friends at Britain's own Department for International Development.

All this is happening before countries like Nepal can even begin to evolve a local market economy that would obviously be much more amenable to the European model than the British-American. After all, the country faces its own threats from the extreme left—never mind that Marx or Mao hardly had a feudal developing country in mind when they drew up their ideas far too many years ago.

Nepal should be more like Europe, and less like America or Mao's China. And that opportunity is disappearing thanks to the misguided forces of global capital. Call it irony, if you like. I call it the Anglo-Saxon disease. ●

Dhan Singh Biswokarma's world



A delicate balancing act and a daily struggle to feed his family

KISHORE NEPAL in MUGU

As the helicopter from Nepalganj unloaded sacks of rice at Mugu's Talch airfield earlier this month, a ragged bunch of porters rushed forward even before the rotors had stopped. They earn money transporting the sacks to the district headquarters in Gamgadhi, a two-hour walk away.

One of the porters wasn't interested in the sacks. He came over to us and offered to carry our camera equipment. Dhan Singh Biswokarma used to be a blacksmith in Dhum village and had a prosperous business crafting gold ornaments. But with the insurgency, anyone with any gold in

these remote mountains of western Nepal either sold it or took it down to Nepalganj and Lucknow.

So, Dan Singh travelled to India, where he portered at pilgrimage sites to earn money. He then got stuck in Nepal when the Maoists started preventing villagers from going across the border, so he now works as an airport porter in Talch to support his wife and four children. "Luckily, my elder daughter eloped, that is good. She is happy, and I am relieved of a great burden. I hope my younger daughter follows her example," he says.

He sees that we notice his



ALL PICS: RAVI TULADHAR

Dhan Singh Biswokarma (left) resting along a forest path near Rara Lake, which simmers in the late afternoon sun (top). Porters at the Talch airfield rush to a helicopter bringing sacks of rice for Mugu.

unkempt look and dirty clothes. "Don't worry, sa'b," he tells us, "my clothes are dirty because if I wash them they'll fall apart. They are the only clothes I have." Since he is such a good talker, we hire Dan Singh more as a guide than a porter.

He takes us to Rara. There are no tourists, but there is a lodge near the army camp guarding the national park. It is incongruous to see guns bristling amidst the breathtaking beauty of the simmering lake perched over the Mugu Karnali valley with the great mountains beyond.

The rice porters have lumbered off to Gamgadhi, each carrying a 40kg sack. The rice is supposedly for the local people of this

chronically hungry region, but in the district headquarters we hear stories of the rice finding its way to the local market where it is distilled into rakshi. The CDO knows about this, but can't do much. Last month, he sent 30 sacks of rice to a village running out of food, but the Maoists looted it along the way.

Gamgadhi has become a refugee camp for VDC secretaries. They live in rented rooms, calculating the budget allocations for villages they can't go to. With the fiscal year closing, there are a lot of fictitious projects that have suddenly been 'finished', and the DDC accountant is busy writing out cheques. Recently, however, the Maoists warned the secretaries to behave

themselves, and apparently the reports have suddenly become much more accurate.

The ex-MP of the area, Chandra Bahadur Shahi, says Gamgadhi has become a government garrison. The Maoists destroyed the suspension bridges across the Karnali, and seven Mugu VDCs are now cut off.

In Gamgadhi itself a siege mentality prevails. The civil servants fear for their lives, the security forces have orders to protect themselves and their weapons first. Every morning, a procession of senior civil servants, police and soldiers walks down from the heavily guarded barrack where they spend the night. They stay in their offices from ten to five, while the soldiers and police laze around the bhattis drinking and talking boisterously. At five, they all troop off again to the army base to spend the night. In the bazaar official curfew hours are from seven till five the next morning, but there isn't a single soldier to enforce it.

Mugu's only airfield at Talch took 25 years to complete and went into operation recently. Two months ago, the Maoists bombed its small tower building and the air traffic controller now sits at a desk with a portable radio set to guide in the once-a-week chartered flights from Nepalganj.

Dhan Singh's son is attending school, but the teachers are absent half the time. The schools are being forced by the Maoists to adopt their revolutionary calendar with a holiday on Mao Zedong's birthday. Seventy five percent of the schools in Mugu already follow it. "I have decided to pull my son out," Dhan Singh says. "I don't want him to go to school to learn to fight. I want him to learn to read and write."

We ask Dhan Singh whether the Maoists are good or bad. "I can't say. They are against discrimination and told us not to call ourselves kamis anymore, they stopped gambling and alcoholism and are encouraging cooperative farming," he says carefully, weighing each word, "but at the same time they are killing people, disturbing schools and extorting money from us. How can I say whether they are good or bad? I am just telling you what I have seen." ●



From l-r: Mugu's only airfield at Talch was completed recently, but the Maoists immediately destroyed the tower building (centre). Talch's air traffic controller sits at his desk waiting for a flight from Nepalganj.

KALINTA picture framing

KALINTA is happy to announce the opening of 2 NEW BRANCHES in Patan & in Boudha for the convenience of our valued customers

Patan branch:
St. Mary's Rd
Tel: 5531388

Boudha branch:
Main Road, Tusal
Tel: 4461917

Main showroom:
Nag Pokhari
East side of Royal Palace
Tel: 4442437

All branches Open: 10am-6pm



KIRAN PANDAY

Going underground

Kathmandu's groundwater is contaminated and getting worse

NARESH NEWAR

The monsoon is a time that nature gives Kathmandu another chance.

The rising waters wash away the garbage piled up on the banks of the Bagmati and Bishnumati rivers. The unbearable stench of a river-turned-sewer temporarily disappears. And the rains seep down into the ground, recharging the valley's dangerously receding water table.

Because of the recent exodus from the countryside, Kathmandu Valley's population is now beyond its carrying capacity. This limit to growth is now evident in that most vital ingredient necessary for human life: water.

The water carried by the mains from the state-owned Nepal Water Supply Corporation (NWSC) is woefully inadequate in meeting urban demand. In the dry season its pumps only meet 40 percent of the total 200 million litres per day that the valley needs. It is a luxury to have pipes that actually carry water, and many residents have attached pumps to illegally extract water from the mains when water is flowing.

This is where traditional water spouts and centuries-old wells have proved their worth (*See: 'Oh, well', #194*). But because of the over-extraction of ground water, some of the wells are going dry. More ominously, it is now clear that Kathmandu Valley's groundwater is seriously contaminated with organic and chemical pollution.

The NWSC itself is now pumping out 30 million litres of water a day from Sainbu and Manahara to store in the two huge three million litre tanks just built with Japanese aid. The corporation also allows households as well as hotels, restaurants and industries to extract unlimited amounts of groundwater. Private tubewells and deep boring are now pumping out an estimated 10 million litres of ground water daily, a rate that many experts say is unsustainable because monsoon recharging of groundwater is insufficient to replenish it.

Seepage from septic tanks, leeching of chemicals dumped carelessly from garages, factories and workshops have now made much of even this water undrinkable. And the more the extraction takes place, the more the ground water is likely to be contaminated.

Studies of Kathmandu's groundwater by the Environment and Public Health Organisation (ENPHO) show it has high concentrations of nitrates, ammonia, iron and manganese. "Most of the household water supplies from

underground water contains nitrate, but people don't know it can be harmful to their health," says environmental activist, Prakash Amatya.

The only solution so far is to purify the contaminated water, but most people are unable to afford the water testing and treatment. Iron removal costs a minimum of Rs 40,000, and it is another Rs 100,000 for removal of ammonia, depending on the amount of water and the scale of contamination. "Groundwater quality is alarming, and its getting worse," says ENPHO's Narayan P Upadhaya.

The government has two water analysis and treatment laboratories at NWSC and the Royal Nepal Academy of Science and Technology (RONAST), but these organisations have not been actively spreading awareness. There are also a handful of other labs run by the private sector. "Water analysis is important to show the quality of water we are using," says Surendra Parajuli, a technician at the Water Engineering and Training Centre, the oldest lab in the country. But in the past 15 years, only 2,000 people have had their water tested, and they were mostly hotels and factories, he adds. Getting testing done isn't the only problem. If nitrates are found, they are difficult to remove.

As groundwater extraction grows, water organisations in the Valley are trying to spread awareness among residents about economical use of water. Only 2 percent of the water supply is used for drinking and cooking. The remainder is mainly for cleaning and hygienic purposes. The problem lies with the rich and middle class households, where water is wasted on washing machines, toilet flushing, watering gardens and washing cars. A study by the Centre for Integrated Urban Development on household water use found that rich households with less than five members use more water than eight members of a poor family.

"There needs to be a change in the social attitudes in every household to help prevent the excessive use of water," says Amatya from the NGO Forum, who has just started 'value-based water use education' to raise awareness among Kathmandu Valley residents. Since April, Amatya and his team from the NGO Forum have been busy visiting neighbourhoods, both rich and poor, to talk about economic use of water. But it is an uphill battle to get people to not think only of themselves. Says Amatya: "It is sad, people know how important water is, yet they waste it." ●

accessories

knitwear

home

Weaves & Blends
cashmere accessories • home • knitwear

showroom tel: + 977 1 2121200 (Kumarpati Jawalakhel, Lalitpur)
factory tel/fax: + 977 1 6611427 ~ email: weavesb@mail.com.np Open Sunday to Friday 10 am - 7 pm

WOOD CRAFT

For Custom Designed Furniture & Interior Works
Contact: Kabindra Pradhan
Ph: 5548518, Factory: 4271492.
Mobile 98510 82732 Before 8 a.m., after 5 p.m.
Email: kabipdh@mail.com.np

ELD News
July 2004

Professional development
for development professionals

Training in July & August

Reporting Skills / Professional Writing
August 2 (4 days, led by Neil Kendrick)

Participatory Monitoring & Evaluation
August 16 (5 days, led by Uttam Uprety)

Presentation Skills / Public Speaking
August 24 (3 days, led by Neil Kendrick)

Full Details at www.eld.org.uk

The Empowerment & Learning Development Centre
Partner of Education, Language & Development Training Programmes (ELD)
Registered United Kingdom Charity No. 1083385

Ask: 55 38 782
Read: www.eld.org.uk
Write: eld@wink.com.np

Sisters on a long march

Sarita and Laxmi carry dokos instead of school bags

BIBI FUNYAL in NAMCHE BAZAR

The warm, wet monsoon mists move up the valley. High above the din of the frothing Dudh Kosi the sun is rising from behind Sagarmatha. Through a gap in the clouds, sunlight illuminates the mountains in a golden glow. The pine forests glitter with last night's rain.

The few trekkers still in Khumbu this season soak in the beauty from the balcony of their lodge. On the trail below, Sarita and Laxmi Rai have no time to admire the view. They adjust straps on their dokos on their backs before heaving 45 kg loads on their backs for the long steep climb up to Namche Bazar.

Seventeen-year-old Sarita and her cousin Laxmi, 15, are still wearing their school uniforms. But their flimsy shirts and slippers are not enough to ward off the rain and cold on their long march from Jiri over the 3,500m Lamjura Pass.



BIBI FUNYAL

Sarita (left) and her cousin, Laxmi, fled their village after Maoists threatened to recruit students from schools. Last week, they were carrying 45-kg sacks of rice to Namche to earn money as porters.

We cross the Imja Khola Bridge and the girls pause before beginning the ascent. Trekkers are also resting on a rock, the girls give them bright smiles, greeting them with cheerful "namaste". And then they are off again plodding and panting uphill. For the tourists this is a vacation, for Sarita and Laxmi this is work to provide for their families back down the valley.

Sarita and Laxmi were students in grades ten and nine at a local government high school in Jubing till last year. When there were rumours that the Maoists were recruiting students for militia training, most better off families sent their children off to Phaplu, Kathmandu or Pokhara. But Sarita and Laxmi's families couldn't afford to send them anywhere, and because of the drop in trekking along the Jiri trail, couldn't take care of them either.

"Instead of just staying at home, we thought it would be better to earn some money as porters," says Sarita. Laxmi says she hasn't seen her family for six months. She misses her mother very much.

Maoist posters stuck on the trailside boulders and walls of houses exhort every family to send one person to join the 'people's war'. The threat has emptied the villages, and there are hardly any young people left east and south of Phaplu. Some young boys and girls who stayed behind have been force marched for Maoist indoctrination and training.

Even government officials and the security forces are restricted to Salleri and the airfield in Phaplu. Members of local bodies have received death threats and have all resigned. There is a large contingent of armed police near Lukla guarding the airfield, but the sight of the heavily armed men in uniform, ironically, bring feelings of insecurity.

Manbir Gurung used to be an English teacher at the school in Jubing and taught Sarita and Laxmi. Today, he runs a small teashop in Namche. He had to quit his job because of Maoist threats and fled his village before the security forces arrived. "We people living in the countryside are trapped between the army and the Maoists," says Gurung. "There is a lot of terror."

The sun is now blazing down from the deep blue sky, and Sarita and Laxmi have almost reached Namche. Tomorrow is Saturday, the weekly market. They have to sell the rice and get back to Jiri in time to haul another load for next Saturday. I ask them if they like their job, and regret the question as soon as the words come out.

"We don't like it. This is not our work, the loads are heavy," says Sarita. She is worried about the future. They want to go home and complete their studies.

Journalists are supposed to know things, so Sarita asks a bit hesitatingly: "How long will this war last?" I didn't have an answer. That evening on the BBC Nepali Service the prime minister says he has ruled out a ceasefire with the Maoists for the time being. ●

DOMESTIC BRIEFS

Nepal's opening sky

Nepal's aviation sector is set to see a boom in the coming months as another Indian private airline begins operations to Kathmandu and Nepali airlines add aircraft.



India's private Sahara Air is to begin daily Kathmandu-Delhi flights on 21 July with Boeing 737-800 aircraft. This will bring to four daily flights between the two capitals, the other flights are operated by Royal Nepal Airlines, Indian Airlines and Jet Airways. Sahara is also looking at connecting Kathmandu to Kolkata, Mumbai and even Lucknow.

Royal Nepal Airlines is back to full fleet strength of two Boeing 757s, and expects its severely-disrupted schedules to get back to normal. Nepal's flag carrier also hopes to order two brand new Boeing 737-800s directly from the manufacturer, and is currently doing a detailed profitability study. Managing Director Mohan Khanal told us: "We will use the planes for our shorter Indian routes, and deploy the 757s on the longer Hong Kong, Bangkok, Dubai and Singapore flights."

An ICAO-supported study of the airline's assets are also underway, and the final report is expected in three months. The ICAO team is expected to recommend that Royal Nepal Airlines be partially privatised by selling 45 percent of its shares to a reputed international carrier, 45 percent to be retained by the government and 10 percent to be sold to the airline's staff.

Meanwhile, Cosmic Air is expected to be the first Nepali private domestic carrier to operate jets and start international flights by end-August. The airline is adding two second-hand Fokker 100 jets and begin operations to Delhi and Dhaka. Cosmic, which operates a fleet of Dorniers and SAAB 340 turboprops on domestic routes also wants to fly Kathmandu-Bhairawa-Lucknow.

First train in Birganj on Friday

The Birganj container port will receive its first goods train with the arrival of a train from Kolkata port, four years behind schedule.

The port was completed in 2000 with World Bank aid and is being managed by the Container Corporation of India and will facilitate better transit from Kolkata and Haldia of goods bound to and from Nepal.

The train that left Kolkata Dock on Monday will be the first Indian train to cross national boundaries when it arrives in Birganj on 16 July, covering the 762 km in three days. Consul general of Nepal in Kolkata Yuba Raj Bhusal, who flagged off the train, told *The Statesman* newspaper: "Traders in Nepal used to complain of that it was difficult to transport containers from Indian ports. This mode of transport will solve that problem and it will be cost effective too." The train is carrying wheat and soya beans for the World Food Program's activities in Nepal.

PREM TINSULANONDA
INTERNATIONAL SCHOOL

Prem Tinsulanonda International School

How can you judge a good boarding school ?

Questions to ask:

- Does the school offer the International Baccalaureate which gives students entrance to universities world-wide?
- Are the teachers highly qualified and internationally experienced?
- Are there well-equipped libraries, science labs, music and art rooms? Are there excellent sports facilities?
- Does boarding provide comfort, privacy and access to a supportive, residential community of teachers?
- Is the school campus situated in a healthy and secure environment?

PTIS



Classroom



Science Lab



Boarding Apartment



Field Trip

IB world school

A world-class education in a world-class setting

234 Moo 3, T.Huay Sai, A. Mae Rim, Chiang Mai 50180, Thailand

URL : <http://www.premcenter.in.th> Enquiries : enquiry@premcenter.in.th Tel +66-53-301500

Saturday Nature Show
by
nepalNature.com
Explore Nature with Pleasure

at
Park Village
Aesthetic Living in Pure Nature

FREE Bird watching & power point presentation on Nature & Culture of Nepal

Time : 9:00 AM, Saturday

For Registration and Reservation - Ph: 4434705 / 9851074300

Park Village Monsoon Package Ph: 4375280
Single - Rs. 2,500; Double - Rs. 3,200
(includes breakfast, dinner & all facilities)

get the look
discover a glamorous new you

With **HABIBS**
Hair & Beauty Salon

"A Modern Haircut is an extension of the wearer's personality. It should be versatile, easy-care and uncontrived. Above all, it should make the person look and feel confident and stylish."

Kesthmandep Bazaar Building, 2nd Floor, Karmaladi, Kathmandu, Ph: 4240431, 2094045

SUMMER FUN CAMP

FOR AGES 3-12 YEARS

Fantastic morning activities at Lincoln School.
Afternoons doing sports, games, arts and crafts at Phora Durbar.
Let your kids have a blast this summer!

Lincoln
SCHOOL

Rabi Bhawan Kathmandu
Ph: 427-0482 427-0603

Web: www.lsnepal.com
Email: dgurung@lknepal.com.np

NOW ON NEWS STANDS

हिमाल

कता हो गुरुजी ?
बिजुवा सरकारको जटिलकारी बाबु

Coalition partners are worried grants will fall into Maoist hands

from p1

Some international agencies that have been monitoring the budget preparation suspect Adhikari's community participation scheme is a ruse for political patronage. "It looks like a political gimmick," said one official. "It remains to be seen if these programs will end up merely as duplication of other similar programs in the budget." Others are worried the money will allow Maoists to take the credit for development, or worse, subsidise their war.

Shankar Sharma of the National Planning Commission says Adhikari's plans need not necessarily involve Maoists. "The idea is to use the help of facilitators and mobilisers, just like some donors are already doing in Maoist-affected areas," he says. The Quick Impact Program of the World Food Program and the German aid agency GTZ both use local 'facilitators' to ensure that food aid reaches the most vulnerable.

To ensure that his plan trickles down to the grassroots, Adhikari also wants to reintroduce ideas he had mooted in his previous tenure as finance minister during the nine-month UML rule in 1994, including the 'Afno gaun afai banum' package, under which a lumpsum will be distributed directly to the VDCs.

Political leaders from parties not in the coalition have already questioned the legality of such programs. "This is a government that has been appointed to hold elections, how can it introduce new programs and policies?" asks former Finance Minister Ram Sharan Mahat of the Girija NC. "Till recently, Minister Adhikari used to criticise the budgets that were presented through ordinance, and now he is doing the same."

Adhikari's immediate predecessor, Prakash Chandra Lohani of the RPP, also slams the plan. "The budget is prepared by people who have no mandate to do the job," he says. "About five people have been allowed to work on the budget just because they are close to the parties in power."

The finance minister insists he wants to make a ground-breaking "peace budget" but the danger is that his original goals may be getting hopelessly watered down because of coalition politics. But finance ministry officials say one basic feature of Friday's budget will remain unchanged: its broad categorisation under new headings of 'recurrent' and 'capital' expenditure. Until last year, Nepal's budget had always



been presented under the headings of 'regular' and 'development' expenditure.

Officials say the change should help check duplication of expenditure headings. "In past budgets, we have seen allocations made for the same expenses under both the regular and development headings, often several times," says pro-UML economist Dilli Raj Khanal, who has been helping Adhikari with the paperwork. "We will be able to save more than Rs five billion in the next two years." (See interview, p9)

Under the new budget framework, recurrent expenditure will include overheads and money spent for debt servicing, whereas investments will come under capital expenditure. Khanal and officials at the finance ministry believe that the total budget figure this year will go up compared to last year's Rs 102 billion plus mark.

Despite the rise, money should not be a big problem for the government since its revenue source is on the rise and donors have committed to stand by it as long as it does not miss out on the mantra of the Poverty Reduction Strategy Paper.

During the current fiscal year, total revenue generation till mid-June was nearly Rs 52 billion, up

by almost 14 percent from 2002-03. The biggest component in the revenue was tax collection—almost Rs 42 billion. The non-tax part also increased by about 10 percent. VAT collection grew by 6.6 percent compared to last year but, notably, the growth in the import segment of VAT dropped to one percent from last year's increase of 22.37 percent. "This was because of the devaluation of the US dollar and the slump in the import business," explains VAT Department Director General, Avanendra Krishna Shrestha.

With bodies like the Poverty Alleviation Fund and the poverty monitoring section at the NPC, the government expects donors to live up to their commitments made at the Nepal Development Forum last April. The government had asked for \$560 million annual assistance for the poverty reduction program, to which the World Bank Vice President Praful C Patel had said, "As long as the program is implemented, money is not a problem."

The International Monetary Fund has suggested that the government should focus even more on increasing revenue and prioritisation of expenditures. Says the fund's Nepal director, Sukhwinder Singh: "We believe that there must be control on domestic borrowing." ●

BIZ NEWS

Creativity at Cricity Awards

The 2061 Cricity Awards a gala event, held at the Soaltee Crowne Plaza on Sunday evening and broadcast live by four television channels. Members of the ad and media industries were there in full force, plus company representatives and celebrities. The Advertising Agencies Association of Nepal (AAAN), which organises the annual event, had increased the number of categories this year to 10. The awards



included Best Jingle (for Jagadamba Cement by Advertising Avenues), Best Copy Writer (Advertising Avenue's Abhaya Paday) and Best Campaign (Civil Homes, by ME Nepal). Prisma Advertising won the Best Ad Agency award.

Other awards went to Jems Pradhan for Best Jingle Maker, Jitendra Shah of Welcome Advertising and Subin Manandhar of Prisma for Wild Candy and Samsung. The Best Press Ad went to Hamro Kantipur by Prisma, which also bagged the Best Admaker category for Campino Candy. Business Advantage got the best commercial award for Shakalaka Boom and Prisma was voted best outdoor advertising for Samsung.

Friends in high places

Most brand ambassadors are credited for creating a buzz about the products they endorse, but not many carry the word as far as Nagmya Sherpa, customer and brand ambassador of Kumari Bank. Sherpa scaled Mt Everest without oxygen on 16 May, and Kumari Bank recognised his achievement with a ceremony on 12 June where he received Rs 25,000.

Lessons from America

A training seminar on 'Navigating Export Requirements in a Global Market' was held in Kathmandu from 13-14 July. Sponsored by the US government, participants included 45 government and business representatives from Nepal, Afghanistan and Bangladesh. The discussions aimed at providing a practical approach to exporting and competing in the global arena, and topics included customs regulations, competition, technical barriers to trade, intellectual property rights, export diversification and standards.

NEW PRODUCTS

SMART SHOPPING: Emanon Nepal has launched *Best Buy*, a monthly consumer shopping catalogue that includes special promotions, offers and market information. Thirty thousand free copies will be distributed, and the catalogue is also available online at www.bestbuynepal.com

Thinking small

Banks and the new budget need to help, and use, small businesses

As I write this, I don't know what provisions the government has set aside in the new budget to help small businesses. But, if past budget speeches are any indication,

STRICTLY BUSINESS
Ashutosh Tiwari

there is not going to be much for addressing the needs of small Nepali businesses such as buspark lodges, retail shops, motor repair workshops and security firms, for whom two major concerns are how to reduce the cost of doing business and how to attract financing for business expansion.

The worry about reducing costs starts from the registration process, which—depending on who you know—takes anywhere from a few days to several months. Most small business owners have come to Kathmandu from other parts of Nepal, and lack the political connections and self-confidence required to deal with the bureaucrats, who are supposed to help them formalise their company registration process, without the necessary greasing of the palms.

Small wonder, then, that

most small business owners end up deciding that they would rather forgo the cost associated with the registration process and start their businesses informally. Later, if they start making money, some might think about restarting the registration process—not out of a desire to be part of the formal economy, but to get registration papers to wave at police officers who come to demand their weekly share.

One good economic policy to include in the budget would be to help reduce the time and money potential entrepreneurs need to start and run new business ventures. This could be done by eliminating barriers related to registration and by instituting incentives to start new businesses. Otherwise, because of bureaucratic hurdles, the entrepreneurs and the government continue to exhaust each other by playing cat and mouse and both lose out.

The second problem small business owners face is accessing finance. Most say they are happy to just get along and cover their expenses on a day-to-day basis, but some want money to scale up their business. Yet in interview after interview, they say that they use banks only to deposit money,

not even considering the additional services that they provide. Instead, these owners borrow money within their own social circle or from moneylenders, who charge high interest rates.

Most say they use moneylenders because they find the banks and other formal institutions intimidating. And Nepali banks are too busy chasing after the same few wealthy customers to be creative in figuring out how to go 'downmarket' so that their offers start generating revenue from thousands of small business owners. Then again, before the banks can make that move, the government has to create an enabling environment through its economic policies. It can do this by making access to credit easier for small businesses, while strengthening credit reporting systems credible for financial institutions.

Nepalis have consistently proved to be enterprising people who can survive under harsh conditions. All we need is a push from friendly policies that level the playing field to make it easier and faster to translate that enterprise into prosperity for all. For that, assisting small businesses is always a good way to start. ●



KIRAN PANDAY

Economist Dilli Raj Khanal is a close adviser to Finance Minister Bharat Mohan Adhikari, who is announcing the new budget on Friday. He told *Nepali Times* how this budget would be different from those in the past.

“A peace budget”

Nepali Times: How is this budget going to be different?

Dilli Raj Khanal: The basis for the budget is the Common Minimum Program agreed to by the four parties in the government. It talks about strengthening democracy, solving the Maoist problem, providing immediate relief to people, beginning reconstruction and making moves for social, political and economic changes. The budget will reflect these guidelines.

Is defence expenditure going up?

This year, we could not spend a major chunk of the development budget even though the allocation itself had been slashed. Development work in rural areas has been significantly hampered. The precondition to development spending is therefore bringing the rebels in for peace talks and ensuring rule of law and security. But there has to be a cap on security expenses. There are many unproductive expenses because of duplication under several heads. If we can save on those fronts, we can increase the scale of development expenditure.

Does that mean less money for security?

Going by what the finance minister has been saying, I think it will go down.

How much do you think we can save by checking the duplication you mentioned?

The savings will be significant. The finance minister will perhaps present the budget in the format of recurrent and capital expenditure. The format will check the duplication of expenses and that will help us save around Rs 5 billion in the next two to three years.

Will the format of the budget be different as well?

Normally, the regular budget is discussed at the Finance Ministry and the development budget at the National Planning Commission. Many headings under regular budget get repeated in the development budget. The old budget system

does not check these duplications. The new scientific system will alert us about these and allow us to reduce unproductive spending.

Why not use the headings 'regular' and 'development' expenditure?

In many countries they don't divide the budget as regular and development. Expenses like overheads and interests are kept in recurrent expenditure. Under capital expenditure, we allocate money to, for instance, buying land, machinery, equipment and construction expenses. These expenses help in the accumulation of the country's capital and increase productivity. These expenses also include the salaries of teachers, engineers and doctors because they are taken as investment in human resources.

The finance minister has said this will be a 'peace budget'. What does that mean?

There is talk of strengthening the peace secretariat, which has been established at the prime minister's office. The process will need big budgetary support. The fact that the budget will be aimed at initiating a peace process will establish that this government is for solving the Maoist problem.

How about relief and rehabilitation?

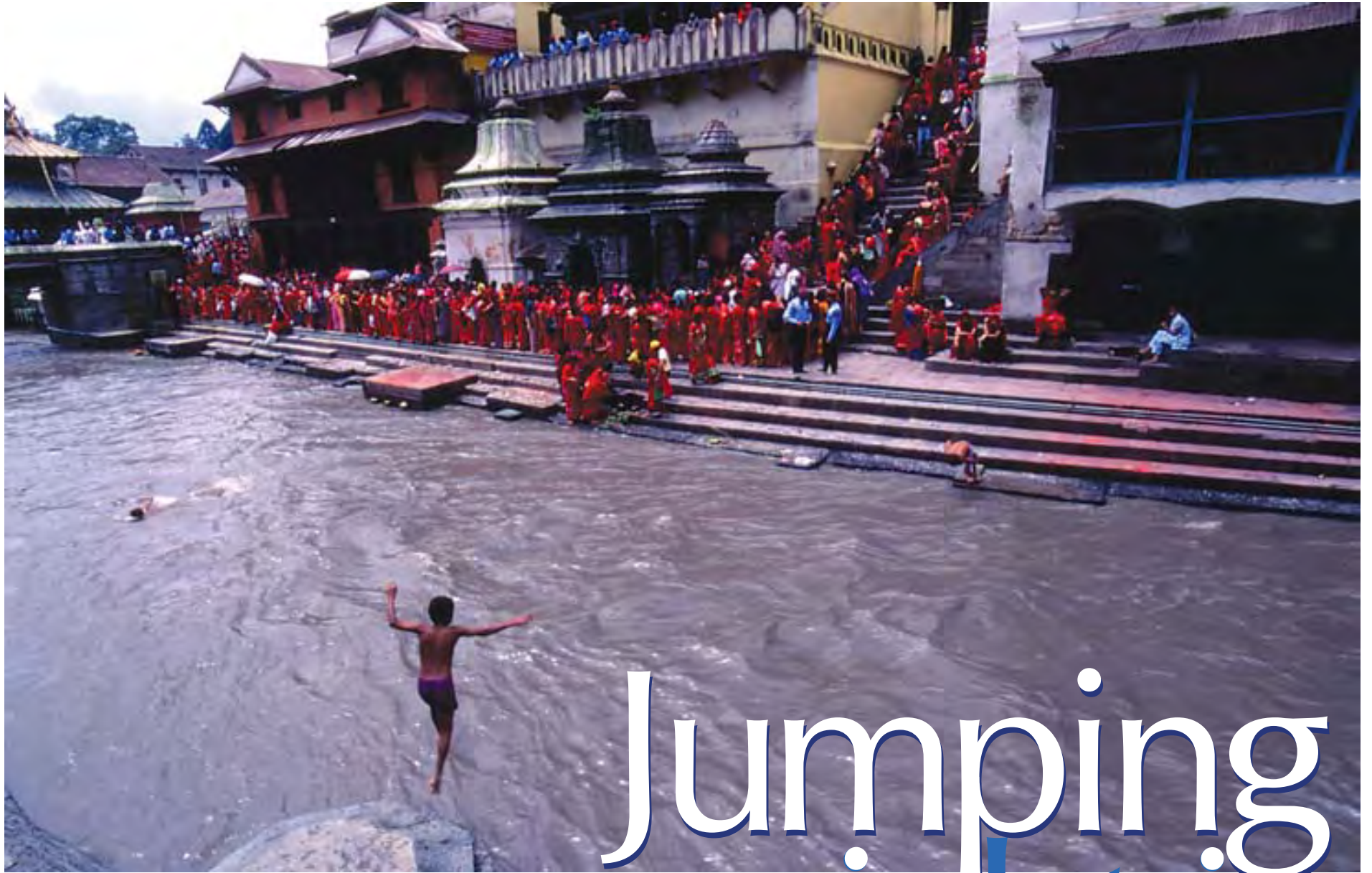
We will need the help of community-based organisations to reach people in rural areas. This will also be an effective confidence building measure for peace talks with the Maoists.

What is the response of other parties in government to these plans?

They have no problems with it. The budget is being prepared with the common spirit of all the parties in the government.

Will the total budget amount be greater than last year?

Given inflation, the increased amount for debt servicing and the thrust of the Common Minimum Program of the coalition government, the figure will probably go up.



NICK DAWSON

Jumping right in

There is support from all sides during the 4th Bagmati River Festival—but is it enough?

SRADDHA BASNYAT

Come stench or low water, our Bagmati Khola is loved. The annual Bagmati River Festival is an honest, if fleeting, testament of Valley dwellers' affection for the sacred waterway. True, many abuse and neglect the Bagmati over the greater part of the year. But even if it's just for the duration of the festival, people celebrate the source of the Kathmandu Valley's civilisation.

The 4th Bagmati River Festival will continue the now well-established annual tradition of bringing together environmentalists, school children, tourism industry members and concerned citizens. Kayaks and rafts will drift down from the headwaters at Sundarijal to Sankhamul, lead as usual by founder and president of the Nepal River Conservation Trust (NRCT), Megh Ale. However, organisers from NRCT, along with Sustainable Tourism Network

(STN), have a lot more planned than just the usual day-long rafting trip to generate care and concern for the once mighty river.

This year, the festival started on 5 June, World Environment Day, which will from now mark the beginning of the yearly festival. Since then, groups including the Women Environment Group, Nawa Aayam Yuva Club, Friends Club Kupondole and Himalmedia have co-organised seven clean up campaigns starting from the Tilganga Eye Hospital area down to the Maternity Hospital in Thapathali, with a concentrated three-session clean up below the Bagmati Bridge. Nepal Tourism Board is promoting the events, and various local business houses have provided refreshments and equipment.

Difficult and often unpleasant as the task may be, there are plenty of people committed enough to the Bagmati's welfare to show up. NRCT

co-ordinator Rabin Bastola says that during the 5 June cleanup, 170 participants had officially signed up but another 30 or 40 simply joined in. For those who missed out, campaigns will continue every Saturday until the end of the festival on 21 August.

Getting up close and personal while cleaning up the river banks might not be everyone's cup of tea, so on Saturday 17 July organisers are holding a heritage walk starting at Teku, going through Thapathali and ending up in Sankhamul. Understanding how the Bagmati's waters have nurtured entire cultures and religions is an important part of convincing people to aid the river. Stagnant and pungent with waste, the river is more than a reflection of our inattention for the environment. It is also a sign of our blatant disrespect for history and our ancestors.

Travel consultant Sharad Shrestha, who will be leading

Saturday's heritage walk, says, "Our civilisation started from the Bagmati, so the river is part of our religious and cultural heritage. We perform important rituals, ranging from initiation to death rites, at the river. There are monuments and settlements here so old that no one has records for them."

Sites like Chintamani Ghat are said to be thousands of years old. The common belief is that those cremated there will attain enlightenment after death. Kalmochan Ghat, on the other hand, includes several important temples to Bishnu and Ram. "The story goes that the pati was built by Prime Minister Jang Bahadur Rana after the Kot Massacre to show penance for his sins," explains Shrestha.

The ancient architecture, exquisite carvings and peaceful surroundings aren't worth much though, if the river isn't cleaned up. Right now, in the wet season, the walk is bearable but Shrestha can't imagine taking tourists on a stroll during the dry months when the Bagmati turns into an open sewer.

The NRCT's activities for the festival include a live music concert, various races (rafting, kayaking, running), tree plantation, a composting workshop, a research presentation by TU's Central Department of Environmental Science and an eight-day kayaking workshop for school students and others interested.

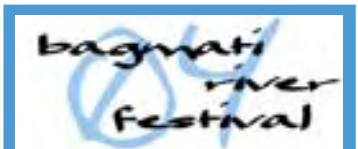
The trust is also managing an anti-plastic campaign. Plastic bags are a major source of pollution along the riverbanks, so NRCT is trying to get Valley residents to

stop using them. "We are targeting supermarkets by providing an alternative cloth bag," explains Bastola. The Women Environment Group has agreed to make the bags, which will be sold at minimum cost at grocery stores. If customers return with the bag, they'll be given a 5 percent discount on their grocery bill.

Under Binita Adhikari's charge, Lion's Club is hosting a women's cycle rally, the first of its kind. "The hope is to give the festival continuity so we realise this is everyone's river," says Adhikari, who is spending whatever free time she gets from counselling rape victims to organise the rally. Riders wearing festival t-shirts, courtesy Himalmedia, will hop on their environmentally-friendly bikes, lent by Himalayan Mountain Bike, From Dawn till Dusk and others, at the Sanchaya Kosh building in Thamel at 8AM on 18 July and head out to Chobar along the riverbank, finishing at Balaju. Fifty riders are expected and men are welcome. ●



KIRAN PANDAY



17 July Saturday Heritage Walk, starts at Teku Doban at 8AM
18 July Sunday Women's Cycle Rally starts at Thamel 8AM
31 July Dunga Daud from Sundarijal to Gokarna 7AM
7 August Tree Plantation 8AM
21 August final event in Thapathali starts at 5.30 AM

For more information: 4435207

A Bagmati park

The plan for a park along the Bagmati is still just a plan

If you've noticed unexpected tinges of green along the Bagmati river lately, then you have the UN Park

Development Committee, which has made a cleaner and greener Bagmati its mission, to thank.

The committee put together a master plan in 1996, in celebration of the 50th anniversary of the United Nations, with an approved budget of Rs 350 million and five years to complete the project. Eight years later, with only Rs 50 million released from the Ministry of Housing and Physical Planning, the committee is just starting work. It aims to enclose the stretch of former flood plain from Jwagal to Kupondole, but so far only about a kilometer of compound wall has been put up. But for the team at the Babar Mahal office, even this is a great achievement.

"The land was being encroached on illegally. No one can claim the riverbank as private property, we have saved land worth over Rs 5 billion," boasts section officer, Sagar Rijal.

Executive director at the project office, Ramesh Jang Rayamajhi, is a bit more cautious, admitting there are still some misunderstandings over the land, but says he has approached the squatters hoping that they'll understand. "I've told them we realise they want to grow their food there, but appealed to them that if they hand over the land, it'll benefit everyone," he says.

The park master plan includes designs for a children's park, squash and tennis courts, bike trail, a mini Nepal with traditional villages, parking facilities, two

suspension bridges and more.

Recently, Bird Conservation Nepal (BCN), concerned that the birds' habitat was being destroyed, requested the park office for some land to plant fruiting and flowering trees. Rayamajhi happily welcomed BCN on the condition that they also put in a bike trail and the children's park. The Rotary Club of Tripureswor has agreed to clean up and maintain the area under the Bagmati Bridge on the Kathmandu side.

Not everyone agrees with the plan for a park. Bagmati conservationist Huta Ram Baidya says, "The Bagmati basin river system needs protection to flow along the traditional route. You can't constrict it by building parks. One day the river will take its revenge."

One of the Bagmati's many other afflictions include the uncontrolled removal of sand for construction. Over the years, sand removal has caused the river to scour a canyon in Thapathali where it used to flow along its entire width. "Has anyone ever thought the river might need more space to flow?" Baidya asks. On average, the Bagmati has a large flood once in every five years, but Baidya says this isn't the real worry. A bigger concern is the one that comes around every 50 years.

Despite all this, the park project is upbeat. The park is an ambitious plan that has been riddled with many challenges, admits Rayamajhi. But for now he's focusing efforts on creating a greenbelt and is confident that as more of the budget is handed over the project will develop. ●

(Sraddha Basnyat)



BEFORE AND AFTER: The Bagmati in the 1950s (above) flowed clean and wide at the Thapathali bridge, today (below) its polluted water flows down a canyon carved by sand extraction.



MIN BAJRACHARYA

INSPIRE YOUR WORLD

INTERNATIONAL CLASS

SURYA

STATUTORY DIRECTIVE: SMOKING IS INJURIOUS TO HEALTH

Eyeing the east

Dambar Krishna Shrestha in *Himal Khabarpatrika*, 30 June-15 July

हिमाल

Six years after they began expanding their organisation to include the eastern tarai, Maoist rebels claim that they have been successful in establishing a class struggle in the area. The commissar of the 7th brigade D-company, 'Himal', who is in charge of the Jhapa, Morang and Sunsari districts, says that the eastern hilly region has become the base area for the rebels and that the tarai area is already their people's base area. Despite his claims, so far the rebels have been unsuccessful in all of their big attacks in the eastern tarai, but do have several minor offensives to their credit.



Over the last year, the rebels have mobilised armed guerrillas in eastern tarai, where they claim to have seven brigades, two battalions, three companies and several platoons and sections. They say their guerrillas can travel freely to all the villages in Jhapa, Morang and Sunsari, carrying SMGs, AK 47s, SLRs, .303 rifles, home made rifles, pistols and socket bombs.

Almost two months ago, the rebels held a press conference in a village just five km from Jhapa's district headquarters of Bhadrapur. They were armed with guns and other weapons while addressing the press.

A large part of the rebels' success in strengthening their tarai base has been due to help received from ethnic fronts like the Limbuban and Khumbuban. According to Comrade Himal, large numbers of Maoist recruits are coming from local communities and ethnic groups such as Santhal, Tharu, Dhimal, Chaudhary and Dalit. As a result, the Tharuwan liberation front is also helping intensify the 'people's war' in the eastern tarai. However, there are concerns that after joining hands with the rebels, these fronts are losing their independent identities and are simply classed with the Maoists.

Under the D-company, Jhapa, Morang and Sunsari each have district commanders who control guerrillas and militia. In urban areas, there are special task forces of between 10 and 15 members who lay ambushes, set off explosions, kill people and loot arms and money from the banks.

Experience in the west and the eastern mountains has made these rebels such experts in hit-and-run tactics that the security forces in the tarai are having a tough time trying to control them. However, the rebel platoon commander of the 18th brigade, Rajan, was killed in Dharan when a time bomb he had made went off prematurely.

Maoist political commissar Hikmat lives in a village hut and uses a mobile phone (pictured) to direct military activities. "When fighting in the mountains, we use the topography to our advantage. In the plains like this, we have to use the density of the people," he says.

Aware of the rebel developments in the eastern region, the army is also building up. There are new unified command posts in bases deserted by the police. According to the eastern headquarters of the army in Itahari, there are already 17 such posts in the eastern tarai. Soldiers regularly patrol all the urban areas and nearby villages. "The Maoist can do nothing in the tarai," says brigade commander Annata Bahadur Thebe. "At a time when they are losing ground even in the mountains, they shouldn't even dream of making major attacks in the tarai because we have enough back up in the region to foil their offensives."

Maoists kill Maoists

Kantipur, 15 July

कान्तिपुर

An internal feud resulted in Maoist militants in Doti killing at least 14 of their own comrades earlier this month. They had a disagreement over an abducted person with one faction demanding his release, and others vehemently opposed to the idea. As the argument intensified, two militants struggled over a hand grenade, which exploded and killed both instantly. Thinking security forces were attacking them, other militants opened fire, killing their own comrades including an area commander and several female rebels.

Mobile troops

Desbantar, 12 July

देशान्तर-साप्ताहिक

Nepal Telecom had to stop this week's sales of prepaid mobile phone sim cards long before it reached the sales target. The company had aimed at distributing 50,000 sim cards, but had to stop after just 30,000 reached the public because the Royal Nepali Army decided to equip its officers with mobile phones instead of walky-talkies, and demanded 20,000 sim cards. A source in the army said mobile phones are now preferred because many of the walky-talkies soldiers were given have either been taken by the rebels or are not functioning well. Army officials have also been complaining that the rebels often intercept their walky-talkie communication.

Farm subsidy

Annapurna Post, 10 July

The recently announced Indian budget has allocated a significant grant for agriculture, and this has prompted Nepali agricultural

experts to campaign for similar allotments in our upcoming budget as well. The argument is that Indian subsidies will make their products cheaper, causing them to flood the Nepali market. "The government must start doing its homework," says agricultural scientist Deb Bhakta Shakya. "Even if the government is unable to provide a grant as large as the Indian government did, there must be some provisions."

A senior scientist of Nepal Agriculture Research Council agrees that cost is a major factor in why Nepali agricultural products have not been able to compete with Indian ones. "The upcoming budget should allocate at least one percent of the total sum for agricultural research," he says. "The past investment in researching maize and wheat has yielded around 40 percent returns."

Agriculture experts say the government should focus on equipping the agriculture sector and the establishment of an agriculture gene bank. Currently, Nepal has stored seeds of over 2,000 species of rice in overseas gene banks. Agriculture contributes 40 percent of Nepal's GDP and Nepal's rice production has grown by a record 8 percent in this fiscal year. But this figure could have been higher if there had been adequate investment in the agriculture sector.

Banning Deuba

Desbantar, 12 July

There was a time when K P Bhattarai wholeheartedly supported his protégé, Sher Bahadur Deuba. "I will be where Deuba is, and that will be in the Nepali Congress," he used to say to garner support for Deuba, who led the splinter faction from the Nepali Congress almost two

years ago. Those were the days when Bhattarai used to equate 'Deuba' with 'Nepali Congress'. Not any more. Now Bhattarai is so angry with Deuba that he has even banned the prime minister from his residence at Bhaishepati. According to his personal aide, Amita Kapali, who seems quite eager to talk about it, the reason for Bhattarai's ire is that Deuba failed to accommodate his men in the ministers' council. Deuba is said to have promised Bhattarai that at least Narayan Khadka would be on board, but failed to deliver.

Brothers in arms

Kantipur, 12 July

कान्तिपुर

DADELDHURA—It is tricky when a 71-year-old father has two sons—one a Maoist militant, the other a policeman. While his Maoist son has given up the family and gone into the jungles, his policeman son has dedicated his life to defending the state. But their careers don't make much difference to their father. All he wants is for his two sons to stay alive and not end up killing each other. Having them face each other in battle is his worst fear. He lives alone and there is no one to take care of or even feed him. Neither son wants to give up his career to come home and care for him.

This is a common story in Salun village of Dadeldhura, where siblings and relatives who join the opposing sides often end up as unwitting enemies. Villagers dread tuning into the radio news of encounters between the militants and security forces, fearing they might hear that one of their own was killed, whether they belong to the state or the rebel army. More than 150 youth from the village have joined the two



Briefcase: Budget

हिमाल Robin Sayami in *Himal Khabarpatrika*, 16-30 July

QUOTE OF THE WEEK



"How we deal with Nepali Maoists in India depends on the finalisation of the extradition treaty."

Outgoing Indian Ambassador Shyam Sharan at a press conference on 9 July.

forces, so having relatives facing each other in battle is inevitable. "When I met my brother, we both cried thinking about how we grew up together but still were not able to convince each other to quit," recalls a policeman. While some have no choice but to follow the orders to kill, there are some who do not have the heart to do so. A few days ago, a Maoist militant 'abducted' his policeman cousin and protected him so he would not get killed during a planned Maoist attack.



Sexual revolution

Bhojraj Bhatt in Thawang Nepal, 11 July

Maoist commandments make life difficult even for the rebels, especially when it comes to love and marriage. Militants are required to get party approval to choose lovers, and can only marry once their love is officially sanctioned. But even after marriage, privacy is scarce. Spending time alone is frowned upon, and when they speak it has to be with 'respectful' and not 'frivolous' language. The problem becomes worse when they are separated and posted in remote regions because they hardly ever get permission to visit each other. "I long to meet my wife, but we have to follow party rules," says 'Gaurab', who hasn't seen his wife, a worker with the party's culture unit, for over six months.

Party members are not allowed to marry anyone outside the party on the grounds that non-Maoist wives are not strong enough to endure the hardships of the struggle, and can't help the party on or off the battlefield. This raises interesting questions about how the Maoists fulfil their sexual desires. "Many have been able to suppress it as they always put their principles first," says Losi, a 'people's doctor'.



Recently, the Maoist party announced a strict policy against rebels conceiving children over the next five years. "The war is in full swing, and dealing with pregnancies and small children will also burden others in the party," says 'Gambhir', a midwest regional Maoist member. Both militant and non-combatant Maoists have been ordered to use birth control.

Infidelity is a rank issue, as rebels usually look for a partner who is at the same level within the party. Often, members who have been promoted betray their 'junior' partners by having affairs with their new equals. There are many cases of this, but there is some justice for the betrayed, as cheaters are punished if partners file cases at the 'people's court'.

But despite restrictions, the Maoist party is actually more lenient when it comes to member's personal lives than they were before. Newlywed couples were once prohibited from visiting their homes and introducing their partners to their families. This rule changed when many widowed Maoist women were rejected by their in-laws, with parents of killed rebels refusing to accept a bride they had never met.

"I thought the comrades had dignity, but I don't believe that anymore," says Jagriti, a female militant whose boyfriend betrayed her for another rebel girl. After her complaint to the party, her ex-boyfriend was sentenced to hard labour.

Royal shenanigans

Janastha, 14 July

अरुण

It is nothing new for Crown Prince Paras to fire a few shots and go wild in discos, but it had seemed he'd given it a break, until last Friday on King Gyanendra's birthday. Everyone was taken by surprise when the prince got a call around 1:30 AM and immediately sped off. Close friends and royal cousins were waiting for him at Everest Hotel's Galaxy Disco. Sarik Larry, son of Everest Hotel's owner, also arrived and asked everyone except the royal guests to leave. Soon after, Princess Himani showed up and tried to persuade the Crown Prince to return to Narayanhiti Palace, and then all hell broke loose. Prince Paras opened fire. His bodyguards, friends and cousins all fled for their lives. Even Princess Himani was unable to

control him. Kumar Gorakh, husband of late Princess Shruti tried in vain to restrain him, but had to retreat via the back door and hide in a nursing home near the hotel. Neighbours heard the shots, but there was no sign of security forces in the area. The police were given strict instructions not to interfere.

Finally, Princess Himani succeeded in calming down her husband, but the effect was temporary. In a rage, Prince Paras drove towards Club Dynasty in Darbar Marg, where he mercilessly beat up the disco bouncer. After reaching his family residence, Nirmal Niwas, he started a quarrel with his family. All the royal princes and princesses were then transported to the Narayanhiti Palace, and the prince left the city and sped towards Pokhara with two of his ADCs and two brothers-in-law.



THE NETWORK BACKBONE

MANAGED SWITCHES FROM D-LINK

DES-6000	DES-3326	DES-3226	DES-3624 Series
Chassis type, modular managed switch	24-port 10/100Mbps managed Layer 3 switch	24-port 10/100Mbps managed switch with 2 optional Fast Ethernet Gigabit ports	Stackable master and slave managed switches
Layer 2	Layer 3	Layer 2	Layer 2
Port density upto 128 10/100Mbps UTP ports or 96 100 Mbps Fiber ports or 16 1000Mbps Gigabit ports	24 10/100Mbps ports	24 10/100 Mbps ports with Fiber / Gigabit expansion slot	Port density upto 94 UTP ports and Up to 2 Gigabit links with UTP and Fiber expansion slots
SNMP, RMON, Telnet and Web Management	SNMP, RMON, VLAN, Port Trunking, Flow Control	Port Trunking, VLAN, Priority Queuing, IP Multicasting, Port Mirroring, SNMP, RMON	SNMP, RMON, Telnet, Port-Mirroring and Web Management
Hot-swappable, fully redundant dual power supply	Redundant Backup Power Supplies	8.8Gbps backplane bandwidth	Stackable, Backplane speeds of 10.66Gbps (slave) or 21.32Gbps (master)

MERCANTILE OFFICE SYSTEMS

D-Link Building Networks for People

Mercantile Building, Durbar Marg, Kathmandu Tel: 4220773, 4243566 Fax: 977-1-4225407 Email: market@mos.com.np

SALE! SALE!! SALE!!!

ONLY AUTHORISED DEALER OF



NEVER STOP EXPLORING

UP TO 20%

WINTER WEARS ■ CASUAL WEARS ■ FOOTWEARS ■ BACKPACKS MOUNTAINEERING ■ ACCESSORIES ■ EQUIPMENTS

SHERPA ADVENTURE OUTLET (P) LTD.

Tri-Devi Marga, Thamel, Kathmandu, Nepal. (Opposite Himalayan Bank.)

Tel: 977-1-4445101 Email: sao@mail.com.np

Ready to roar again

It is difficult to imagine the Kumudini Ramalingam of today as a female Tamil Tiger cadre, but four years ago she lost a leg in heavy fighting with government troops near the sprawling Sri Lankan Army complex at Elephant Pass. The Liberation Tigers of Tamil Eelam (LTTE) overran the place in 2000. Ramalingam served in LTTE military units for 10 years, rising to the rank of captain before her injury. Today she uses an artificial leg, is married and works at the Vocational Training Institute for Women, which helps women get back to civilian life. "I prefer peace, it is better," said Ramalingam from Tiger-controlled Kilinochchi.

The two-year ceasefire between the Tigers and the Colombo government has improved civilian life in Sri Lanka, especially in Tiger-held areas. The government lifted a goods embargo easing both civilian and commercial traffic. A new vehicle service station being built in Kilinochchi is symbolic of the changes that peace has ushered in. Donors and non-governmental agencies have increased work in the areas. Two weeks ago, the World Bank announced a loan of \$64.7 million to develop agriculture in the north-east. The Tigers have also made use of the ceasefire to develop and strengthen its civilian administrative structure.

However, rising tension and the lack of goodwill between the new government led by President Chandrika Kumaratunga and the Tigers have strained the Norwegian-brokered peace process.

Since coming to power in April, the new United People's Freedom Alliance (UPFA) government has been plagued by a lack of a parliamentary majority and a cohesive policy, which have thwarted attempts to

Sri Lanka's Tamil Tiger rebels get edgy as the peace process falters, and the first suicide bomb in three years goes off in Colombo.

AMANTHA PERERA in KILINOCHCHI



get talks stalled since April 2003 recommenced. Kumaratunga's UPFA narrowly defeated former Prime Minister Ranil Wickremesinghe's United National Party, but lacks a majority in parliament.

Last week, Norwegian special envoy Erik Solheim met with both Kumaratunga and the Tiger leadership separately to break the deadlock, but left without any deal. In fact, during talks, LTTE political wing leader SP Tamilselvan conveyed a toughened stance.

Demanding that their proposals for an interim administration be implemented, the Tigers also requested the government to refrain from aiding renegade former eastern commander Vinayagamorthi Muralitharan alias Colonel Karuna, who defected to government controlled areas in April. Accusing Karuna of backing murder and mayhem in Batticaloa in the east, the LTTE negotiator warned that future talks would now depend on Colombo. "If this situation is

allowed to continue, it will jeopardise the ceasefire agreement and the entire peace process," the official Tiger website quoted Tamilselvan as telling the Norwegians.

The Sri Lankan government rejected allegations of helping Karuna, saying elements within the army had aided Karuna without the knowledge of the government.

While Kumaratunga said in a national address last month that she was willing to accommodate interim administration proposals, a powerful coalition partner in her government—the People's Liberation Front—has rejected it outright, reiterating their demands that negotiations tackle the interim administration and a final solution simultaneously.

"If you allow the process to drag on, all gains would be nullified," said Tamil National Alliance MP, MK Eelavethan, warning that patience was running thin among the Tigers. Even before last week's meeting, the Tigers had been complaining of a lack of a clear policy on the part of the new government.

The impasse led the London based *Tamil Guardian*, which is close to the Tiger thinking, to warn last week that the ceasefire was unravelling. "We cannot recall a time when the prospects for peace have been lower," it said in its editorial. And this is a fear shared by many observers in Colombo.

The unease is heightened even more due to the fact that despite the ceasefire, both sides are well armed and continue to recruit. The Tigers have been conducting interviews for new police recruits during the past two weeks while the Sri Lankan Army also called for applicants for its commando units.

"We are preparing for peace, but staying ready for war," said the head of LTTE's female political wing. ● (IPS)

Reporting corruption in multilateral development banks isn't the end of the problem

JIM LOBE in WASHINGTON

Insiders at the World Bank and other multilateral development banks (MDBs) who want to blow the whistle on corruption or other forms of mismanagement are insufficiently protected against retaliation, says 'Challenging the Culture of Secrecy', a report by the 27-year-old Government Accountability Project (GAP).

While the World Bank is rated as the most protective of the four MDBs studied, it still has a long way to go in devising procedures that will encourage potential informants to offer information without worrying about losing their jobs or other retaliatory measures. Of the three other banks—the Inter-American Development Bank (IDB), the Asian Development Bank (ADB) and the European Bank for Reconstruction and Development (EBRD)—the EBRD was rated worst at protecting informants.

"Our study demonstrates that none of the banks have reliably safe channels for whistleblowers to

make a difference against corruption" said GAP Legal Director Tom Devine. "The bottom line for now is that GAP cannot responsibly recommend that whistleblowers work with the bank policies for raising their complaints". But he also stressed that all of the banks appeared committed to providing protection to the whistleblowers in the interests of maintaining transparency and improving their operations.

Recently, whistleblower protection and other efforts to promote transparency and discourage corruption have become a major concern in both developing countries and wealthy nations. The US Congress has enacted whistleblower protection laws to encourage federal employees to report fraud or other mismanagement without worrying about retaliation or harassment. Whistleblower protection provisions have also become standard in

Whistleblowers

international anti-corruption conventions and treaties, such as those recently adopted by the United Nations, the Organisation of American States and the Council of Europe.

In January, Congress passed a new law that requires the US Treasury—which represents Washington on the governing boards of the MDBs—to use its influence there to establish new anti-corruption and transparency guidelines, including complaint systems consistent with US and international law, by June 2005. GAP has been working with Treasury on developing benchmarks for progress. At a hearing on anti-corruption efforts by the MDBs in May, the chairman of the Senate Foreign Relations Committee, Richard Lugar, charged that the World Bank itself had lost to corruption about 100 billion dollars—a figure the bank strongly rejected—that had been slated for development since 1946, or nearly 20 percent of its total lending portfolio.



According to GAP, one way to fight corruption is to encourage staff to denounce it, and that can only be done if they are confident they will not suffer retaliation from their superiors or any other harm as a result of coming forward. To assess the effectiveness of whistleblower protections, GAP developed a

checklist of 24 variables divided into five different categories. Based on its written policies, actual procedures and other information obtained by GAP, each bank was then assessed a score for each variable and category, with 100 as a perfect score.

The categories included "scope

Guatemala's grim memories

A South America nation has already been where Iraq is today

BEATRIZ MANZ

Latin Americans were overwhelmingly—in many countries over 90 percent—opposed to the US invasion in Iraq. This is no surprise in a region that has experienced its share of American interference.

Fifty years ago, on 27 June 1954, the CIA orchestrated its first coup in Latin America. Dubbed 'Operation Success,' it fulfilled its mandate in overthrowing the government of Guatemalan President Jacobo Arbenz, a moderate reformer.

In the midst of an intensifying cold war, the democratically elected Arbenz was perceived to be influenced by communists. As if to prove the point, he began enacting a serious land reform. This act threatened the unused land of United Fruit, a company with strong ties to members of the Eisenhower administration—most prominent among them Alan Dulles, director of the CIA, and his brother John Foster Dulles, the secretary of state.

Once Arbenz was ousted, Vice President Richard Nixon announced to the world that Guatemala would serve as a model of US-style democracy and freedom for the rest of Latin America. Instead, the country entered a nightmare that would only deepen in the decades that followed.

What happened in Guatemala was a triumph of ideology over reality. With each succeeding



military government more violent than the last, a pledge of anti-communism was all that was needed to ensure continued US support. The military and business elite was given carte blanche to rule in increasingly authoritarian ways. Gross human rights abuses were minimized or ignored—particularly in the 1980s when repression escalated into wholesale slaughter and torture. President Ronald Reagan dismissed criticism of General Rios Montt, a coup leader and arguably the worst of a bloody lot of military rulers, as "a bum rap".

The UN commission documenting the violence in Guatemala concluded in 1999 that a genocide had taken place. The numbers are difficult to com-

prehend. The military committed more than 600 massacres, 200,000 Guatemalans—predominantly Mayan peasants—were murdered, 400 Mayan villages destroyed and 1.5 million people displaced. Tens of thousands of Guatemalan refugees fled to Mexico and hundreds of thousands have gone to the US. This is no showcase for freedom and democracy.

In the 1990s, with the end of the cold war, the US refocused its attention away from Central

America. Peace accords were reached—an achievement in which the United Nations and European countries played a crucial role. With that the internal war formally came to an end.

In a reversal of what might now be called the Powell doctrine ("if you break it, you own it"), the US, which was willing to pay for the destruction of Guatemala, now refuses to cover the cost of rebuilding it. Instead, Guatemalans in the US are bankrolling their country's reconstruction. In 2003

Guatemala received over \$2 billion from the US, but it was not from the US government. The money came from the meager earnings of Guatemalans laboring in the US.

The Bush administration did sign a Central America Free Trade Agreement (CAFTA) in May, but many Guatemalan civic and religious leaders are concerned that the interests of ordinary Central Americans are being left out of the debate. In a letter to Congress, Alvaro Ramazzini, Bishop of the Guatemalan Diocese of San Marcos and president of the Council of Central American Bishops, wrote that CAFTA as drafted 'will create greater inequalities between rich and poor in Central America.'

A Guatemalan peasant in a remote village near the Mexican border told me recently, "The US is culpable for creating hell in this country and supported the military that burned down our village and massacred our people. And now? It is in Iraq. We know what that is like."

The fallout from an intervention five decades ago still shapes perceptions today. ●

Beatriz Manz, is a professor at the University of California, Berkeley, and author of *Paradise in Ashes: A Guatemalan Journey of Courage, Terror and Hope*

not safe

of coverage," which awards a total of 40 points when a bank extends protection to any relevant witness, such as bank staff, or other interested party, such as proposed beneficiaries of bank projects, against harassment or retaliation. There were 12 points allocated for procedures that ensured whistleblowers were given full rights of appeal to an independent body that was free from possible conflicts of interest, and another category had a total of eight possible points for the standards of proof the whistleblower had to meet to win a case of harassment or retaliation. The fourth category—relief for whistleblowers who win their claims of retaliation—held a total of 20 points, and finally, there was 16 points for whether or not the institutional channels for whistleblowers had actually proven effective at fighting corruption or other abuses of power.

Altogether, the World Bank scored highest with 60 points out of 100, followed by the ADB with 50, the IDB with 49 and the EBRD with 45.

All of the banks lost points as a result of policies they have in common, including enforcing bans on communication by staff with external parties concerning information that may be deemed "detrimental" to the banks themselves. Also, though all four have established mechanisms to hear complaints by the supposed beneficiaries of their projects, none provides protection against retaliation by their own governments. The banks also lost points for failing to provide truly independent forums for hearing claims by whistleblowers.

The report noted the institutions are embracing whistleblower protection as an effective management tool but still falling short of what is required. "Ultimately, the banks' current policies may well have the effect of suppressing efforts to bring wrongdoing to light", said Greg Watchman, GAP's executive director. "Unless these policies are significantly strengthened, witnesses to corruption will remain silent." ● (IPS)

Learn to Lead Join APEX



Apex exposes you to an environment where you can learn a number of concepts and skills like strategic thinking, analytical, technical and communication skills so essential to excel in today's competitive world, apart from offering a strong foundation in theoretical knowledge.

Education at Apex is rigorous, practical, and market relevant to prepare you to innovate and manage organizations in the global context.

Programs Offered:

- Masters of Business Administration (MBA) — 2 yrs
- Bachelors of Business Administration (BBA) — 4 yrs
- Bachelors of Computer Information System (BCIS) — 4 yrs
- Bachelors of Computer Engineering (BE-Computer) — 4 yrs
- Bachelors of Electronics and Communication Engineering (BE-Elx) — 4 yrs

Eligibility

At least second division or a CGPA of 2.0 from a board/university recognized by Pokhara University.

Masters of Business Administration

At least 15 years of schooling that includes a 3-year Bachelors degree in any discipline.

Bachelors

BBA/BCIS: 10+2 or PCL in any discipline,
BE Computer/Electronics: 10+2 or PCL (Physical or Biological) or a Diploma in Engineering or Architecture.

APEX
COLLEGE

(Affiliated to Pokhara University)
GPO Box: 19691,
Baneshwar, Kathmandu, Nepal.
Tel: 4467922, Fax: 4467923,
E-mail: admissions@apexcollege.edu.np
www.apexcollege.edu.np

Scholarships:

- Apex National Scholarship (2 full scholarships in each program)
- Apex Merit Scholarship to at least 3% students

• Application Form: Open

Education for Rewarding Career. For You.

Inadvertent overachievement

Everyone thought only 20 percent of Nepalis had access to electricity. A new study shows a figure double that. How did we get it so wrong?

Nepal's ninth five year plan (1997-2002) aimed to provide electricity to 20 percent of all households. Imagine the surprise when the 2001 Census showed that 39.4 percent of families claimed they already had electricity.

Even the Nepal Electricity Authority (NEA) had until then thought it provided electricity connections to 18 percent of the population. When the new figures came out, the NEA grudgingly accepted that it

REVIEW
Bikash Pandey



could be serving 32 percent of the population

and the remaining seven percent was getting lights from village micro-hydro and solar PV.

An explanation for how the NEA has been unwittingly providing electricity to many more households than its Annual Reports even today continue to suggest was put forward by the research group Community Development Awareness Centre (CADEC) earlier this year as part of its report Renewable Energy Data of Nepal 2003 (with access-to-electricity data).

CADEC has tried to explain the difference between what NEA considers connected households and the number of families that have access to electricity. NEA counts the number of energy meters it has installed in houses and multiplies that by the average national family size of 5.6 individuals to calculate the percentage of the population it has reached. The Census on the other hand went door to door and asked if the family had access to electricity.

So how come those that were not connected (did not have a meter installed) as per NEA's records have access to electricity? CADEC demonstrates that there are many families that share meters. This happens most commonly in urban areas where families rent rooms from landlords. The single NEA connection in reality serves many families. In rural areas as in urban slums it is also common to see a number of houses running a wire from the neighbour's house and paying a monthly fee per light bulb.

Then there are many illegal connections in which people hook on to the nearby distribution lines for which they do not pay the utility. For all these reasons more people than in the official NEA records actually have electricity in their homes.

The records for decentralised energy supply are relatively easier to decipher than NEA's statistics. CADEC has computed that Micro-hydropower and solar home systems are providing electricity to a relatively small number of households, 1.9



MIN BAJRACHARYA

GRID LOCK: This house in a village in Baglung housing a cable distributor is not connected to the grid, but has electricity.

from micro-hydro and one percent the population respectively at present. But both sectors are growing rapidly and can be expected to play an increasingly important role.

One thing the new numbers do is make Nepal's electricity coverage now comparable to other countries in South Asia. It is still lower than India (46 percent), Pakistan (55 percent), Sri Lanka (62 percent) and Maldives (62 percent), but slightly above the coverage in Bangladesh (38 percent) and Bhutan (35 percent). The fact that almost 40 percent of Nepali families have access to electricity for lighting and other worthy purposes like income generation, tv and radio is a major accomplishment, even if it is inadvertent.

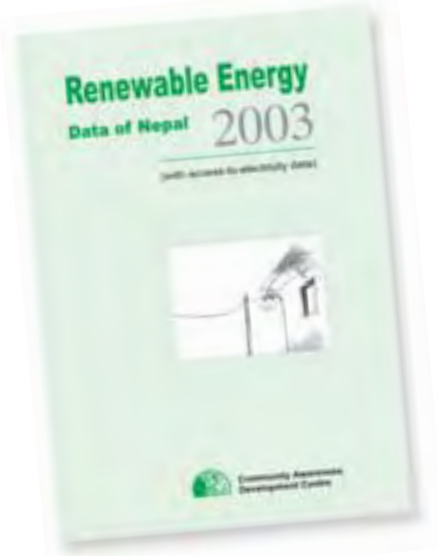
As a first step, the 20 percent figure needs to be revised in the popular press and corrected in NEA and government reports and UN documents. A second number that needs revision is that it is not five but rather 30 percent of the rural population that has access to electricity. This more accurate understanding of electricity access has important implications for planners and policy makers. It indicates, for example, that many more Nepalis are watching television that was previously thought! Another lesson is that NEA needs to make it easier for people to have access to legal connections by making meters less expensive and connection procedures less cumbersome. A recent NEA initiative that could significantly reduce 'hooking' and could also enforce the one-house-one-meter rule is the execution of its 2003 Community Electrification Distribution Bye Laws.

These new regulations encourage organised rural communities, cooperatives, and NGOs to purchase energy from the NEA

in bulk and distribute to their members. Early experience in 18 communities that have taken over their own distribution systems has shown dramatic reduction in pilferage of electricity.

Clearly, electricity is a high priority for Nepalis particularly to rural communities not connected to the national grid or have not been able to build their own micro-hydropower systems or purchase solar home systems. The government's promise to provide 80 percent subsidy for communities themselves to build new systems or

expand existing networks has further energised local communities. Over 200 groups have applied to take over or construct and manage their own electricity distribution systems. Once this energy is unleashed, and if it is properly managed, the tenth five year plan (2002-07) target of access to the grid to 43 percent of the population and the 15-year goal of getting grid electricity to 63 percent of all Nepalis, are both likely to be exceeded. ●



Renewable Energy Data of Nepal 2003 (with access-to-electricity data) Community Awareness Development Centre 2004 NRs 100

Lighting up Humla

It all started as a crazy idea. Journalist and environmentalist Bhairab Risal was talking to Jivan Shahi, the ex-DDC chairman of Humla and they dreamt up a scheme to bring solar-powered lights to each household of this remote northwestern district.

They did their calculations and found it wouldn't cost more than Rs 200,000 to supply the solar panels and batteries to 50 households. So, each family would need Rs 4,000 to make that happen. But in Humla no one can afford that kind of money. So who was going to fund it?

Bhairab and Jivan decided to fundraise from their friends in Kathmandu, and the 'Bright Humla Campaign' was born.

Whenever Risal went to wedding parties and receptions, he told other guests about Bright Humla. "Everyone was positive, some gave me four thousand rupees on the spot," Bhairab recalls. Chartered accountants, businessmen, writers, civil servants even politicians all became instant donors.

Before too long, they had reached their target of Rs 200,000 which was enough for 2004. On 15 June, the first neon light flickered on in Dhanrup Kami's house in Simikot. The other households will all be fitted by the end of the year.

Even after this year's target was met, Bhairab and Jivan were getting donations. So they decided to extend the programme. Now, they aim to collect Rs 2 million to provide lighting for 500 families in Humla in the next two years. Bhairab is already thinking ahead about training local households on taking care of batteries and disposing of old ones, and how the light can make a difference in their lives.

Some 85 individual Nepali donors have contributed to Risal's campaign and he is optimistic about reaching his next target. He is also going further afield to tap funds: the Nepali diaspora who can bring the light of development to homes in a remote corner of Nepal for just \$60. "This campaign has proved to me that Nepalis are willing to help each other," says Bhairab Risal.

Jivan Shahi is equally ecstatic. "This is reaffirmed my hope for the future of Nepal." (Bright Humla Campaign: 01-4232052)

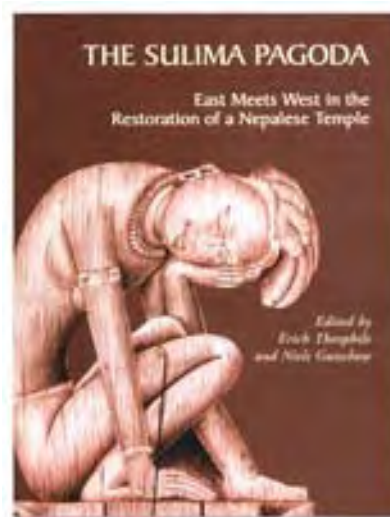


BIGBEN



Nepal: Meeting the mountain guerrillas

BOOKWORM



The Sulima Pagoda
Enrich Theophile and Niels Gutschow (ed)
Orchid Press, 2003
Rs 2000

Restoration of Kathmandu Valley's numerous historical buildings has always been subject to controversy: what to save, how to do it. In this book, nine experts on conservation present their views, focusing on the recent restoration of the Sulima Temple in Patan Darbar Square—possibly the oldest intact multitier pagoda in the Valley. Complete with period photos, comparison shots and design sketches and paintings, *The Sulima Pagoda* has a lot to teach about our architectural heritage and its preservation.

Courtesy: Mandala Book Point, Kantipath, 4227711, mandala@csl.com.np



Choices, choices

What type of club should golfers look for?

Every now and then golfers ask me, "How can I hit the ball a few yards longer? Maybe I should get this new technology driver. One of my friends has just bought it and he says, he's been hitting it 20 yards longer. My putts are not dropping in at all. What should I do? The shape of that putter looks so comfortable, maybe I should get that one."

With questions like these common among club golfers, there is some basic knowledge I will share with you about what to look for before buying new clubs.

TEE BREAK
Deepak Acharya



Undoubtedly, every golfer always desires to hit the ball those

few yards longer and sink more 10 footer putts, and to use new equipment to improve. Millions of golfers around the world switch their clubs hoping it will help their game. Sometimes this happens so often that, funny as it sounds, they change equipment almost every month. This happens even in a poor country like ours, though comparatively less often than golfers from elsewhere. Sometimes I even wonder if they are really looking for more distance, or if it has become a fashion statement.

Good players who change their clubs take advantage of new advances in material and technology. However, manufacturers often take advantage of club golfers, giving products with no major difference a new look and name, which in my opinion is often just a gimmick.

What should you look for when you buy your next club?

I don't have to mention that a good swing produces distance and accuracy, therefore making a good swings more important than the club. Always try to improve your game by improving your swing. However, if there is nothing to change in the present swing, the key to getting optimum benefit for distance is on having the right shaft in your club.

What does having the right shaft mean?

Each golfer's ability to swing the club is different. Some swing the club faster, some at a medium speed and others quite slow. The same shaft isn't going to work for everybody. A person who is strong and has a fast swing needs a stiffer shaft. On the other hand, if someone has a slow swing and they are little weaker, they require a senior flex graphite shaft. As for choosing the right putter, the most comfortable ones are usually face balanced.

These are some of the basics to consider when you look at new clubs, but it would also be worth your while to consult your nearest golf professional for help in choosing the right products for you.

Deepak Acharya is a golf instructor and Head Golf Professional at Gokarna Forest Golf Resort & Spa, Kathmandu. prodeepak@hotmail.com



STATUTORY DIRECTIVE : SMOKING IS INJURIOUS TO HEALTH

Tour de France

The home favourite bags the 10th Stage on Bastille Day

ST FLOUR, France—After 14 years in the peleton, 12 Tours de France, one doping suspension and seven mountain stage wins, Richard Virenque has seen both the dark and the bright side of cycling.

Now, after his dominating 10th stage victory over the hills of central France yesterday, the popular rider said he might start thinking about retirement. "I can

finished since 1994. Last year he won in Morzine and in 2002, he beat Lance Armstrong to the summit of the infamous Mont Ventoux.

"The most difficult part of the season is the start," said Virenque. "It's hard to make the sacrifices when you have a wife and children and you want to spend more time with them."

In his usual fashion, Virenque

Last year, the most popular but also the most controversial rider in France had taken the yellow jersey on Bastille Day but he insisted his move this time had not been premeditated.

"For me, it's Bastille Day every day on the Tour," said Virenque. "What I had decided was to go hunting for points in the King of the Mountains classification. "I had crossed that stage in the book



go in peace now," the 34-year-old Frenchman said.

"The day I feel that I'm on the way down, I will stop. I don't want to ride a year too many. "We'll discuss it at the end of the Tour but as long as the flame is there, I think I should continue. I don't know exactly when but I will have to make a decision soon."

Virenque, who finished second overall in 1997 before being kicked off the Tour in the doping scandal of 1998, has won a stage in almost all the Tours he has

attacked early on in the 237-km stage from Limoges, the longest in this year's Tour. The determined Frenchman, rated the best climber of his generation alongside Italian Marco Pantani, remained in the lead for more than 200-km but later admitted he was starting to feel his age.

"I was really exhausted towards the end," said Virenque. "The final bit was very hard. I'm dead. I might pay for it tomorrow but the main thing was to make an impression in this Tour."

because it looked a decisive stage for the polka dot jersey. It was important not to miss it."

While Armstrong is out for a record sixth Tour victory, Virenque also has a record in his sights — wearing the polka dot jersey across the finish line on the Champs Elysees for the seventh time.

The Frenchman has been crowned best climber in the Tour six times, joining the two best climbers in history — Belgium's Lucien Van Impe and Spain's Federico Bahamontes. ●

SHANGRI-LA VILLAGE
Presents

MONSOON MADNESS

MONSOON MADNESS

Buy a package for Rs. 5999 and get back Rs. 5000 in coupons plus 2 nights - 3 days Complimentary stay at Shangri-La Village.

NRs. 5,999.00

SHANGRI-LA VILLAGE

Take a trip to a **MADDENINGLY** Happening Place

For the **"MADDEST"** Journey Where the offer is as "MAD" as it sounds !!!

A TWO NIGHT Package for a couple to the Most Exotic Resort in Nepal at No Cost !!!

Attractive Airline Discounts Available

SHANGRI-LA VILLAGE

• The Coupons have to be used during the period of your stay
• Fixed Menu will be served at the coffee shop
• Valid from 1 July till 30th August 2004 only

For further Details: Tel. 441 2999 (Hotel), 443 5742 (Sales), Fax: 441 4184, E-mail: sales@hotelshangrila.com

"Lata ko desh ma gaando tanderi." (In a land of fools, even a man with a bad goatee can be a hero.)

HeroJig's Adventures can also be seen at www.extreme-nepal.com

#29 (c) 2001 by jigme gaton - permission to billboard in Boudha.

ABOUT TOWN

FESTIVAL AND EXHIBITIONS

- ❖ **Monsoon Collection 2004** Paintings by various artists at Park Gallery, Lazimpat and Pulchowk, until 24 July. 10AM-6PM, closed Saturdays.
- ❖ **The Gift of Sight** paintings by various artists. 5.30 PM on 18 July at the NAFA Hall, Naxal. All proceeds go to the Eye Donation Fund.



EVENTS

- ❖ **4th Bagmati River Festival** till 21 August
- ❖ **BrandInsight 2004** workshop at Soaltee Crowne Plaza, 25 July.
- ❖ **Just Divine Salsa Nite** at Rox Bar, 17 July. 7PM onwards, Rs 500
- ❖ **Constitutions and Constitutionalism in Nepal** discussions on 16 July, 2-5PM at Hotel Himalaya, Pulchowk
- ❖ **Saturday Nature Show** Bird watching and a presentation on nature at Park Village Hotel, Budhanilkantha. 4434705

MUSIC

- ❖ **Deo** at Not Just The Jazz Bar Fridays at Hotel Shangri-la, Lazimpat.
- ❖ **Jatra Friday Nites** Live music by The Strings. 4256622

DRINKS

- ❖ **Free drink deals** at Red Onion Bar, Lazimpat
- ❖ **Monsoon Wine Festival** at Kilroy's, Thamel. Rs 150 per large glass. 4250440/41.
- ❖ **Lychee Martinis** and latest club hits at Rox Bar, Hyatt Regency Kathmandu, 4491234
- ❖ **Island Bar** with DJ Raju, Abhaya and The Cloud Walkers. The Rox Bar, Hyatt Regency. 4491234

FOOD

- ❖ **Enter the Dragon** at the Shambala Garden Café, Shangrila Hotel. Chinese cuisine, 17 and 18 July.
- ❖ **Cafe Bahal** Newari and continental cuisine under the cinnamon tree at Kathmandu Guest House, Thamel.
- ❖ **Summit's Barbecue Dinner** with vegetarian specials. Summit Hotel. 5521810
- ❖ **Friday Nights** at Subterranea Club Kilroy. 4412821
- ❖ **Vegetarian Creations** at Stupa View Restaurant. 4480262
- ❖ **Splash Spring BBQ** Wednesday and Friday evenings, 6PM onwards. Radisson Hotel, Kathmandu.
- ❖ **Sunny Side Up Weekend BBQ** at Soaltee Crowne Plaza Kathmandu. 4273999
- ❖ **The Beer Garden** at Vaijyantha, Godavari Village Resort. 5560675
- ❖ **Dwarika's Thali Lunch** at The Heritage courtyard. 4479488

GETAWAYS

- ❖ **Bird watching escape** Shivapuri retreat with meals by Kilroy's. 4253352
- ❖ **Wet & Wild Summer Splash** every weekend at the Godavari Village Resort. 5560675
- ❖ **Pure relaxation** at Tiger Mountain Pokhara Lodge. 4361500
- ❖ **Bardia National Park** with Jungle Base Camp Lodge. junglebasecamp@yahoo.com
- ❖ **Golf** at Gokarna Forest Golf Resort & Spa. 4451212
- ❖ **Monsoon Package** Rs 3200 for two at Park Village Hotel, Budhanilkantha. 4375280
- ❖ **Early Bird discounts** at Shangri-La Hotel & Resort. 4412999
- ❖ **Summer in Shivapuri** at Shivapuri Heights. steve@escape2nepal.com. 9851051780

Harry Potter and the Prisoner of Azkaban, the much-anticipated third movie of the Harry Potter series has hit Kathmandu and is already working its magic. Following the life of boy wizard Harry Potter (Daniel Radcliffe), *Azkaban* introduces a host of new characters including Sirius Black (Gary Oldman), a notorious wizard criminal who has escaped from prison, and new professors Lupin (David Thewlis) and Trelawney (Emma Thompson). With new director Alfonso Cuarón at the helm, this is touted as the best in the series so far, and though enjoyable for those who've watched the earlier movies and read the books, also stands alone for those on their first Potter encounter.

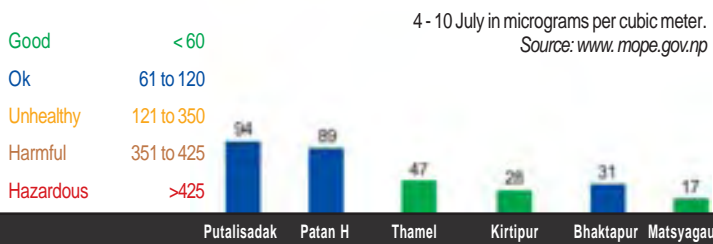
12:15, 3:15, 6:15 Bookings open
Call 4442220 for show timings www.jainepal.com

JAI NEPAL CINEMA



KATHMANDU AIR QUALITY

The continuous rain over the past week has done wonders for Kathmandu's air. The PM10 concentrations of fine dust particles at all measuring stations in the Valley, even in places usually choked with vehicles and pollutants like Putali Sadak, were well within the national standards of 120 micrograms per cubic meter. In fact, on 8 July the PM10 level in Putali Sadak was only 27 micrograms per cubic meter—about 10 percent of what the pollution level was a week earlier. So go out and breathe.



NEPALI WEATHER

by MAUSAM BEED



The monsoon is taking a breather, and this satellite picture taken on Thursday at noon shows us why. Central Nepal is currently between two troughs moving from east to west. The next monsoon pulse is due here over the weekend and this brief respite will be over. Look for bright mornings, cloud buildup during the day and heavy night rain. The hill stations on the Valley rim will be shrouded in monsoon clouds as will the higher trekking areas, except Dolpa, Mustang and Manang.

KATHMANDU VALLEY



CLASSIFIED

Visit Femines, the Exclusive Lingerie Store for ladies undergarments, nightwear, bathrobes and more. Ladies staff. Opposite Sajha Yatayat, Harihar Bhawan, Pulchowk. Tel: 547428

LIVE IN STYLE! Arcadia Apartments in the heart of Thamel. Centrally located, fully furnished apartments at unbelievable rates. For details: 981026903, 4260187

For Sale: SONY VAIO LAP TOP PROCESSOR PIV 2.40GHz RAM 256MB DDR SDRAM Hard Disk 40GB 12XGA, 15" Monitor, CD-RW/DVD ROM, Memory Stick Port Window XP and Window Office Pro 2003 installed. Made in China Contact: VISHAL 9851039291

TO LET - Luxurious 2 bedroom apartment with spacious living-dining, modern kitchen, 2 bathrooms, private telephone, ample parking, sunny terrace overlooking garden, solar-heating. Call: 5524389

For Sale: Nissan Patrol, 4.1 Itr. Oct 1999. Metallic dark blue. 65,000km. Owner driven. Duty not paid. USD 20,000 o.n.o. Contact 441 30 10/441 34 37/98 510 22361 or ktmamb@um.dk.

For Sale: PHILIPS MUSIC SYSTEM:

PHILIPS FW-V787 WOOL TECH, VIDEO CD & MP3 CD PLAYBACK WITH TWIN TAPE AND TUNER. 3200 WATT PMPO EXCELLENT CONDITION, FOR IMMEDIATE SALE. CONTACT: 9851038882

For insertions ring NT Marketing at 5543333-36.



MIN BAJRACHARYA

BIG BANG: A 65-year-old woman was killed when Maoists set off a bomb at the Nepal Telecom office in Jawalakhel on Thursday morning. Several were injured, including people in this bus parked outside the building.



KIRAN PANDAY

MAKING PLANS: Prime Minister Sher Bahadur Deuba and Surya Nath Upadhyaya of the CIAA release directives for various government departments on Wednesday at Pulchowk.



RAM HUMAGAIN/NEPALNEWS.COM

BHANU RALLY: School children at Darbar High School participate in a rally for Bhanu Jayanti on Tuesday.



KIRAN PANDAY

KNOCKING AT DOORS: Purna Maya Shrestha submits a petition at the Chinese Embassy in Balwatar on Tuesday, requesting that her husband Ishwori Kumar Shrestha, held on a drug charge in China, not be executed. The embassy has passed the petition on to Beijing.



KIRAN PANDAY

MEDIA MODELS: At the 2nd AAAN Crity Advertising Awards, held at Soaltee Crowne Plaza on Sunday evening, models pose in costumes representing various media houses.

Walking on air

“All you need is determination and you can achieve anything,” says Sarina Gurung, who made an unconventional career choice to become the only female helicopter pilot in Nepal. In four years, Sarina has already notched up over 1,000 flights and is now used to the reaction she gets as she lands her chopper on remote hillsides. “Hey, it’s a woman,” villagers say as she climbs out of the cockpit, and they rush to touch her to see if she is for real.

Sarina laughs at this, and hopes she breaks traditional stereotypes about women by just being there to do what she does. As a girl in Solukhumbu and daughter of an ex-British Gurkha, Sarina never imagined she’d ever be a pilot. After finishing high school, she remembers ruling out the usual career options: doctor, engineer, nurse. “When I decided to be a pilot, I thought about the idea, made a plan and worked on it,” says Sarina. She enrolled at a Russian aviation school in Odessa right after graduation. After getting her flying license, she returned to Nepal and got a job with Simrik Air.

It’s a choice Sarina is glad she made, and Nepal is one of



the most challenging areas of the world to fly a helicopter in. “Thanks to flying, I’ve really learnt a lot about Nepal, its geography and biodiversity,” she says. By now, she has landed her huge Mi-17 helicopter in 500 places spread over Nepal’s 75 districts.

Sarina plans to continue flying high, but refuses to limit herself to just being a pilot. “Sometimes, it gets monotonous going from Point A to Point B,” she says. But as an aerobics instructor and bungy

jumper as well, Sarina has no time being bored. Now she wants to try paragliding as well. On top of all this, she’s making a foray into film, having just completed a six-month video project on Rai culture which will be released soon.

Sarina is happy that she is not yet a celebrity. “People really don’t know that I exist,” she says, pointing out that her name was not mentioned when a national newspaper ran a list of all the female pilots in Nepal. She ribs us: “You guys need to do more homework.” ● (Naresh Newar)

Ten things I like about Nepal

Every country has its pros and cons, tell me one country that doesn't. On some days it feels like our con men outweigh our pros, but such days are rare. That is why I get impatient with people who are always whining on about this great country of ours and needlessly hurting her feelings. One of the most uplifting things about being a Nepali in this day and age is that we know it is a kingdom with great potential. Potentially, we have the potential to be great, and that's what counts.

UNDER MY HAT
Kunda Dixit



That is why it helps sometimes, for future reference, to draw up our own individual lists of what we like and dislike about Nepal, and as a sort of guide to remind ourselves of

the little blessings that we take for granted every day. Here is my list over which I claim no intellectual property rights, so you can lift entire chunks of it and pass it off as yours. Here are the ten things I like about Nepal:

1. We smile through all our troubles, no matter how hard the times we always see the glass as half full because we know that things are going to get much worse and we may as well enjoy it while things are relatively better.
2. Nepal posted a 4.6% growth rate in the last fiscal year, everything grew: the deficit, the concentration of particles below ten microns at Putali Sadak, the number of days the country shut down, and according to a news item this week in the national dailies "the illegal flesh trade mushroomed". Or was it "the illegal mushroom trade was fleshed out". Whatever. Either way there was a 4.6% growth.
3. We have lots of holidays.
4. Free weight loss clinics for politicians. Former ministers protesting regression can now burn off excess fat by taking part in relay hunger strikes.

We know it is hard not to eat for three hours, but hey, no pain no gain. Bouncers will give you a body



search to check if you haven't inadvertently left your firearm at home. Residents of Chundevi living downrange are henceforth required to wear bullet-proof vests, helmets and anti-bacterial socks during the wee hours.

6. Mud baths. Only in the most expensive spas in the world would you pay an arm and a leg to get yourself covered from nose to toe in therapeutic volcanic mud to give your skin that younger, healthier tone. In Kathmandu, during the monsoon, mud slinging is free. All you have to do is walk along Krishna Galli and wait for buses to rumble over the puddles. Kathmandu's roads may have potholes, but they are paved with good intentions.
7. We never do today what can be done the day after tomorrow.
8. Eight down, two to go.
9. Um... running out of things I like about Nepal.
10. Oh, yes, Nepal Telecom's mobile phone system has some of the lowest prices in the world, my bill for last month was zero. The reason: I couldn't actually make any calls because the network was always busy.

Free offer! Ice Creamy chiso vanilla Coke 500 ml

at Bowling Boulevard

Buy a game of Bowling & Get Free tasting of Icy Vanilla Coke

Visit **Bowling Boulevard** *www.1 July 2004/ till stock last

Kantipath, Next to Standard Chartered Bank Tel: 4225272

BUMRUNGRAD HOSPITAL

World Class Medicine...

- ONE-STOP MEDICAL CENTER
Emergency, outpatient, diagnostics, therapeutics, inpatient
- INTERNATIONALLY TRAINED DOCTORS
Over 600 physicians in all medical specialties
- REGIONAL REFERRAL CENTER FOR ADVANCED CARE
Heart, Cancer, Neurosurgery...
- ASIA'S FIRST INTERNATIONALLY ACCREDITED HOSPITAL

World Class Service...

- INTERNATIONAL PATIENT CENTER
Interpreters, visa assistance, medical coordination
- INTERACTIVE WEBSITE
- EMAIL APPOINTMENTS
- ON-SITE HOUSING
74 serviced apartments

BUMRUNGRAD HOSPITAL
BANGKOK, THAILAND
World Class Medicine...World Class Service

33 Sukhumvit Soi 3 (Sri Nana Nua), Bangkok 10110, Thailand
Tel: +66 2) 667 1234 Fax: +66 2) 667 1214
E-mail: info@bumrungrad.com
www.bumrungrad.com

For more information, appointments and related services, please contact:
Mr. Amod Pyakuryal, Authorized Representative in Nepal, Bhatbhateni (Near Claycrafts & more) Kathmandu
Tel: 4441653, Mobile 9810 22 767 e-mail: info@bumrungrad.wink.com.np

Joint Commission International
Accredited Center of Excellence

NABIL BANK ExcellenceSeries

BRAND INSIGHT 2004

Branding lessons learned the hard way with a leading Brand Guru

"Retaining Customers? Enhancing Brand Value?"

This workshop will offer step by step advice on what to do:

- on confronting competitive threats
- on dealing with brand clutter
- on creating points of differentiation
- on turning products and services into brands
- on moving into premium or value areas to create margins.

Who should attend
Organizational leaders/managers involved in shaping the insight of internal/external customers of the organization.

Ajay Gupta, the principal resource person for this event is former Executive Vice President of Saatchi and Saatchi and an alumnus of IIM Ahmedabad, IIT Kanpur and possesses over 25 years of experience in building winning brands.

KNOWLEDGE PARTNER
brand prophet

DATE Sunday 25 July, 2004
VENUE Megha Hall
Soaltee Crowne Plaza
Kathmandu
TIME 9am to 5pm
Single Delegate Rs.5,500/-
3 or more delegates from the same organisation Rs.5,000/- each

For registration please contact:
Junie Rajbhandari
Tel 200 3020
Fax 4 255941, info@jnt.com.np

HOSTILITY PARTNER
PRIORITY PRIVILEGE

ORGANIZED BY
clear sight clear sight

J&T

Silver Mountain
EMBAKATE BUSINESS SCHOOL

Water Communication
ADVERTISING AND DESIGN