

Forum: S.B. Pun

Interview: Sugat Ratna Kansakar

# NEW SPOTLIGHT

Sept. 25 Oct. 15, 2009

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NEWSMAGAZINE



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**Office :** Kamal Pokhari, Thir Bom Marg, House No. 559/144 (Opposite to Himal Hospital)

**Printers :** Pioneer Offset Printers (P.) Ltd., Dillibazar, Kathmandu. Ph: 4415687

Kathmandu DAO Regd. No. 148/063/64, Postal Regd. No. 07/066/067

US Library of Congress Catalogue No. 91-905060



**India Foreign Secretary's Visit**

Indian foreign secretary Nirupama Rao paid two days visit to Nepal. Before leaving India she organized a press conference. "It is an honour and a privilege to be in this beautiful city, the capital of Nepal. It brought back fond memories of my previous visits. It has been a very busy but most useful visit to Kathmandu. This is also my first visit to Kathmandu after assuming the charge of the Foreign Secretary," Rao said.

During her stay she met President Dr. Ram Baran Yadav and Prime Minister Madhav Kumar Nepal, Deputy Prime Minister Bijay Kumar Gachhadar, Foreign Minister Ms. Sujata Koirala, Home Minister Bhim Bahadur Rawal and Defence Minister Bidya Devi Bhandari.

"The purpose of the visit was to exchange views on the further improvement of our bilateral relations and to focus on implementation of the rich and vast agenda agreed upon during the visit of the Prime Minister of Nepal to India as contained in the joint press statement. As you know, the civil aviation secretary level talks have already taken place in New Delhi during which both sides have agreed to increase the number of seats from 6000 to 30000 between Kathmandu and the Indian metros. This will promote tourism, people-to-people contact and economic cooperation between the two countries. The Home Secretary level talks will take place on November 6-7 in Kathmandu during which the entire gamut of bilateral security issues will be addressed. I reiterated India's security concerns and the use of Nepalese territory for anti-India activities. The

Nepalese side unequivocally reiterated their commitment that such activities will not be allowed," said Rao.

"India has an abiding interest in the success of Nepal's transition to multi-party democracy and the completion of the peace process. A peaceful, democratic and prosperous Nepal is in the interest of the Nepali people, of India and of our region. India is committed to assist the government and people of Nepal in these processes of historic change in Nepal."

**Indian Technical and Economic Cooperation**

The Indian Technical and Economic Cooperation (ITEC) Day was celebrated at India House, Embassy of India on September 17, 2009. H.E. Foreign Minister of Nepal Ms. Sujata Koirala, graced the occasion as the chief guest. Ganesh Nepali, Minister for Youth & Sports; Ram Chandra Kushwaha, Minister for Education; Gyan Chandra Acharya, Foreign Secretary of Nepal, and other senior bureaucrats were also present at the occasion.

Indian Technical and Economic Cooperation program, popularly known as "ITEC", was launched in 1964 by the Indian government as a bilateral program of assistance. Under ITEC and its corollary Special Common Wealth Assistance for Africa Program (SCAAP), 156 countries in Asia, Eastern Europe, Central Asia, Africa and Latin America are invited to share in the Indian development experience.

The first batch of 12 Nepali participants traveled to India in the year 2000. The number of seats allocated to Nepal under ITEC has increased to 80 in 2009.

**Law Commission Starts web site**

Nepal Law Commission (NLC) has launched a new website—[www.lawcommission.gov.np](http://www.lawcommission.gov.np)—with the aim to provide access to information about the Nepalese legal system to the world community.

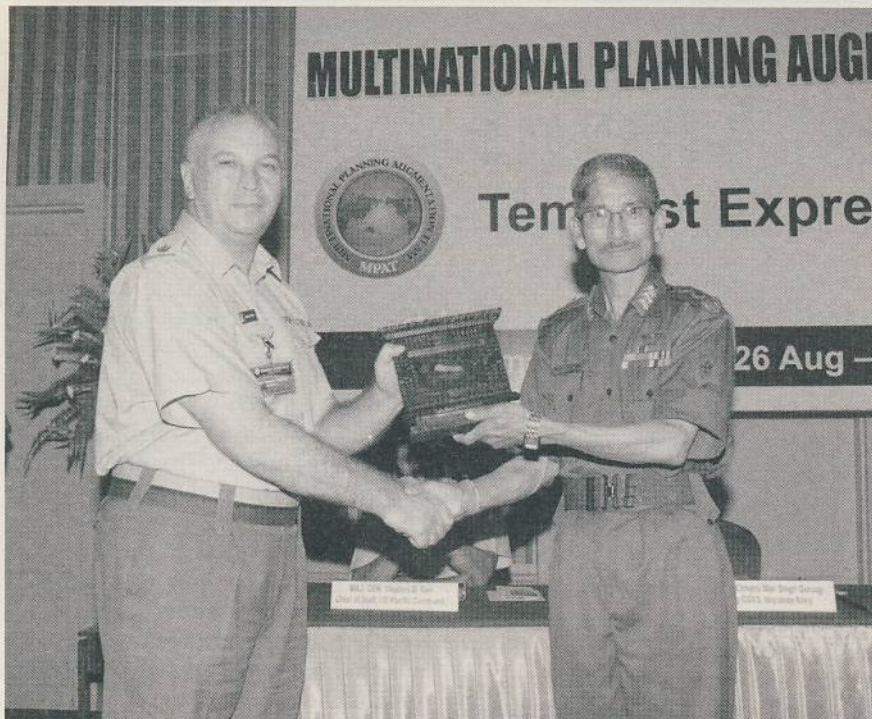
According to the secretary of NLC Mohan Banjade, the commission is planning to translate all legal documents into English. "This will be done within few months," said Banjade, although he warns that the English translation is unofficial and that the Nepali version published in Nepal Gazette will prevail in case of translation error. Currently there are 43 laws available in English and 200 in Nepali.

NLC was first constituted by an executive decision in 1953, immediately after the dawn of multiparty democracy. The NLC was given permanent status in 1984 and was restructured in 1990 after the restoration of multiparty democracy. Now, the Commission is a statutory body under the Nepal Law Commission Act, which was promulgated on January 14, 2007.

**Pakistan Embassy Celebrates 44th Defense Day**

Pakistani diplomatic mission in Kathmandu celebrated the 44th Defense Day on September 15 to commemorate the sacrifices rendered by the Pakistan Armed Forces for guarding the country against aggression. The reception, held in Hotel Soaltee Crowne, was attended by people from all segments of society including army, police, armed police, diplomats, government officials, civil servants, businessmen, academia, scholars, and media representatives attended the reception. Chief of Army Staff, Nepalese Army General Chhatra Man Singh Gurung was the honored guest.

On September 6, 1965, the Pakistani Armed Forces and the entire nation stood united to foil the nefarious designs of the adversary that had challenged the integrity and sovereignty of Pakistan. The celebration honors those who sacrificed their lives for the defense of the country. On this date Pakistan and its armed forces also renew their pledge to make sacrifices in order to defend the country against internal



**Correction:** The September 11 issue of the New Spotlight published a photograph of Chief of Army Staff General Chhatraman Singh Gurung with Chief of Army Staff of US Pacific Command Maj. General Stephan D. Tomi. The caption for the photograph on page 3 appeared with an inadvertent error in CoAS Gurung's name. We regret the error. -Editor

and external threats.

### Tara Air Launched

This past month Tara Air launched a soft operation of charter flights by a fleet

of two brand new Pilatus Porter aircraft (PC-6). They now have purchased six aircrafts and leased two. With the acquisition of eight STOL aircraft,

operations of flights are scheduled to begin from mid September, 2009.

Tara Air will take over all schedule STOL flights that were earlier operated and now discontinued by Yet Airlines Domestic. Included in the schedule are 15 daily flights from Kathmandu to Lukla, as well as daily flights from Kathmandu to Tumlingtar and from Pokhara to Jomson. Tara Air will also fly to Bharatpur, Meghauly and other routes.

Tara will operate specialty flights by PC-6 on a charter basis. Charter fights will go to unique destinations, such as Syangboche, Langtang, Dhiorpatan and Jiri. They will also operate flights for special purposes such as skydiving, photography, and aerial survey.

According to group managing director Ang Tshring Sherpa, and group ED and CEO Vijay Shrestha, Tara Air envisions providing access to all of Nepal. "We will help develop generally inaccessible regions of the country by connecting the local population, which will be instrumental for their economic development and social wellbeing. We aim to develop tourism in rural Nepal by providing reliable and safe air transportation." ■

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## NRN MOVEMENT

# Challenges Ahead

*Six years after its establishment, challenges for the new leadership of the NRNA will be no less daunting*

By BHAGIRATHYOGI IN LONDON

**O**n September 6, expatriate Nepalese living in the UK had assembled at the Oak Farm Community School at Farnborough, outside London, to inaugurate a new team of the Non-resident Nepalese Association UK chapter. Surya Gurung—a UK-based entrepreneur—along with his team took over from Major (Retd.) Damer Ghale and his team. “The NRN UK has set an example by electing its leadership unanimously. All of us need to learn from them,” declared Ram Pratap Thapa, vice president of the NRN Association, who had arrived from Germany to take part in the ceremony. Thapa, however, is competing for the top job of the Association, including two other senior NRN personalities Bhim Udas and Dev Man Hirachan.

According to the NRN constitution, its founding president Dr Upendra Mahato can’t contest for the third term thereby opening room for free competition. Thapa and Hirachan are vice presidents of the NRNA International Coordination Council (ICC) while Udas is its Secretary-General. Thanks to the dynamic leadership of Dr Mahato, NRNA is now a well-known brand among the expat Nepalese around the world. It already has got 48 chapters known as National Coordination Councils (NCCs). Both NCCs and ICC have a tenure of two years.

Immediately after Dashain festival, hundreds of NRN leaders from around the globe will descend in Kathmandu to take part in the fourth global conference of the NRNA (October 13-15). The conference will elect its new leadership and will lobby with political leaders and lawmakers to get a formal recognition in the new constitution which is being formulated by the 601-member Assembly.

“The NRNs have recommended that the constitution should state that those who are Nepalese nationals by descent will not have to give up their Nepalese

nationality if they acquire a foreign nationality. The children and grandchildren of Nepali nationals who become foreign nationals should have the right to acquire Nepali nationality while keeping their foreign nationality. The Election Commission should make provisions for NRNs to cast their votes in the presidential election of the country and in major referendums by registering with the Nepalese embassies and consulates in the country of their residence. There should be a provision for a multi-year, multi-entry long-term visa for the people of Nepali origin,” said Prof. Surya P Subedi, advisor to NRNA and coordinator of the Constitution Recommendation Committee constituted by the Association. The NRNA has already submitted its suggestions to the

*As Nepal lagged behind in terms of prosperity, many Nepalese left the country looking for better opportunity—in terms of education and career.*

CA demanding, among others, provision of dual citizenship for NRNs.

“The (provision of) dual citizenship will inspire NRNs to contribute to Nepal’s socio-economic development,” said Dr Mahato. “We don’t want our second generation, born and brought up in foreign countries, to forget the roots of their ancestors,” he added.

Critics, however, say the provision of dual citizenship could prove detrimental to Nepal’s nationhood when the country is passing through a roller-coaster period of political transition, mainly influenced by foreign actors. “Dual citizenship is an issue that needs to be considered carefully and thoroughly. As a matter of policy, it may not be entirely consistent with the values we try to nurture for the growth of our nationhood,” said Dr Bipin Adhikari, a constitutional lawyer.

The government of Nepal recognises any Nepali, who has lived continuously

for more than 183 days in countries other than SAARC nations, as an NRN. The government also passed NRN bill in August 2007 and established an NRN cell at the Ministry of Foreign Affairs.

The government of Nepal has drafted a bill that proposes to issue 10-year multiple entry visa to NRNs and also allow them to buy up to two ropanis of land in Kathmandu and up to eight katthas of land outside Kathmandu for residence.

While NRNs have been contributing in the socio-economic development of Nepal in various ways, analysts say as Nepali diaspora mainly comprises of first generation immigrants, it still has limited resources to invest back in Nepal compared to the Indian and Chinese diaspora. The Nepali diaspora could, however, play an important role as ‘unofficial ambassadors’ to promote Nepali culture and preserve Nepal’s interests abroad as well as in the transfer of skills and expertise.

#### Networking of Ideas

“In the global context, networking of ideas and knowledge has become a necessity for any country’s economic development,” said Dr. Raju Adhikari, a Nepali scientist based in Australia, who is also advisor to NRN Australia. “There is huge competition among many developing countries to retain, attract

and generate science and technology manpower. But we do not seem bothered about it. All countries but Nepal have realised that a knowledge-based nation is the most prosperous nation in the long run,” he added.

As Nepal lagged behind in terms of prosperity, many Nepalese left the country looking for better opportunity—in terms of education and career. It is estimated that the number of expatriate Nepalese in countries, other than SAARC, has reached around 2.5 million. As the Nepali diaspora continues to expand, there is a need to channelize its resources and forge a stronger bond with the motherland.

“NRNA has its work cut out for many years to come if we dedicate ourselves to its mission: to be a partner in Nepal’s development,” said Naresh Koirala, NRNA’s regional coordinator for North America. Much will depend on how the new leadership of NRNA moves ahead by combining idealism with pragmatism.





**President Dr. Ram Baran Yadav decorates Army Chief Gurung:** Army Under New Command

## NEPALI ARMY

# Command Control

*The centuries-old institution proves the Doubting Thomases wrong under the first commoner supreme commander, but bigger challenges remain*

By SUSHIL SHARMA

**T**he commander-in-chief, Rookmangud Katawal, gracefully retired this week. His deputy, Chhatra Man Singh Gurung, took over the command.

It was a natural succession. Role command had not been breached. The

traditional discipline has been kept in tact.

The centuries-old national institution remains united.

In his farewell speech at the office he bade goodbye, Katawal defended what did over the past three years. Mostly taking head on – single handedly

— the challenge posed by a political party with a private army

Gurung praised his predecessor's role during the country's difficult political transition from a monarchy to a republic.

The fear that commander Katawal was up to some mischief has been proved unfounded. That the supreme commander, President Ram Baran Yadav, was into a grand design has been proved hollow.

But some questions remain unanswered. Would the result have been the same, if the Maoist-led government's sacking of Katawal had not been reversed through a late-night intervention by the head of the state four months before the army chief retired?

If President Ram Baran Yadav had not resisted internal pressure and external persuasion to go beyond and sack prime minister Prachanda, instead?

And later, if the President and the supreme commander, Ram Baran Yadav, had not successfully discouraged moves to extend the tenure of Katwal.

Any other developments could have disastrous consequences.

Disaster is not ruled out yet, with rival internal forces squabbling for power and external forces competing with each other for a larger space to play.

This will mean even bigger challenge ahead for the Nepali army and its civilian and uniformed bosses alike.

As constitution-making and the peace process face an uncertain future, acid test still awaits the 100,000-strong institution and the hands that handle it.

## REAL ESTATE

# Boom Of Concern

*Officials of the central bank and IMF are worried as banks go on a lending spree in real estate*

By SANJAYA DHAKAL

**I**n the last one year, as banks in the United States faced felt the heat from the lending in subprime real estate triggering global economic recession, their counterparts in Nepal went on a lending spree riding the expanding bubble of property market.

The senior officials of Nepal Rastra

Bank (NRB) and even International Monetary Fund (IMF) have warned about the 'risk' of investing in property market. They have said that the investments in real estate is not 'reliable.'

Basking in the glory of historic profits they earned last year, the banks have turned the deaf ear.

The big US investment banks went bankrupt last year after the real estate crashed but at the same time, the Nepali banks have made lots of moolah from the investment in property market.

A recent report stated that out of 26 commercial banks, 23 made huge profits – the cumulative amount totaling over Rs 14 billion.

But the officials have asked the banks not to get over-excited.

Alexandar Pitt, the chief of IMF-Nepal office, feels that Nepali banks ought to look at what happened in the west in the last one year.

"Banks are all very profitable but at the same time the vulnerabilities are building up. And once, I would say, the speculative bubble in the real estate pops, then that will expose the

## “Lending In Real Estate Not Too Much”

**Shashin Joshi**, president, Nepal Bankers' Association (NBA).

**How has been the last one year for Nepali banks?**

Nepali banks were relatively insulated from global recession. We were scared that the recession could bring down the inward remittances. But, fortunately, that did not happen.

**But, the officials of IMF and NRB have said that Nepali banks' heavy investment in real estate is worrisome?**

Only some banks have made heavy lending in real estate sector. In totality, only 14 to 15 percent of total lending is in real estate. Of the total lending amounting to Rs 450 billion, only Rs 50 to 60 billion have been lent to this sector. Relatively speaking, this is not too much.

**What about NRB's concerns, then?**

Well, in the last six months, most banks have started to become alert and not concentrate on real estate alone. Because investing in the sector when property prices have skyrocketed could be risky.

**What are lessons from global financial crisis?**

Surely, it is foolish to invest blindly in property market without properly assessing the risk factor.

weaknesses of the banks or the financial system in general,” he said.

Many believe that it is due to the continued increase in the inward remittances from Nepalese workers overseas that the consumption level has soared in the country.

A sizeable chunk of the inward remittances has gone into the real estate sector, which has led to the current boom.

### Unnatural

Most economists and officials agree that the present boom in the real estate sector is unnatural.

“The real estate boom looks unnatural. I think that once the current investment in housing complexes, condominiums and apartments leads to the situation of over-supply, the property prices could come down,” said economist and former governor of NRB Dr. Tilak Rawal.

The NRB officials are worried that once the real estate prices come down,

the banks could suffer a serious shock.

According to NRB governor Bijaya Nath Bhattarai, the real estate prices have become like a bubble that can burst any time.

He said that the banks were currently sitting atop huge volume of liquidity fueled by remittances.

“Once there is decrease in remittance, that will lead to liquidity crisis. And once there is liquidity crisis, the real estate bubble can burst sending shockwave to the banking and financial system,” he said.

Governor Bhattarai said that the NRB has already informally requested the banks not to concentrate on property market.

The bankers, however, do not feel that they have invested heavily in the real estate.

“Except a couple of banks, most banks have remained within appropriate limits while lending to the property market,” said Shashin Joshi, president of Nepal Bankers' Association (NBA).

“Even now, in totality, banks have lent only up to 15 percent of their total lending in the property sector,” he said.

Joshi said that of the total lending of Rs 450 billion, around Rs 50 to 60 billion have gone to the real estate sector. “This is not too much,” he added.

### Lessons

Alexandar Pitt of IMF-Nepal, believes that Nepali banks must not forget to learn the lesson how banks in western countries suffered huge losses leading them to bankruptcy once their investment in real estate went all wrong.

“I think most important is to become vigilant even when times are good. The Nepali banking and Nepali financial system needs to learn the lesson that complacency should be avoided. Things were very well in the United States right up and until the crisis,” he cautioned.

It is not clear how seriously the banks will take the words of cautions from the officials at a time when they are raking in moolahs big time.

## “Remittance Increase Has Helped Avoid Disaster”

**Bijayanath Bhattarai**, governor, Nepal Rastra Bank

**What steps did NRB take to make oversight on banks more stringent?**

First of all, we have regulated the margin lending on stocks. We have informally requested the banks not to aggressively lend in the real estate sector.

**Why are you advocating restraint on lending in real estate?**

The inward remittances have increased liquidity in the market. The banks and financial institutions have huge deposits. The banks, FIs and even cooperatives – which are not under the purview of NRB – have invested heavily in real estate. Once the remittances drop, it might cause liquidity crisis. And once there is liquidity crisis, the bubble in the asset prices could burst anytime. If the property bubble bursts, it can invite shock in financial system. The central bank is closely watching this sector to see if this calls for further regulation.

**Even during global recession, Nepali banks have shown huge profits. Why?**

Our banks are not much integrated globally.

**How did Nepal manage to steer clear of pitfalls of global crisis?**

We had presumed that inward remittance might decrease. But they continued to increase.

**Any advice to the banks?**

They must remain cautious while lending. In the US, the banks there were found to have lent up to \$ 58 for \$ 1 worth security as the banks went on multiple lending spree.

But it is clear that recalling the situation the western banks found themselves in, it could be a blunder on the part of Nepali banks not to take their suggestions seriously. ■

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# CAPITAL SECURITY CRIME AND NO PUNISHMENT?

**With no strong central government in place and no local government for years, the metropolitan Kathmandu has become increasingly vulnerable to deadly crimes. Despite the claims of the authority to the contrary, the culprits largely go unpunished**

By BHAGIRATHYOGI  
with SAROJ DAHAL

**N**abin Dhungana, a resident of Balkot, Bhaktapur, teaches computing at a school at Baneshwore in Kathmandu. His daily routine included leaving home for school early in the morning, spend the whole day with students and computers and return home late in the evening. But for the last 15 days, his routine has changed. Instead of going to school, he is busy visiting different police stations, making frantic calls to his relatives and scanning newspapers. Reason: his brother Pradip Dhungana, has gone missing.

As always, 26-year-old Pradip, a

student, left for his college on the morning of July 1st on his motorbike. But he hasn't returned since and hasn't left any message. Nobody picks up his mobile phone, thereby giving room for suspicion. "Though he was three year younger than me, I treated him as a friend. He would never spend night outside without telling me," said Nabin adding, "I have filed petitions at five different police stations requesting them to help locate my brother, but I am increasingly frustrated and becoming angry looking at the behaviour of policemen."

When Pradip filed a written petition at the Kathmandu Metropolitan Office, he was told that Bhaktapur police hadn't informed them about the missing person. "I can't believe that we reside in the capital valley when police in Kathmandu don't know what is happening in Bhaktapur. How can I knock doors of all 75 district police offices in the country looking for my brother?" he asked.

Ngamindra Dahal, who rents out a flat at New Baneshwore, also has similar story to tell. When he visited New Baneshwore police post to report about the incident of burglary in his flat, he was asked to report to the Crime branch

# “Security Program Is Yielding Results”

- Home Minister **BHIM RAWAL**

After taking the Home Ministry portfolio, Minister **BHIM RAWAL** has been making desperate efforts to maintain a normal law and order situation in the country. In three months, Minister Rawal travelled extensively across Nepal attending meetings of Chief District Officers and Police officers to implement a new security program. In this context, Minister Rawal spoke to **KESHAB POUDEL, SAROJ DAHAL** and **SHARMINI** on various issues related to Nepal's law and order at his office in Singha Durbar on Monday afternoon. Excerpts:

**Three months have already elapsed since your appointment as the Home Minister, how do assess the present law and orders situation?**

In the last three months, I have made efforts to make the law and order situation better, improve human rights conditions and end impunity by implementing special security program-2009. Under this program, security and administration personnel are moving ahead firmly. We have already arrested some criminals involved in terrorizing people and we have already made some gains in preventing road blockades.

**Are you satisfied with the situation?**

It is the people, like you, who should say whether there are certain improvements or not. So far as my observation is concerned, I have been doing my level best to maintain the law and order situation in the country. In the last few months, police have started to act. They have recently interrupted more than 40 incidents in which some miscreants were trying to block the road. Police have been responding very positively. This is a good beginning.

**How about the situation in Terai?**

of Nepal Police at Hanumandhoka, Kathmandu. But the policemen at Hanumandhoka tried to send him back to New Baneswore police. A frustrated Dahal then told them that the owner of the house he was renting was a member of the Constituent Assembly. Police then registered his complaint and visited the site of the incident twice but so far nobody has been arrested. Burglars took away cash and jewellery worth Rs



The situation in Terai is returning to normalcy too. We need to separate criminal elements from political elements. If we isolate the criminal elements from the rest of the political forces, the law and order issue will be automatically settled. I have already enforced a special security work plan for Kathmandu and special work plan to control serious crimes. We have implemented work plans to control road blockades. We have also made programs to contain armed groups in eastern Nepal, central Nepal and far western regions. We have been making efforts to control criminal acts. All the programs are now being implemented. In the last few months, police have immediately acted against those who tried to block the road. We have also arrested a number of criminals, and seized arms and ammunitions. We have already arrested the person involved in Ranbir Sena and Nepal Defense Army. These are some results. We have already

recovered huge amounts of ammunitions.

**What is the status of your program?**

After implementation of these programs, people will feel safe and the security environment will change. We have already organized six seminars in six different parts of the region where we intensively discussed the security related issues. We have already collected suggestions and we are analyzing them now.

**How do you see the support of main political parties?**

We have full backing of all parties. We have already discussed our plans with the political parties represented in the Constituent Assembly, human rights groups and journalists and all of them have backed us. We even discussed it with foreign envoys based in Nepal. The legislature parliament also backed us. When I met the leaders, they supported me. This proposal was passed by the

400,000 by cutting padlock in the main gate at around mid-day. Dahal quoted a police officer as saying that he should have been more careful since the area itself was more prone to burglary.

These two incidences are but example of growing lawlessness and the attitude of police in the Nepali capital. Providing sense of security is the basic duty of the state but incidences of lynching are on the rise in the terai

districts as well as in the capital valley itself showing that people are losing faith on the law enforcement agencies.

Spokesman of Nepal Police, DIG Binod Singh, doesn't agree. "People want instant justice and sometimes even take law unto their own hands. But we have to deal with crime in accordance with law," said Singh. He, however, agreed that people's trust on police seemed declining.

cabinet. Some parties are raising suspicions but nobody has told us that we should not control crime. Our security is not directed to any political parties, regional or ethnic groups but this program is there to protect the rule of law by discouraging criminal activities. There is no place for criminals. We will not tolerate any efforts to weaken Nepal's sovereignty, integrity and communal harmony. We will bring criminals before justice.

**But it is reported that political parties are putting pressure on you not to execute the special security plan?**

It is not true. No political party or leader has said that they support criminals. All the leaders have been stressing maintenance of law and order. There is consensus among all of us that peace is needed in the society. Nobody wants to see criminals walking scot free. Many criminals, affiliated with political parties, are also in prison. Police administration is now working impartially in maintaining law and order and rule of law. Police are now very much active and encouraged. Our security program is yielding results.

**There are also reports that police are violating human rights. What do you say on this?**

Police are violating human rights and rule of law. I am very much concerned about violation of human rights. If anything goes wrong, we will not tolerate it. We will not tolerate any cases of human rights violation. We will take immediate actions against those who commit such acts.

**In her recent visit, Indian foreign secretary also mentioned about the worsening law and order situation. How was her response about the growing violence in Terai?**

I met the Indian home minister and Indian foreign secretary recently and we held discussions about the criminal activities in Terai. We have made it clear that Nepal will not allow its soil to be used against any country and Nepal too wants support and cooperation from neighbors to control criminal activities. Indian foreign secretary clearly said that

#### **Incidences of Crime in the Capital**

Burglary tops among the incidences of crime in the capital. Police say they receive complaints about burglary almost every day. According to the data compiled by Police Headquarters, 227 incidences of burglary had been

India will support Nepal to contain criminal activities inside Nepal. These kinds of understanding between two countries will help to prevent human trafficking, armed smuggling and criminal activities.

**Recently, your police team also visited Lhasa and Chinese security officials reportedly expressed their concern over deteriorating law and order situation. How do you look at this?**

Like in our southern border, we also want peace in our northern border. We have a clear cut policy that Nepal is ready to work with northern neighbor China to control criminal activity, if there is any. Our security officials discussed security issues with Chinese counterparts. We are very much concerned not to allow anti-Chinese activities in Nepalese soil. We are ready to provide necessary support.

**What is the overall security scenario?**

There are 109 armed groups throughout the country. We are now analyzing the modus operandi of such groups. We will not allow any group to violate the constitution and the rule of law. The government will respect human rights and rule of law. We will not tolerate any party which is involved in extortion

registered in the capital in the last fiscal year while the number had reached 174 in the first nine months of this fiscal year. Police, however, say incidences of armed robbery have declined significantly this year. Last year, 50 such incidences were recorded while this year only around 20

and kidnapping.

**How do you distinguish between criminal and political activities?**

Under our special security program, we have a clear vision about what constitute criminal activities and what are political activities. Our program is not directed to peaceful political activities and this is directed to criminal activities. Nepalese people want to end impunity. No political party has ever asked me not to punish the criminals. I cannot allow killing, extortion and kidnapping in the name of political parties.

**How do you assess the efficiency of the police administration?**

The morale of police administration needs boosting. I have already directed police officials to work for the protection of the rule of law. We need to give leadership to police and administration. We have already started to encourage them. Police are performing their role quite well.

**Do you believe that the law and order situation will improve?**

If political parties support me like now, we can make our situation much better. Since law and order is everybody's agenda, all of them will back me to maintain it. ■

incidences of armed robbery have been registered, according to the police.

Kathmandu residents complain that police is not paying due attention to incidences of burglary. Said Dahal, "Police tend to pay attention only if the crime involves murder or abduction.

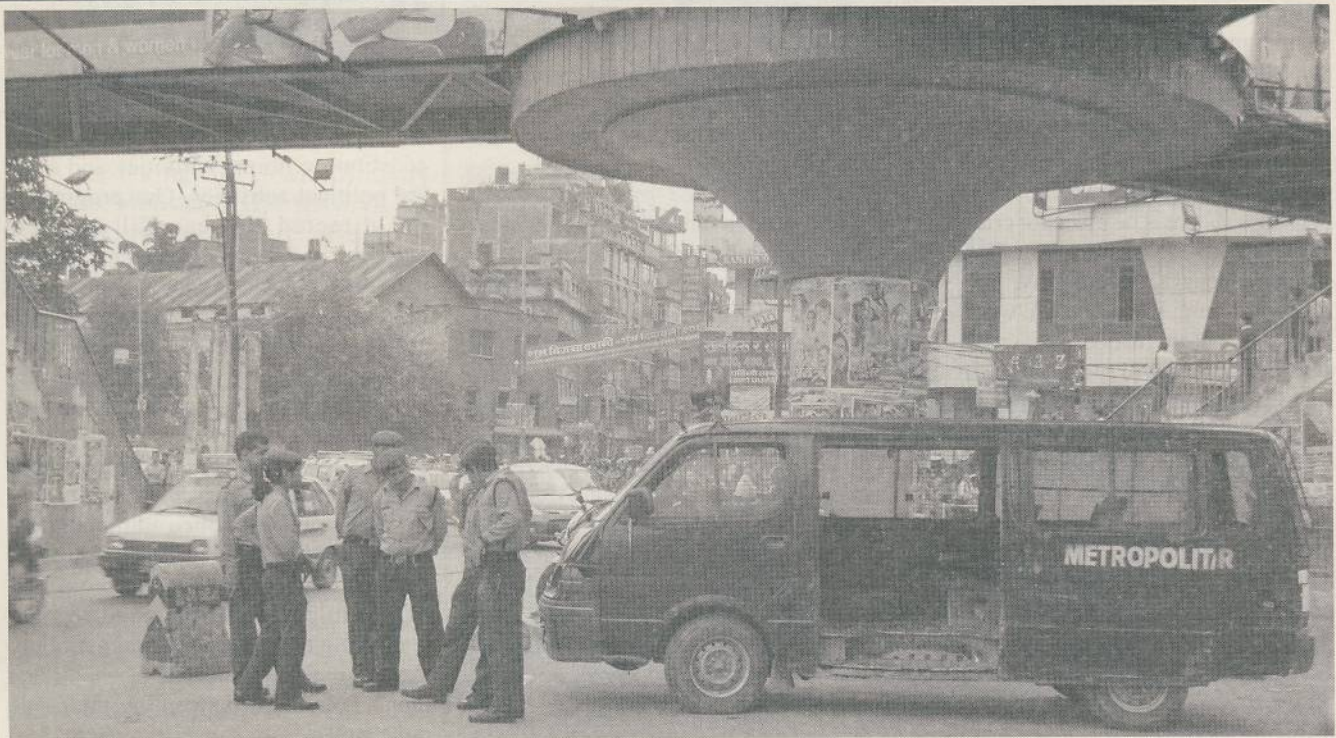
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**Police Patrolling :** Always alert

They seem to undermine incidences of burglary.”

Spokesperson of Nepal Police, Singh, however, claims that rise in incidences of burglary should not be linked directly with the overall situation of law and order. “It is up to households themselves to take good care of their house and property. How can police totally stop burglary?”

Criminologist Madhav Acharya doesn't agree with DIG Singh. “It is the duty of the police to provide security to ordinary people. If they say they can't control burglary, then what is the use of the department of police,” said Acharya adding, “Police can demand more manpower or resources for effective policing, but they must ensure that people feel safe.”

Police, on their part, classify crime in 17 different categories. It includes public crime, murder, armed robbery, burglary, suicide, hit and run, fraud, abduction and extortion, drug peddling and dealing as well as use of illegal arms. They say incidences of public crime top the list of crime in the valley.

#### **WHAT IS PUBLIC CRIME?**

##### **The Terror of Abduction**

The abduction of Khyati Shrestha, a 19-year-old student who was studying at a college in Kathmandu on 5<sup>th</sup> of June and her subsequent murder has sent

tremor waves among the valley residents. Police say the incidences of abduction have gone up at once over the last few months. There used to be incidences of abduction of people due to various motives in the terai districts bordering India. But police say sudden rise of abduction for the purpose of extortion in the capital valley of late looks ‘unnatural.’

Police spokesman Singh insists that police have been able to rescue people successfully in most of the abduction cases. But there are concerns regarding the identification of people involved in abduction and legal action against them. There is the growing tendency among people to lynch people on suspicion of being involved in abduction rather than handing them over to people. Not only could innocent people fall victim of such a tendency, it could also unravel the very social fabric that makes the Nepali society.

Police say main motivation behind abduction remains extortion. People with criminal minds see abduction the easiest way to make quick money without major risk. DIG Singh, however, is worried to see that ‘organised criminal gangs’—that have links or even operate from outside the country—are found involved in many cases of abduction

and extortion. They usually target leading businessmen and collect the extortion money through ‘hundi.’ Police say disputes related to foreign employment and transaction of money at individual level have also resulted into abduction.

Parents and guardians are more worried after incidences of child abduction have gone up. Now, many schools have advised parents to drop or escort their child up to the school and collect their children themselves.

According to police, just two incidences of abduction (with the motive of extortion) were registered with them in 2064 BS. A child, Rohit Gupta, was later murdered by his abductors while Mahesh Murarka, a leading businessman, was freed after a week. In 2065 BS, police have registered eight incidences of abduction in the Kathmandu valley in which two children were murdered and other six people were freed after paying ransom. But over the last three months of 2066 BS alone, there have been five incidences of abduction in which Khyati Shrestha, a student, was murdered.

According to data compiled by the Police Headquarters, 99 incidences of abduction were reported in the year

2064/65 BS while a total of 129 incidences of abduction have been reported by mid-June this year. DIG Singh admits that the actual incidences of abduction could be even higher since many people don't report about such incidences owing the threat to life of the victim and their family members.

Criminologist Acharya believes that dwindling confidence of people upon police is one of the reasons leading to increase in the incidences of crime. "Politicisation of the police organisation is rampant which had led into decline in faith of general public towards police. They usually refrain from reporting to police, which in turn encourages criminals," he added.

In recent weeks, residents of Chapagaon, Gongabu and Thimi within the Kathmandu valley have either lynched or tried to lynch people on suspicion that they were trying to abduct children. Three persons have been killed while eight others have been injured seriously. Across the country, at least 16 people have been lynched on suspicion of being abductors. Such incidences show that people seem to be accepting violence as a legitimate means of expressing their grievance. Criminologist Acharya says if such a tendency is not discouraged or stopped, it will push our society towards further criminalisation and anarchy.

When contacted, spokesman at the Home Ministry, Nabin Ghimire, said the government was committed to control such activities. "We are strengthening the organisation of police and will take strong action against any unlawful activities," he added.

#### The Capability of Police

Chief of the Police Circle (??) at Baneswore, DSP Biswo Raj Pokhrel, claims that there has been significant improvement in the performance of police compared to the past. He also dismisses allegations that criminal activities have gone up in the capital valley. In fact, five people who were detained pending further investigation, had escaped a few days back right under his nose. Pokhrel, however, refers to the incident as a 'technical error.' He said the strength of 150 personnel under him was inadequate for effective policing.



**Crime Division:** How vigilant?

Chief of Police Circle at Kalimati, DSP Sushil Singh Rathour, however, said he was satisfied with the manpower and resources under his command. "We can now reach the site of incident within 7 to 10 minutes. It is a great success," said Rathour adding, "Number of criminal activities has almost declined by half after we have intensified patrolling." He was quick to add that police force must be committed and honest.

Criminologist Acharya, however, says police have lost their effectiveness to a great extent mainly due to politicisation of their organisation. "Unless political parties make a joint commitment saying that they will no more intervene in the functioning of police and assist them whole-heartedly to control crime, incidences of crime will not decline," he added.

Spokesman of Nepal Police, DIG Binod Singh, claims that Nepal Police is as competent as any other police organisation in the world. "We have nabbed criminals who had fled to Mumbai and resolved most of the abduction and murder cases," he added. He, however, admitted that there have been some 'rotten eggs' within the police department. "We should take care not to blame the entire police department due to activities of few individual officers. Action has been taken against those found abusing their authority," said Singh.

Policing a society that has just emerged from a decade-old armed conflict was never going to be easy. Police officials say they are now

launching a new approach of 'Police-People Collaboration' to fight with crime. A Metropolitan Police office has already been set up to maintain law and order and fight crime within the capital. There are three Police PARISAR (???) in three districts and six Police Circles under the command of a Police Commissioner. The ratio of public to police in the capital is 600:1.

It is but obvious that there is acute lack of manpower and resources within the police department. But corruption and lack of rapport with general public are equally to blame. The involvement of some cadres of certain political parties in some of the incidences of crime point towards the complex situation.

But experts say the main challenge is to restore confidence of people upon the institution of police. Unless that can be done, police won't get information and cooperation from members of the public. It could also undermine the very credibility of the state thereby engendering systemic crisis. Time is running out but a fragile coalition government at the centre is least likely to help the matter. ■

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# “No Option For Buying Aircraft”

-SUGAT RATNA KANSAKAR

Executive Chairman of Nepal Airlines **SUGAT RATNA KANSAKAR** is known for his vision and action. Kansakar proved his mettle during his stint at Nepal Telecom as its Chief Executive Officer. He is credited with doing the virtually impossible — expanding the CDMA network to the remotest corners of Nepal. This was a kind of revolution that provided access to the internet across the country. When this same man is at the helm of the country’s oldest airlines, there are high expectations of him. Kansakar is now working to transform the ailing Nepal Airlines, with ageing fleet of aircraft, from its lowest ebb to a new peak of success. In the last ten months since he took up the job, Kansakar has been trying to buy two new wide bodied aircraft to add to the fleet of Nepal Airlines. He desperately wants them to make the airline’s services reliable. Kansakar spoke to **KESHAB POUDEL** about his plans and progress. Excerpts:

*Many look at the ongoing debate on buying new aircraft like in the past when every management gave it up at the last minute. Yes, you have options too.*

**More than two decades after Nepal Airlines first purchased two Boeing 757 aircraft, you are trying to buy new wide-bodied aircraft again. Will your efforts materialize?**

It is almost certain that Nepal Airlines (NA) will have new aircraft within ten months. My target is that by June/July 2010 or the end of the current fiscal year, NA should have new aircraft in its fleet.

**Given the history, many people have suspicions about this happening soon? How do you answer critics?**

Many people say similar things to me. Some even say that the government will collapse if NA buys new aircraft. I am surprised by such comments. If NA needs to fly its fleet and compete with new airlines, it should have new aircraft. That is it.

**Why then is there hue and cry about aircraft deals?**

This is basically due to the lack of knowledge about the aircraft business. Even a senior politician and journalist recently said that an aircraft might cost Rs 40 to 50 billion. The aircraft I have been talking about costs no more than Rs 4 billion. Another reason may be because nobody has made determined efforts to buy a new aircraft for more than two decades. Many look at the ongoing debate on buying new aircraft like in the past when every management gave it up at the last minute. Yes, you have options too. You must either shut down the airlines or sell it out. How can you operate airlines without aircraft? It is silly to talk about managing NA without aircraft.

**Don’t you have two aircraft?**

Yes, we have two Boeing 757 aircraft. But they are too old now to compete with new wide-bodied aircraft of international airlines.

**During your tenure as the CEO of Nepal Telecom, you transformed it into a modern and competitive organization. You have raised hopes about transformation of NA. Don’t you think it will have devastating effects, in case you failed to bring the new aircraft?**

It will be psychologically devastating, yes. When I was

the CEO, I faced similar challenges and criticisms from all sectors while introducing the CDMA system. Some lawyers even filed public litigation to stop it. However, when I convinced employees, ministers and others, I was able to introduce it. Thanks to CDMA, you can see internet accessed even in the remote parts of Nepal. CDMA also transformed Nepal Telecom. Some even make it a laughing stuff. Now you can link up with internet from all the 75 districts. This is a grand success. That system was much more expensive than buying new aircraft for NA. I think introduction of new aircraft will transform the NA. Some of my colleagues even accused me in Nepal Telecom that I sold out Telecom. If we cannot buy new aircraft, NA should be locked up.

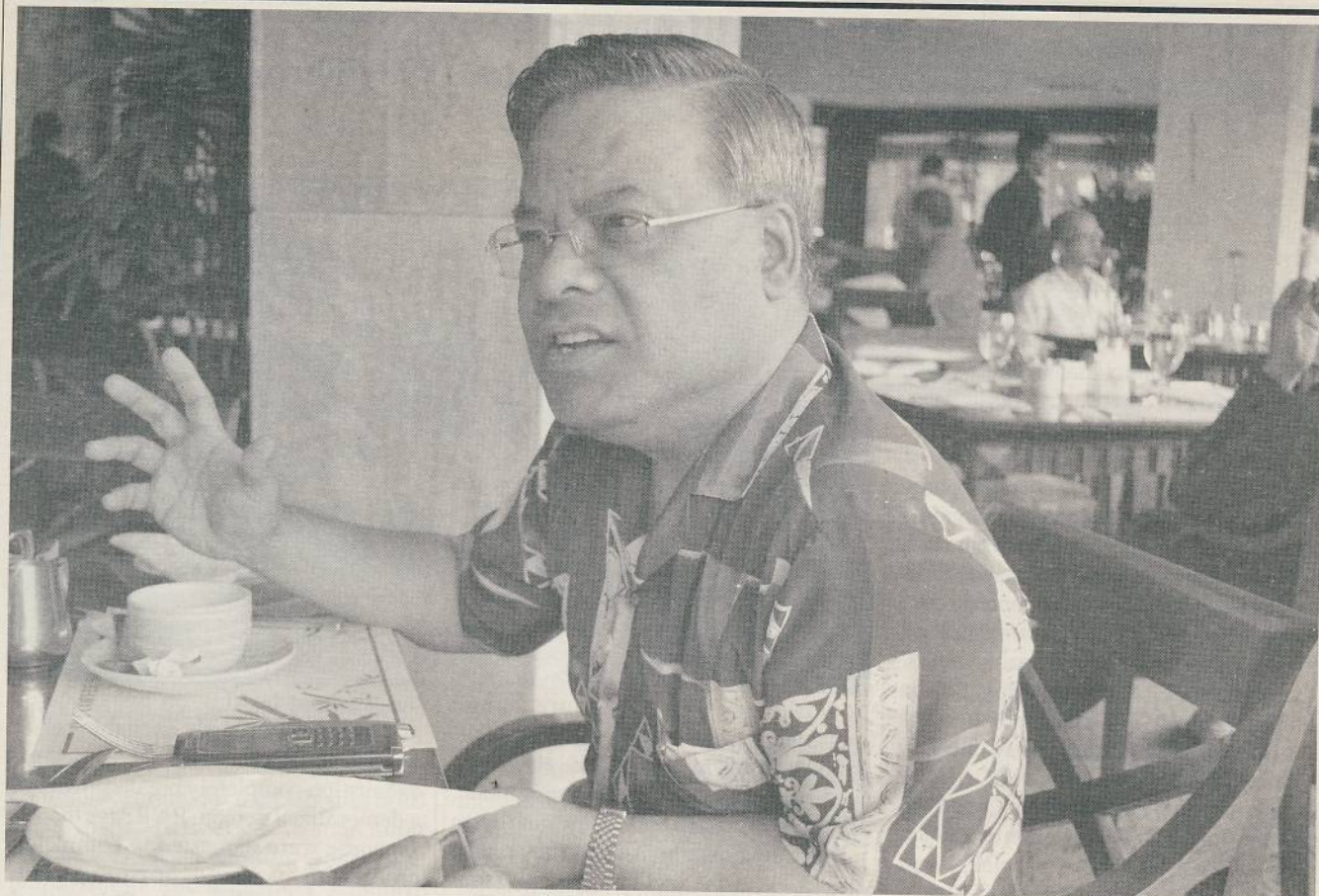
**You had a vision to build a 100-storey tower for Nepal Telecom. That did not materialize. How confident are you now that your vision of buying new aircraft will work?**

My vision to build the tower was shattered at the last minute thanks to some unknown reasons. This vision will materialize since there is no option left at all. In the globally competitive airlines business, you need to compete with airlines. For instance, NA needs to compete with Gulf Air, Qatar, Thai, Jet Air, Air India, Bangladesh Biman and Singapore Airlines which have most sophisticated and new fleets of aircraft. Because of lack of aircrafts, more than 85 per cent of tourists and Nepalese are flying through foreign airlines. When NA has its aircraft, it will carry all those passengers. My aim is to increase the carrying capacity of airlines by bringing new aircraft. The situation now is that our share of market is about Rs. 4 billion whereas other airlines are collecting over 50 billion rupees.

**Don’t you have other options than buying new aircraft?**

We have very little options. Either we have to say that we are incompetent, incapable and timid people or to show to the world that we are the country of talented, competent and capable people with strong determination. Nepalese have all things with them. In the airlines sector, Nepalese pilots and technicians have a prestige and reputation that they are capable and efficient. This is very much true with Nepal Airlines, which has big pool of talents, determined and courageous employees, pilots and technical manpower. If Bhutan and Bangladesh can successfully fly their airlines, despite starting their airlines business much later than us, we cannot say that we are incapable.





**What other basis do you have for saying this?**

If you look up the records, NA is the world's safest airline in terms of safety issues. If we have a new aircraft, we can fly much safer and better. I have a plan to fly our aircraft to Australia and New York. When Air India bought hundreds of aircraft and Sri Lankan air has done similar things, there was no hue and cry. I don't understand why only our country has to face this kind of reaction.

**You were recently summoned by the Public Accounts Committee of the Legislature Parliament. How do you look at it?**

It was a very positive step. Members of parliament gave me enough time to explain the present situation and defend the case of purchasing new aircraft. After listening to my argument, they are very positive. Their concern not to allow corruption and irregularities to happen is genuine. We always need to pay utmost importance to such comments of our parliamentarians. Their concern is about the loan we are getting from the Provident Fund. There are more than 200 countries where national flag carriers are making profit. Why can we not do it? We must give up our negative thinking that Nepalese cannot do anything.

**Looking at the past experience, whenever a general manager tried to bring a new aircraft, he was either fired or put on trial? Aren't you afraid about it?**

Others too ask me such things. When I have taken the initiative to move the country forward, I don't think anybody will harm me. Everybody wants to see Nepal as a prosperous country and helps develop it and I have been doing what is required to translate this into reality. If you have clear intention and vision, you don't need to worry. If everybody is scared of doing things, nothing will be done.

**What are your experiences of working with Nepal Airlines?**

I feel very proud to work with the country's most competent and professional people. Nepal Airlines has all kinds of capability. What is lacking is just an aircraft. Once NA has new aircraft, the situation will be changed.

**Why are you stressing on a new plane. Don't you see any possibility of utilizing the current fleet of aircraft to make profit?**

I have a plan for it. This fiscal year we are targeting to make profits of over 340 million rupees. You cannot increase the profit margin without adequate aircraft to fly.

**Out of two aircraft, you have been unable to fly one for a long time. How can you say that the new plane will bring change?**

If you have just two ageing aircraft, this scenario will appear again. This is the reason I am stressing purchase of a new aircraft which will make things different. Give me a new aircraft, I will give you change. I am an optimistic person with a positive thinking, I hope that every one supports our efforts. ■

*There are more than 200 countries where national flag carriers are making profit. Why can we not do it? We must give up our negative thinking that Nepalese cannot do anything.*

## Whither Bijulee Adda – 4

### Kulekhani Disaster of Shrawan 4, 2050 (July 19, 1993) Through My Eyes

-SB Pun'

#### A. First Information Report

On the night of July 19, 1993 (Shrawan 4, 2050) I was preparing to go to bed around 10 PM when Govinda KC (GKC), Director, Kulekhani Disaster Prevention Project telephoned me from his quarter at Nibuwatar near Bhainse. He reported extremely heavy rainfall that whole day (Nibuwatar gauged 267 mm of rain that day – around one foot of rainfall) and stated that an emergency situation has developed at Kulekhani-I Powerhouse (KL-I) with the turbine hall operators shutting down the machines and evacuating to the safer control room at a higher vicinity after hearing a loud noise and seeing sludge oozing out of the sump tank. Nima Tshering Bhutia (NTB), Director-in-Chief, Operation and Maintenance Directorate had already been informed; so for easier communication I told him that I will head for the Load Dispatch Center (LDC) at NEA office, Ratna Park. I rang NTB and he said that Ajit Narayan Singh Thapa, Managing Director, was already informed and as NTB had no vehicle in that odd hour I told him that I will come to pick him up. My driver, Hem Bahadur Ghale, fortunately lived very close and he drove us to LDC by about 11:00 PM.

#### B. Control from Load Dispatch Center

Fortunately at LDC, communication through NEA's power line carrier is intact. Contact is established with GKC at Nibuwatar. From his quarter, he could hear the roaring of the Rapti river with the tumbling and crashing of the boulders as well. He believes that the Bhainse bridge has been washed out by the flood. At Dhorsing quarter is Rajendra Narsingh Pradhan (RNP), Chief of KL-I powerhouse. Communication between KL-I and the Damsite at Markhu is, however, disrupted. KL-2 Chief, Shamim Shah, is in his quarter at Nibuwatar with GKC. GKC suggests that the Army Headquarter may have its link with its 7<sup>th</sup> Brigade at Chanban which in turn could be in contact with its unit posted at Damsite and Bhainse (KL-2 powerhouse). GKC believes that there is the faint possibility of the wash-out of the KL-I's penstock pipe at BL-10 where it bridges over the small Jurikhet stream. But this is ruled out as the



powerhouse water pressure gauge indicated the normal 60 kg/sq. cm. RNP from Dhorsing reports that the electricity feed-back to KL-I powerhouse is intact. He asks his staff and army guards to inspect the powerhouse and they report all is well inside including the pressure gauge reading of 60 kg/sq. cm. Accordingly, I talk with Brigadier General Digambar SJB Rana (DSR), Director Military Operation, who despite the unearthly hours is very cooperative. He says that the army in that area has already been put on alert and he will instruct his officers on duty at the Headquarter to make any communication NEA needs through Army channel.

#### C. Confirmation of Penstock Pipe Wash-out

NTB is busy communicating the findings and the plan of action to the Managing Director and other authorities. It is only at 01:25 AM of July 20, 1993 (Shrawan 5, 2050) that the most dreaded and unthinkable picture emerges. Both GKC and RNP report that the water pressure at the powerhouse is actually 20 kg/sq. cm and not 60 kg/sq. cm as reported earlier. This confirmed our worst fear that the penstock pipe at BL-10 is washed out by the Jurikhet stream. The 20 kg/sq. cm pressure indicated is the pressure of water remaining between the powerhouse at Dhorsing and BL-10 i.e a head of about 200 meters. GKC and RNP are asked to send our staffs again and reconfirm the pressure gauge reading. RNP confirms the reading and with the weight of the responsibility of

the washout bearing on his shoulders and by nature an easily excitable person as he is, RNP with all the night exhaustion completely breaks down into a demoralized person. RNP says that the Japanese were requested to completely cover the exposed portion of the penstock pipe, but only Sabo check dams were provided. This bridging structure, designed by one of the top Japanese consultant, Nippon Koei, and approved by institutions like the World Bank and Japan's OECF could not withstand the wrath of mother nature – only 11 years after its commissioning in 1982. That is why experts say, '*Never fight Nature directly, go along with it.*' Sitting comfortably at LDC far away from the scene of disaster, the magnitude of destruction and its consequences took some time to seep into us. I tried to take RNP's demoralized mind off by suggesting that he should plan the next line of action and not worry about the BL-10 washout. Suryanath Upadhyaya, Secretary/Ministry of Water Resources, is informed of this washout. Brigadier General DSR is also informed and requested to instruct our Markhu Damsite Supervisor Dambar to immediately close the Intake Gate of the tunnel at the Damsite and also open the spillway gates of the Dam. It then dawns to us that the water from the dam will be emerging from the broken BL-10 penstock pipe with a 400 meter head and the force of about 40 MW of power. The safety of the dam must receive full attention by opening both the spillway

gates fully. NEA's Engineer Hemanta Joshi at Hetauda substation is asked to immediately inform the CDO of Makwanpur at Hetauda. Sagar Narsingh Pradhan, NEA Board member and former Kulekhani-I Project Chief when informed of the disaster around 2:00 AM exclaimed, 'Impossible! I don't believe it.' Though he refuses to believe the washout, he, however, asks that the local Nippon Koei office at Thapathali be informed as someone always stays there. Message is given to a Mrs. Inoue to pass on the penstock washout message to Mr. Nonaka, former Nippon Koei KL-1 Deputy project manager and KL-2 Project Manager. The Brigadier General is again requested to pass on the very important 'close the intake gate of the tunnel at the Damsite' information to NEA staff at Markhu. The General says that this will take more than 3 hours as the Brigade at Chanban and the army unit guarding the dam site are far off.

#### D. Remedial Efforts

Because of the disruption of communication with the Damsite, NTB calls in his officers Jeevan Kumar Pradhan (JKP), Director, Generation Department and Engineer Chandra Bahadur Shrestha (CBS) to send them by vehicle to the Dam site to close the tunnel's Intake gate. The opposition party, CPN-UML, had declared a 3 days' Chakka Jam on 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> of Shrawan so the police at the DIG office is asked to provide an armed escort. Interestingly this Chakka Jam was a blessing in disguise to all the people who could have traveled by buses to Kathmandu because the highway was so extensively damaged by the rain that there would have been many bus accidents and thousands would have been stranded and suffered for many days on the highway. At 3:00 AM in the morning there are no drivers available; so my driver Hem Bahadur Ghale, who has not slept at all, opts to take JKP and CBS with an armed Police Escort along the old Tribhuvan Highway to Markhu. The Brigadier General is informed about the dispatch of the engineers and is requested to provide a helicopter early in the morning to visit the dam site to close the intake gate. As he expressed his inability, Ajit Narayan Thapa requested the concerned Brigadier General, Tejendra Jung Thapa. Unfortunately, at 4:30 AM JKP and CBS returned back to LDC because the highway just a little ahead of Nag

Dhunga is totally blocked by a huge landslide. GKC reports through the Army channel a very dubious report 'the dumper truck is on the way to the dam site.' We later decoded this message as Supervisor 'Dambar is on the way to the dam site' and not the dumper truck! As the Markhu-damsite motor road is also damaged, Dambar has to go on foot.

#### E. Efforts Fail

GKC, RNP, NTB, myself and many others get not a wink of sleep the whole night. Around 6:00 AM LDC surprisingly gets the telephone call from the Nippon Koei's Nonaka in Tokyo. NTB talks with him and abruptly tells him to come here to see the situation for himself. He says he will come in the first available flight. Talked with the Army HQ, DMO who informs that NEA's Supervisor Dambar Shrestha is attempting to close the intake at the dam site. At this point in time, this closure of the gate is the only saviour that we see at Jurikhet's BL 10 to stop the 40 MW kinetic energy hammering away relentlessly. Hemant Joshi confirms relaying the penstock pipe burst to the Makwanpur CDO at night and also confirms that the 66 kV double circuit tower number 132 at Bagjhora is washed out. At 11:00 AM the helicopter with the Minister LP Ghimire, Secretary SN Upadhyaya, NEA's MD and JKP take off but could not proceed beyond the Bagmati river due to very bad weather. At 11:30 AM army HQ reports water spilling from the Dam's spillway. This is a great relief for us as we are now certain that the spillway gate is open and the threat to the Kulekhani dam through overtopping is reduced. This means the water level is over 1520 meters, up from the previous day's 1498.63 meter i.e an incredible 22 meter rise in one day!

#### F. Die is Cast

So with Nagdhunga access blocked, helicopter grounded due to bad weather and Dambar not Dumper trying to close the intake gate at dam site, other avenues as well are being explored to stop the water flowing from the broken penstock at BL 10. GKC, RNP, Okazi and Nishino of Nippon Koei at Nibuwatar see only one last option i.e close the emergency butterfly valve at the Valve House located at the junction of the headrace tunnel with the penstock pipe. There are fears that the vacuum created



inside the penstock pipe when the valve is closed may buckle the pipe and there are cases where such collapsing of the pipes have occurred. But with about half of Kathmandu peak power (40 MW) hammering away at BL 10, there are no other options at all. After a long debate, the die is cast and the decision to close the butterfly valve at the valve house is taken. RNP sends two groups of technicians to the valve house located nearly 2,000 ft above the powerhouse through different routes with instructions on how to close the emergency butterfly valve.

#### G. Game of Wait and See

There is hardly anything that can be done on any front any more. All cards are played: the Tribhuvan Highway access blocked, helicopter waiting for the weather to clear, Dambar Shrestha to open the spillway gates and close the intake to the headrace tunnel, water spilling from the dam's spillway, the 40 MW kinetic energy being dissipated at BL 10, two groups dispatched to the valve house for closing the emergency butterfly valve. We just wait, discuss and speculate. At 14:30 hours the Army DMO relays exact dam site water level as 1524.68 m at 12:00 hours – an incredible rise of 26.05 meter in 15 hours! Our attention is then diverted to load shedding and management of the power system with the loss of the 92 MW KL1 and KL2 power plants in a system of about 220 MW. Attention is also diverted on how to repair and finance the damages. The rehabilitation of the penstock at BL 10 could be done by:

- (i) reconstructing the original bridge and embedding with Sabo concrete dam;
- (ii) constructing a siphon across the Jurikhet stream and putting the concrete cover or
- (iii) making a tunnel from BL 9 to BL 10.

The finance could come from the World Bank, the OECF who were the

original financiers or even NEA's own pocket. The crucial guiding principle, we realize, is Time and that which ensures No Repetition of the disaster. KL1 Chief, RNP, late in the evening reports that one of the party returns without being able to reach the valve house as their route is too dangerous due to innumerable landslides. There is no news at all of the other party and RNP, the worrying man that he is, worries and frets very much for their safety due to the landslides that were occurring all over the hills.

#### **H. All's Well that Ends Well**

The next day on July 21, 1993 at 7:15 AM GKC in consultation with Okazi of Nippon Koei believes the penstock pipe at BL 10 must go underground and be embedded with concrete. This may take a minimum of four to five months. At 7:45 AM the helicopter is preparing to take-off with the Water Resources

***The importance of totally reliable communication lines for such emergency operations is well illustrated above. NEA's power line carrier, NTC's microwave networks as well as the Army's communication served the purpose well.***

Minister from the airport. At exactly 7:50 AM RNP from Dhorsing reports that the other party sent to the valve house has returned and they have successfully closed the butterfly valve at 5:00 PM the previous day. Due to bad weather they spend a night at the valve house itself and return just then only. At 8:00 AM GKC confirms through the Bhainse Army Major Bista that the intake gate at the damsite has been successfully closed. Also at 8:05 AM Captain Raghu Bhandari at Army DMO confirms closure of the dam site intake gate. At 8:15 AM this closure of the water flow is given to Minister of Water Resources, LP Ghimire, already airborne in the helicopter and he decides to return back to Kathmandu airport. This good news comes a full 15 hours after the successful closing of the butterfly valve. The intake gate to the headrace tunnel at the dam site was successfully closed at 02:00 AM of July 21, 1993 (Shrawan 6, 2050) i.e. a full 9 hours after the butterfly valve was closed. With the closure of the butterfly valve, the closure of the intake gate at the dam site and the opening of the dam's spillway gates, the emergency is thus successfully tackled.

#### **I. Conclusion – An Emergency Successfully Tackled**

Reports start pouring about the damages caused by this 'Cloud-burst':

rainfall gauged at Palung 540 mm in 24 hours, extensive damages and the loss of human lives at the Bagmati Barrage, Malekhu, Mahadev Besi and Bhainse bridges washed out. Nepal Telecommunication Corporation's microwave tower at Simbhanjyang knocked out. Kulekhani river's normal drainage prior to the construction the dam was into Bagmati. The dam thus mitigated the force in downstream Bagmati but at a tremendous cost to the life of the dam<sup>2</sup> – this we are to know later. The importance of totally reliable communication lines for such emergency operations is well illustrated above. NEA's power line carrier, NTC's microwave networks as well as the Army's communication served the purpose well. It will not be justified to conclude this episode of the Kulekhani disaster without mentioning a few

names of those who performed their duties in this crisis very well. First, of course, comes the five NEA employees who closed the butterfly valve: Basudev Gharti Magar, Chetra Bahadur Thapa, Bal Bahadur Thapa, Tul Bahadur Rana and Bachchu Bahadur Thapa. The others are Ramraj Shah and Shyamji Shrestha from NEA with Jamedar Hari Bahadur Ghale and Havildar Jagnath Pandey who entered the turbine hall despite the pungent odour to take the penstock pipe pressure gauge reading; Havildar Dil Bahadur Karki, Sepoy Jaya Bahadur Ayer, Sepoy Krishna Bahadur Basnet and Piuth Ramesh Karki of the BL 10 guard house who stood by their duty; the operators on duty at 21:20 hours both at the KL1 and KL2 who immediately took necessary measures to shut the turbines, and of course the KL1, KL2, KDPP chiefs with the Japanese Okazi and Nishino as well as the officers manning the DMO at army HQ and Major Bista of Bhainse garrison who were 24 hours on duty. There are the LDC staffs with their Chief Buddha Narayan Manandhar and many others who performed their duties but remained silent and unnoticed like driver Hem Bahadur Ghale. This is a classic example of the successful tackling of an emergency with the full cooperation and dedication of the personnel of various

organizations: the Army, Police, CDO, the Japanese consultants, NEA and many others. **They proved that the Nepalese, when confronted with an emergency, can perform over and above their normal call of duties.**

#### **J. Postscript:**

This Postscript has been added with the kind inputs of Nima Tshering Bhutia, the then Director-in-Chief of Operation and Maintenance Directorate that operated and maintained NEA's power houses.

#### **1. Extent of Damages:**

a) At KL 1 – (i) about 100 meters long penstock pipe with a diameter of 1.6 meter and 22 mm thickness (ii) some equipments submerged in water at the power house and (iii) about 200 meters of the tailrace outlet filled with sand, mud and stones.

b) At KL 2 – (i) Mandu's Inlet headworks (diversion weir, sand flushway, inlet and sand settling basin) including a part of Head Pond all damaged or washed away (ii) about 1500 meter of the headrace tunnel filled with sand, mud and stones (iii) power house switchyard filled with mudslides. Major parts of the road between Bhainse, Nibuwatar, Dhorsing, BL 10 and Markhu damaged.

#### **2. Contract Award:**

a) General – 11 km road between Bhainse and KL 1 made motorable by Bhadra 17, 2050 (September 2, 1993); as Nippon Koei was consultant for ongoing Kulekhani Disaster Prevention Project, it was also made consultant of Kulekhani Rehabilitation Project; decision taken to go underground at Jurikhet BL 10 and embed the penstock in concrete.

b) Penstock pipes – On Bhadra 22, 2060 (Sept. 7, 1993) order for 118 meter long 1.6 meter diameter 22 mm thick penstock pipes weighing 130 metric tons awarded to Austria's Voest-Alpine company; first delivery through Lufthansa's normal passenger flights arrived on October 12, 1993 with last delivery on October 26, 1993 (Kartik 10, 2050) with a cost at Kathmandu of 1.4 million German Mark – total cost of Rs 5.50 crores inclusive of Rs 1.33 crores as Nepalese custom duties.

c) Civil works – Civil works (excavation, concreting, tunneling and penstock pipe installation) worth Rs 10.55 crores awarded to China International Water and Electric Corporation (CWE) also on September

7, 1993; works to be completed by January 31, 1994 (Magh 18, 2050).

### 3. Construction Works:

Excavation to install the penstock pipes at EL 1090.10 meter 10 meter below the ground level; concreting of penstock pipes started on November 12 (Kartik 27) and finished on December 18, 1993 (Poush 3, 2050); excavation of 3.25 meter diameter tunnel of length 33.5 meter; welding of 129 meter long penstock pipe that need to be verified with X-rays completed in 22 days by December 9, 1993 (Mangsir 24, 2050); welding done by 4 Chinese, 4 Nepalese (3 from Nepal Hydro & Electric Pvt Ltd) and 3 Indian welders; plus the complicated task of coupling the old penstock pipe with reducer and expansion joint.

### 4. Commissioning of KL1 & KL 2:

Water filling in the penstock pipe started on December 18, 1993; testing of the entire electrical and mechanical equipments (that idled for five months) in both the power houses done; 60 MW KL 1 successfully commissioned and inaugurated on December 27, 1993 (Poush 12, 2050) by Congress leader Ganesh Man Singh; water filling in the tunnel of KL 2 from December 28, 1993; 32 MW KL 2 successfully commissioned on December 30, 1993 (Poush 15, 2050).

### 5. Remarks:

**i) Expenditure & Revenue:** Rs 5.50 crores for penstock pipes came from NEA and OECF/Japan picked up the Rs 10.55 crores for civil works and Rs 3 crores for consultancy – a total expenditure of Rs 19.05 crores. Whereas, average annual generation of KL1 211 GWh and KL2 105 GWh, that totals to 316 GWh which at NEA's 1993 tariff of Rs 2.54 per unit meant a revenue of Rs 80.3 crores. An expenditure worth spending for!

**ii) Reconstruction Period:** The Kulekhani penstock pipe at Jurikhet BL 10 got washed out on July 19, 1993 (Shrawan 4, 2050). With Nippon Koei's Nonaka telling Minister LP Ghimire that it would take at least 9 months, the power house was commissioned in December 28, 1993, within a record 162 days (5 months and 12 days).

**iii) Working Environment:** This was possible due to very quick decisions of NEA Board, very good working relationship within NEA directorates and at the Project site; Nippon Koei's sincere Okazi and Nishino; capable civil contractor CWE and reputable penstock pipe supplier Voest-Alpine. Though the civil work contract completion target was January 31 1994, Voest-Alpine's Austrian site-supervisor pushed the target ahead as

he had to be home for the December Christmas. This was very much in NEA's interest, to remove the heavy load shedding. The Austrian finished his penstock pipe installation supervision by third week of December and left for Austria. It was then up to the CWE contractor and NEA staffs to commission KL1 & KL2 by December 28 and 30, 1993 respectively.

**iv) Nepalese Can Do:** That Nepalese can also perform, when the nation wants, is illustrated by this example. If we apply the same Kulekhani disaster spirit of 2050 to the present 2066 dilemma of load shedding, Nepalese can perform insurmountable feats – provided, of course, our political leaders set the examples first by foregoing their selfish motives in the larger interest of the people and the country!

1 Former Managing Director/NEA and former Officer on Special Duty/MOWR.

2 The 540 mm in 24 hours 'cloudburst' that raised the dam's water level 26.05 meter in 15 hours also brought along huge debris (mud, sand, pebbles and rocks) crashing into the Kulekhani storage dam. The life of a storage dam, designed to last over 50 years, is dependent on the 'dead storage' capacity. As much of that capacity got filled up, Japan's OECF came to the rescue immediately by funding the construction of the sloping intake.

# प्रिमियर बचत योजना

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# Inclusion of Dalits in Micro Finance Cooperatives in Nepal

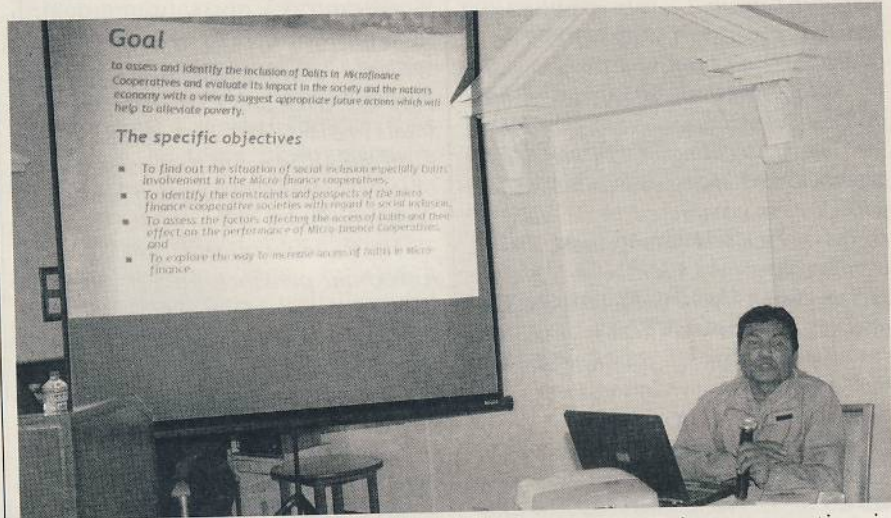
- By Man Bahadur BK<sup>1</sup>

**Introduction:** Micro-finance, a mixed financial product of finance and social intermediation, has evolved as a global concern because it is the financial services of the poor. Specifically, the micro-finance initiatives have economic goals of reducing the poverty and tackling the marginalization of the poor particularly the deprived section of the society. Specifically, microfinance is distinct from Rural finance and Agriculture finance and micro-finance cooperatives operate saving and credit as its main cooperative business.

Micro finance commenced in United Kingdom in mid 19<sup>th</sup> Century through cooperative saving of 28 pounds from factory workers of 'Rochdale Society of Equitable Pioneers'. In Nepal, the first credit cooperative society was formed in Chitwan district of central Nepal in 1956 with an aim to provide the agricultural credit to the flood-stricken people resettled in the Rapti Valley. Nevertheless, the formal micro-finance programme began in Nepal in 1970.

Social exclusion discourse developed in response to poverty describes the process that leads the individuals or groups from being wholly or partly excluded from the full participation in the society. Nepal, a Hindu kingdom for a long time; has the caste hierarchical system that dominates the most social and cultural value. The age long caste-based practices have made "Dalits" - the most deprived group in the society and the representation of Dalits in all socio-economic sectors is negligible. However, there is always debate on social inclusions spoils the sustainability. In this regard, this article, based on the SIRF funded research study; focus on the inclusion of Dalits in micro finance. In the research study, the researcher has used an unique measuring rod term as "Social Performance Measurement" to measure the social inclusion

**Microfinance Models:** In 1970s and early 80s, the provision of cheap money to poor farmers and rural micro-entrepreneurs was considered key to stimulate the farm and non-farm investment, to boost the use of modern inputs and to augment production in the



rural areas. By the mid-1980s, the results achieved by the traditional credit programmes turned out to be disastrous and the critics argued that only few poor people have access to the credit subsidies. It is now generally accepted that the cheap credit was ineffective in stimulating the agricultural investments and alleviating rural poverty. The cheap credit undermines the development of a viable rural financial market so it led to the formulation of a new paradigm of financial market. Under this approach, even small farmers are seen as potential source of savings and they are generally considered as able to pay interest. The subsidies are considered as transitory. Since the system has high risks and costs, a specific financial technology has been developed, tested and adjusted to local needs throughout the last decade of twenty century. This financial technology includes: Social control mechanisms; Intensive credit monitoring and stringent loan recovery efforts; Loan portfolio risk diversification measures; Character-based ending strategy; Acceptance of non-traditional collateral -joint liability/group guarantee; and Priority on saving mobilization

**Approach for Inclusive Microfinance:** The different Global Summits on Micro Finance have envisaged various procedures to make Micro Finance inclusive. The micro finance institution can build institutional capacity to reach the poorest families by strengthening

network and exchange practice in existing micro-credit institutions and preparing new practitioners through trainings. The regulation for micro financing systems needs to be revised with more focus to empower the poor. Likewise, these institutions can use of cost-effective poverty assessment tools to chart the movement of clients above the US\$ 1 a day threshold. Further, the micro finance institutions can conduct a media campaign to expand awareness and support the promotion of Campaign's learning agenda.

**Micro Finance Sector in Nepal:** Regarding micro finance sector of Nepal, the models widely practiced in Nepal include: Grameen Bank, Village Bank, Swablamban (Self-reliance), informal groups and Cooperative. Some of the Microfinance Development Banks which are active in microfinance sectors are: Nirdhan Utthan Bank, DEPROSC Bikas Bank, Chhimek Bikas Bank, Swablamban Bikas Bank, Grameen Bikas Bank in regional level promoted by Nepal Rastra Bank and Sana Kisan Bikas Bank promoted by ADB/N. Further, ADB/N, the largest rural credit provider, has been transformed into Small Farmer Cooperative Ltd (SFCL).

In term of Nepal's legal and regulatory framework, there are two legal options to facilitate the establishment of Micro Finance Institution. First, Community Based Organizations include Small Credit Cooperatives established under Cooperative Act 2048 and NGOs established under Social Registration

# Competing Inequality: Growing Up Untouchable In Nepal

By Mohan Das Manandhar  
Rojan Bajracharya<sup>1</sup>

The caste hierarchy system is one of the tragic facts of the Hindu religion which placed certain caste group in lowest level favoring the culture based hegemony of the high caste group so there persist rampant inequality between high and low caste in the Hindu society since ancient past. Where, the high caste groups in Hindu are: i) Brahmin who govern the civic rule of Hindu society and administer the traditional socio culture rites, and ii) the Chhetri who are warrior and ruler by kinship. On the other hand, the lowest caste groups are Dalits whose work and way of living is regarded as impure in Hindu society. So, the Dalits, being impure, are regarded as untouchable caste group and this traditional system of untouchable has nurture in our society so deeply that the socio-political and state structure is unseemingly adopting this system despite of the assumed changes in

cultural norm and value system.

It has been conceived that a touch of Dalits make high caste people impure so such high caste people should be sprinkle with Gold Water to make pure. Likewise, if Dalits touch water or public water source (viz. Ground well, tap, lake) located in the high caste localities then such water become impure and useless and the Dalits who committed such act are severely punished. Further, the Dalits are also untouchable to the traditional market economies as their work, pre defined by high caste, are regarded as non-tradable because their service should only provide economic welfare to high caste. The Dalits can only perform their work with the permission of high caste otherwise such activities are regarded as sin. In essence various range of discrimination against Dalits, the untouchable practices in society can be observed via two layers. First, the Dalits are untouchable to market which

means as discussed earlier the Dalits can only perform their pre-define work with the permission of high caste and again for the welfare of high caste. Second, the Dalits are untouchable to overall culture – specifically *Pani Na Chalne* (Impurity of Water after the touch of Dalits) – which also include first one i.e. untouchable to market. In another word, the main agenda of Dalits is untouchable in culture but it won't encompass all Dalits as some Dalits are also observed to be *Pani Chalne* (i.e. Touchable by Culture) but they are untouchable to market system. In socio economic approach, the untouchable to market means limited access to resource which causes downturn so the competing inequality among Dalits is only possible if the untouchable in society is minimize.

Nepal is home to various caste groups of Dalits accounting 13 percent of the country's population. As per the

Act 2034. These organizations also need to obtain license to work as financial intermediary under Financial Intermediary Act 2055. There is no capital requirement provision for these types of organization. Second, Capital Based Organization, which include financial institutions established under Development Bank Act 2052 and registered as a company. There has specified capital requirement provision for this type of organization.

**Dalits Inclusion in Micro Finance:** The ethno-caste segregation of members associated with executive committee, accounts committee and local committee of micro finance institutions is dominated by Brahmin/ Chhetri. The internal management problem within Micro Finance institution is the leading cause of failure to expand micro finance which is perpetuated by high demand and repayment rates. The management of co-operatives is mostly in the hand of Janajati and Brahmin/Chhetri and only the 13 percent of the saving members in micro finance institutions are from Dalit community which prorates the picture of low level Dalits participation. However, it is interesting to observe that the most of micro finance institutions with high Dalits participation are profitable and sustainable because of

their poor and deprived focused approach.

The factors influencing social inclusion of Dalits in microfinance co-operative can be categorized into two levels: i) organizational and ii) individual level. In organizational level, the factors influencing inclusion are: i) policy framework; ii) Credit Methodology; iii) Product Mix and Design; iv) Nature of Source of Lending; v) Social Structure of Locality; vi) Age of Cooperative; and vii) Demography of Working Area. In individual level, the factors influencing inclusion are: i) Self Exclusion; ii) Exclusion by the Staff; iii) Exclusion by Other Members; and iv) Exclusion by Design. The major causes of barrier on social inclusion of Dalits are low educational qualification for employment and stigmatization due cultural background.

The barrier in reaching the most deprived group includes: Physical Barriers, Economic Barriers and Socio-cultural Barriers. In physical barrier, very poor people live in remote rural areas that have no access to financial services. In economic barrier, most microfinance program uses group-lending methodology where the clients attend a weekly or monthly meeting to access credit. The cost of transportation to

these meetings, together with the opportunity cost of attendance can be a barrier for poor people to participate in microfinance programs. In term of socio-cultural barrier, poor are socially intimidated, believing that the services offered by micro finance is not suited to their needs.

**Recommendations:** In order to make micro finance inclusive, the micro finance policy that is unfriendly to poor should be revised. Specifically, the Government needs to revise the existing laws and regulations and enhance its supervisory framework. Further, Micro Finance Institution should establish working relationship with FNCCI and its district chapters to access different facilities and support that may be available. This also develops the efficiency in networking and advocacy which supports to share knowledge, information and experience. Additionally, the civil societies need to educate people against caste-based discrimination as the ethno-caste-based discrimination is the root cause of exclusion of deprived communities in every sector of public life

1. Mr BK is the Research Fellow of Social Inclusion Research Fund (SIRF) in 2006. This article is based on his SIRF funded research study.

geo political and social reality of the country, the Dalits of Nepal are generally grouped on the basis of ecological belts. First, Hill Dalits from hill ecological belt are untouchable to overall culture. Second, Terai Dalits from Terai ecological belt are also untouchable to overall culture but some caste groups of Terai Dalits (viz. Lohar, Shonar and Hajam) are only untouchable to market. The researches funded by Social Inclusion Research Fund (SIRF) have substantially raised the issues of untouchable in Dalits.

The SIRF researchers – Amar Bahadur BK, Yam Bahadur Charnakar and Ram Sundhar Nepali – highlighted on a board picture of Dalits' untouchable in culture which is the corner stone of Hindu based civilization. It is a deliberate fact that the art, culture and knowledge of Dalits is the part of Hindu civilization but they are tagged as impure, untouchable and low graded so the SIRF researcher – Dhan Bahadur Sunar – argues that there is a trend of change in religion, culture and occupation among Dalits in Nepal. This implies that the Dalits feel suffocation in the traditional Hindu civilization as they are not treated humanely.

Likewise, the SIRF researchers - Bharat Gotame and Khadga Bahadur Ramtel - presented a comprehensive account of untouchable practice against Dalits in Hali system. Under this system, the Dalits plough and work in the field of the high caste in the agriculture session and they get some cultivation as a reward in return. The social system of Hindu has defined that the high caste landowner can exchange his share of cultivation in the market regardless of who have produced them. But, the Dalits, on the other hand, cannot exchange his share in the traditional market and he can use them just for his own purpose. The refusal of food product from Dalits exists even today in some of the urban area of Nepal and it is rampant in rural area. The recent case of such instance dated five years back and was happened in Dhading district. The Dalits of the district were not allowed to sell their milk in the village claiming them and their milk to be impure..

Furthermore, the traditional social system has not provided any economic right to Dalits to defend their work. They can't charge the value of their work like the business men price their goods in the market. Rather, they have to accept what their high caste clients reward them. Likewise, there is no culture of formal education in Dalits so they follow



oral tradition for ingeneration transfer of their art and skill. Even today, in some rural areas, the Dalits children are not allowed to attend the school by sitting together in class. Either, they are provision separate seat or they have to stay outside class and peep from windows and door. This signifies that the Dalits have very less access to resource so they are downturn. Specifically, the poverty situation is highest in Dalits than any other caste group of Nepal; the Dalits women accounts the five out ten women died due to pregnancy related diseases in Nepal; and the 60 out of 100 Dalits children has never attended the school. In order to compete the inequity in Hindu based society like Nepal, the state needs to address the growing up untouchable in the society and state.

There is raising voice against inequity in Dalits from civil society, donors and other stakeholders. T. R. Bishowkarma is regarded as the initiator of the Dalits revolution of Nepal. The SIRF researcher – Dil Bahadur Bishowkarma – postulates the contribution of this man in the Dalit revolution. T.R. Bishowkarma initiated this revolution by bringing the Dalits of Nepal with various backgrounds together and making untouchable as common agenda for their revolution. His initiation was later geared by the various activists and the political leaders resulting an intense discourse on untouchable culture. These discourse compelled the government to form National Dalits Commission for the welfare of Dalits and the political parties gradually started to address the Dalits' inclusion issues in their manifesto. Further, Nepal Communist party Maoist made the issues of Dalits inclusion a high preference political agenda as they legitimize the inclusion as one of the main

agenda of the decade long Maoist armed revolution.

SIRF has also contributed on discourse of Dalits inclusion which in later days focuses on the agenda for Dalits inclusion in new constitution building process. In this regard, SIRF is fortune to invite then Union Cabinet Minister of India from Dalit community, Mr Ram Bilash Paswan in March 2008. This visit was fruitful to SIRF in the sense Hira Bishowkarma, SIRF Interim Screening Committee Member, adjoin Mr. Paswan during his meeting with various high level personal of Nepal which include President, Prime Minister, Foreign Minister, President of Nepali Congress and other major political parties. In these meeting, Mr Bishowkarma placed the issues on Dalit's inclusion identified by SIRF and its importance in present constitution making process. This diplomacy of SIRF was the unique means to disseminate the SIRF's activity to high level personal.

The untouchable is the main issues of Dalit exclusion which evolve an inequality in society. The existence of untouchable culture roots in the family value system and shadows entire state structure. The state should be cognizant on this deliberate fact of Dalits exclusion while addressing the social inclusion issues. So far, it seems that the government has addressed the issues of Dalits exclusion only by revising law and enhancing the service delivery mechanism (viz. free education, free health and other). But, it seems that the government has completely ignored the issues of how to wipe out the untouchable approach from mindset of high caste, family structure, culture and state structure.

<sup>1</sup> Mr. Manandhar and Mr Bajracharya are associated with Social Inclusion Research Fund. The views presented are that of writer's own and do not reflect that of authors' affiliation.



# “Dalits are one of the most deprived communities in Nepal”

-BISWENDRA PASWAN



Leader of Dalit Janajati Party **BISHWENDRA PASWAN** is the only member of his party in the Constituent Assembly. He became the CA member under the proportional representation system. Paswan, who has completed his intermediate level in law from Rajbiraj, spoke to **NEW SPOTLIGHT** on the state of *dalits* in the country. Excerpts:

## What is the economic status of *dalits*?

*Dalits* are one of the most deprived communities in Nepal. Economically, they are the poorest and an overwhelming number of them are living below the poverty line. Madheshi *dalits* are more affected than *dalits* from the hills. Out of the 12 percent economically active population, only a small number get employment opportunities.

## Do you think the new constitution will provide equal political and economic rights to *dalits* compared to any other community?

Given the present state, it is easier said than done. Despite their claims, political parties have yet to recognize the rights of *dalits* and work to bring *dalits* into the mainstream. If we look at the present structure of political organizations, there is a very nominal representation of *dalits*. Of course, they speak for the rights of *dalits* in public but their mindset is yet to change.

## What do you suggest to improve the economic situation of *dalits*?

*Dalits* need protection and reservation for jobs in all sectors. *Dalits* need special economic packages and incentives to start their professions. Along with education opportunities, they also need economic incentives.

## How do you compare the overall situations between *dalits* living in the hills and the Terai?

The status of Madheshi *dalits* is worse than the *dalits* of the hills. Our situation is much worse than all other communities among *janajatis* and *dalits*. From education to per capita income, the situation of *dalits* of Madhesh is more pathetic.

## Nepalese political leaders have been drafting a new constitution with inclusion as a major slogan. How hopeful are you that the new constitution will be truly inclusive?

If you look at the present political

trend, nobody seems to be serious about drafting a constitution to include *dalits*. Our voices are unheard and our views are ignored in the CA committees. Political leaders are just paying lip service in the name of inclusion.

## What do you suggest would make the new constitution inclusive?

If this Constituent Assembly fails to address the problems of *dalits*, they will revolt against the state. This will create a more chaotic situation. We have to fight to establish our rights.

## Don't you think the proportional representation system has brought about certain changes in the kind of representation in CA?

Our experiences have shown that the equitable representation alone cannot resolve problems of exclusion — unless and until we are able to wield influence through direct and active participation. *Dalits* were excluded from the mainstream politics for a long time and I don't think they are in a position to compete now with advantageous groups who have a long political influence and economically sound background.

## What is the situation now?

Of course, *dalits* are able to send their representatives to the CA, but this alone is not enough. What we need is some kind of reservation in education and employment sectors.

## Along with political rights, what do you prefer?

Political rights are important. After formulation of the new constitution, our political rights will be ensured. Economically, we need a lot of time to enhance our status at par with advantageous communities.

## The government is providing special low interest rates loans to marginalized communities, how do you see this move?

These kinds of systems were there in the past but they failed to deliver the results. Giving access to the banking sector is not enough. What is required is the process which will ensure their reach. To increase the involvement of *dalits* in financial sectors, community approach is needed.

## As Nepal is in the process of restructuring of the state, can it make any difference to the status of *dalits* in Terai?

Nepal Human Development Report (2009) has already shown the pathetic situation of *dalits* in Madhesh. Our experiences have shown that the transformation of the state is alone not enough to guarantee the rights of the *dalits* who have been exploited and excluded by the state for quite a long period of time.

## How do you propose to make the society inclusive to all?

First of all, the new constitution must declare all discriminatory practices as illegal and unconstitutional. The new constitution needs to guarantee the representation of *dalits* in the political process, in economy, education and all other sectors. For the time being, we need a special package for reservation.

## What is your impression of the recent trend of social inclusion?

Frankly speaking, one can see certain changes in terms of representation at the CA, but the situation is not like the same at all levels. As long as we are unable to end the rampant prevalence of discriminations against *dalits* in society, we cannot bring about any changes. The trends are once again no more than a political slogan to woo the voters.

## What kinds of changes do you want?

I want the change where *dalits* are given economic as well as political opportunities. This is a must for the *dalits* living in Madhesh who are denied even the basic fundamental human right to live with dignity. ■

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Contemporary Themes

# Peace and Conflict

By BIPIN ADHIKARI



SELECTED ESSAYS

ON

Foreign Relations

Hira Bahadur Thapa



**Hira Bahadur Thapa, Selected Essays on Foreign Relations (Kathmandu: Asia Publications Pvt Ltd, 2009) (Soft Cover Price Rs 175)**

Hira Bahadur Thapa's *Selected Essays on Foreign Relations* is the latest book in town on diplomacy, peace process and contemporary international issues. It is a collection of 54 newspaper essays published by Thapa between July 2007 and June 2009.

As the author notes, this period has been of historical significance because it covers the time when Nepal entered into UN facilitated peace process by ending a decade-long Maoist People's War. Between August 2008 and May 2009A, career diplomat Thapa also served as the foreign policy advisor to Prime Minister Pushpa Kamal Dahal. This further afforded him a vantage from where to discuss issues important to Nepal in its peace process and foreign relations.

The subjects covered in this compilation range from preventing the peace process from collapse, the challenges of ongoing recruitment of national army and the combatants of the Communist Party of Nepal (Maoist), to the extension of the mandate of the United Nations Mission in Nepal (UNMIN). Some articles defend human rights, plead for establishing a culture of accountability, and stress healing the wounds of the Maoist conflict. Many of his articles have analysed the UN peacekeeping efforts, expansion of the UN Security Council membership,

nuclear disarmament and non-proliferation and the theme of collective security.

Some articles deal with the problems of South Asia. There is no common theme, but they include expectations in the fifteenth summit of SAARC (South Asian Association for Regional Cooperation) nations, deepening Nepal Sri Lanka ties, enhancing Nepal China economic relations, fighting terrorism, and cultivating relations with neighbours. He has also devoted two articles on Bhutanese refugees in Nepal.

The book is useful to anybody who wants to understand Nepal's diplomacy, peace process and contemporary international issues over the period covered by the author. Thapa is a moderate analyst in most of his opinion pieces. Almost every essay has certain prescriptions to the concerned sector. He is futuristic in his outlook. This makes his approach valuable.

At places, the author does not hide his sympathy for the Maoist movement, and its leaders. One can also note that he is not critical about the Maoist "People's war" which is said to have claimed approximately fifteen thousand lives, and derailed the democratic process by threatening parliamentary elections. Notwithstanding this criticism, the author has matured understanding of the issues that he has picked up for op-ed contributions.

The author could have considered writing an introductory chapter with a view to provide top up to each article. He could also have divided all these 54 articles in four or five broad themes, giving each theme a defined perspective. A reader who is not aware of the chronological development of Nepal's politics may at times find difficulties in putting some of the essays in perspective.

**Bishnu Prasad Poudel & Hari Bansh Jha (eds), The New Dynamics of Conflict in Nepal (Kathmandu: NAC-SSA, CETS & FES, 2009) (soft cover, price not disclosed)**

This is a new book on the topical issue of conflict. It got this shape following a two-day national seminar held in November 2009 on "The New Dynamics of Conflict in Nepal: Challenges and Opportunities." The seminar focussed on the post-conflict

situation in the context of new armed groups creating law and order problems in the country, particularly in the Terai region, where killings, abductions, and extortions have become very common. It includes papers presented by Dev Raj Dahal, Bishnu P. Poudel, Hari Bansh Jha, Manish Thapa, Chandra Kishore, Som P. Pudasaini, and Dinesh Tripathi, in the area of their specialization, and has a brief report of the seminar at the end. The editors pinpoint in the preface of the book that "if the situation is not handled carefully, the country might plunge into a long term civil war."

The book has a Foreword from the Rt. Hon'ble Vice-President of Nepal, Mr Paramanand Jha. It is a handy, useful work for anybody on the theme. None of the papers, however, adequately covers the India factor in the conflict dynamics of Nepal.

**English-Nepali Glossary of Federalism Terms (Kathmandu: IDEA/ Forum of Federations, 2009) (Soft cover, price not disclosed)**

This is the first Glossary of basic terms used in the federalism discourse produced in Nepal. It offers definitions for some 300 federal terms and their translation into Nepali. The experts involved in developing it, have tried to give not just the basic understanding of each term, but also contextualize it in ways that help in the understanding of the Nepalese readers. Federalism as a form of government in which power is constitutionally divided between a central (national) government and sub-national (state, provincial, regional) governments is very new to Nepal. In this concept, both levels exercise some powers (rather than power being exclusive to the central government or the sub-national governments), and produce a shared government based on a written constitution. While Nepalese are debating a possible constitutional arrangement in this regard, this Glossary, as the publishers have pointed out, can help them understand and use the terms in proper perspective. It tries to address the need for clarity in the use of words or terms that have been central to any political discourse in this regard. By default, it will also help in the standardization of Nepali constitutional terminology. Finally, this Glossary may also prompt the critiques to suggest appropriate alternative translation for some terms in this Glossary which are still difficult to understand in Nepali (for example, *aayatanko arthlabh* for economics of scale, and *bharit pratnidhitwa* for weighted representation).

*Suitable books for review may be sent to: Bipin Adhikari*

*Email: lawyers\_inc\_nepal@yahoo.com*

# Thailand-Nepal Face Common Concerns

-By Asi Mamanee

This year is a special year for Thailand and Nepal, as it marks the 50<sup>th</sup> anniversary of the establishment of our diplomatic relations. Throughout the past 50 years, the relations between Thailand and Nepal have always been based on mutual trust, respect, goodwill and understanding. Both our countries have worked hard to enhance our relations, to deepen and broaden our cooperation in various fields. The frequent exchanges of visits at different levels between the two countries have significantly contributed to the strengthening of relations.

Religious and cultural cooperation is one of the most important aspects of our long-standing relationship. Ninety percent of the Thai people profess Buddhism as their main religion, while Nepal is the birthplace of Lord Buddha. Therefore, the Thai people have special respect and feel very close to Nepal and the Nepalese people.

We are witnessing advances in the area of cultural cooperation. The links between our respective cultures are centuries-old, as evidenced in many similarities between various aspects of our cultures and traditions which have been inspired by Hinduism and Buddhism. They are testimony to the long history of contacts amongst peoples, of exchanges of ideas and values. And from such cultural cooperation comes enhanced understanding amongst our peoples.

The Royal Thai Government has continuously supported the Human Resource Development of Nepal by providing scholarships for higher education and short-course trainings for civil servants and personnel from the private sector in many subject areas.

Thailand reaffirms its continued support for technical assistance and cooperation with Nepal in the areas of Thailand's expertise and according to Nepal's development needs during its transitional period.

In the current year (2009), Thai Government provided 11 Master Degree scholarships and 49 short-course training fellowships to the Government of Nepal.

Thailand is willing to render its full support to Nepal's peace process and its democratic transition. In this connection, the Royal Thai Government has dispatched military officers to join the United Nations Mission in Nepal or UNMIN since 2007 and also sent a team of election observers to observe Nepal's CA election in April last year.

In the economic front, at present, the volume of two-way trade between Thailand and Nepal is relatively small. —However, it is increasing year by year. There is a great potential for our trade and investment cooperation to further develop, particularly in the areas of tourism business, agricultural and consumer products, food processing, textiles, machineries, as well as infrastructure development.

Thai Airways International has been operating in Nepal for the past 40 years. Regular flights by the Thai Airways have been facilitating increasing numbers of tourists between the two countries. In the year 2008, approximately twenty thousand Nepalese tourists and businessmen visited Thailand. Likewise, large number of Thai tourists also visited Nepal last year. The number of Thai tourists coming to Nepal is on the verge of increasing, despite the



global economic crisis. Now, Nepal has become one of the favorite destinations for the Thai tourists.

In this globalized world, it is important to strengthen our cooperation not only in the bilateral sphere but also in the regional and global arena.

I am pleased to note that our two countries are working closely together in many international and regional forums including the United Nations as well as BIMSTEC.

On all these fronts, let such close cooperation continue and indeed expand, in areas where we face common concerns, on issues where we have shared interests.

*Excerpts of the remarks of Mr. Mamanee, Charge'de affaires a.i., Royal Thai Embassy given at the function organized to celebrate 50<sup>th</sup> anniversary of Diplomatic relations between Thailand and Nepal. ■*

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## The Tibet tale, once again

*Another photo exhibition shows the changing face of women in today's Tibet*

By PRADIPTI BHATTA

A photo exhibition on 'Women of Tibet, China', held at Shangri-la Hotel, Kathmandu, between September 9 and 15, showed how women are playing an important role in the modern transformation of the Tibet Autonomous Region (TAR) of China. The exhibition, organized by Women's Association of TAR of China and the Chinese Embassy in Nepal, was inaugurated by Purna Kumari Subedi, Vice Chair of Nepal's Constituent Assembly and Can Muqun, president of Women's Association of Tibet Autonomous Region.

The exhibition focused on the women of Tibet in its display of a total of 111 photographs. Nevertheless, the pictures reflected the essence of Tibetan culture. Just like the previous exhibition, held last month, this one also richly portrayed the development of Tibet in facilitating cultural exchange and understanding between China and Nepal.

Most photographs showed the state of women in Tibet, women who were contributing to the development of Tibet. The exhibit clearly depicted how

actively the women in this part of China have been participating in various aspects to help improve not only their households but also the society and the country as a whole. The pictures told a tale of their involvement as active members of the society.

Some of them also showed the beauty of the Tibetan terrains. Various sceneries were also part of the pictures. Tibet can certainly be seen as a land gifted by nature.

The pictures featured women of all ages involved in various sectors like

business, health, education, mountaineering, farming etc. The women of Tibet no longer seemed limited to certain activities. They have caught up with their male counterparts in spreading out their wings and getting involved in all sectors.

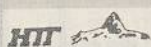
Each picture, like it is regarded, was telling something, a lot more than written words, would be able to express. The photos showed smile and confidence in the face of the Tibetan women that words would fail to describe. In the least, they were happy about whatever they were doing and also looked independent.

The photographs also showed the rich culture and tradition of Tibet. Just like Nepal, the main activity of Tibet also is agriculture, so most of the photographs were related to this sector. Photos of women involved in agriculture were among the most eye-catching ones.

This was the second exhibition on Tibet of China held in Nepal. It has certainly allowed two different cultures know more about each other. Through this event, the Nepalese have been able to know more about the Chinese culture. This exhibition can be regarded as having given a window for the Nepalese to look across the Himalayas for a rich culture and a modernizing tradition. Especially the Nepalese women can take cues from the Tibetan women as an example and work in a manner similar to them in the development of the society.

As a whole, the seven-day event was a success. Hopefully, some aspects of the Nepali society and culture will also be put on a photo show in the neighboring country some day as well. ■

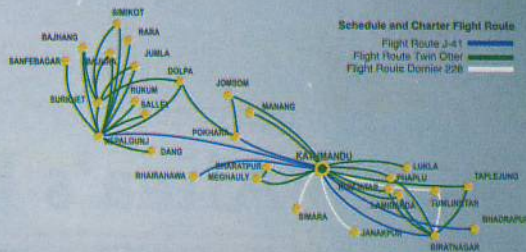
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