

SPOTLIGHT

March 23-29, 2007

Priorities

In

Conflict



C.D.O. Regd. No. 1510030-40
 1.00 Australia/New Zealand... US \$ 1.00
 1.00 Canada... US \$ 1.00
 1.00 China/Korea... US \$ 1.00
 1.00 Hong Kong/Taiwan... US \$ 1.00
 1.00 Japan... US \$ 1.00
 1.00 Other SAARC Nations... US \$ 1.00
 25.00 Other Asian Countries... US \$ 25.00
 25.00 Nepal... NRs.
 25.00 Bhutan... Nu.

Interview :
Rabindra Nath Sharma



CA Polls : Gathering Doubts
Indian Cooperation : Handsome Rise

प्रस्तुत छ...

रु. १,०००/- मा लोटस बचत खाता*

...अब मात्र



बचत खाता



नेपाल इन्भेस्टमेन्ट बैंकले तपाईंहरूको विश्वास र चाहनालाई दृष्टान्तमा राखि फेरि ल्यायो जीवनभरको लागि मात्र रु. १,०००/- मा लोटस बचत खाता । यो योजना नेपाल इन्भेस्टमेन्ट बैंकका सबै शाखाहरूमा लागू हुनेछ ।

विस्तृत जानकारीको लागि नेपाल इन्भेस्टमेन्ट बैंकको शाखाहरूमा सम्पर्क गर्नुहोला ।



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*सबै शाखाहरूमा

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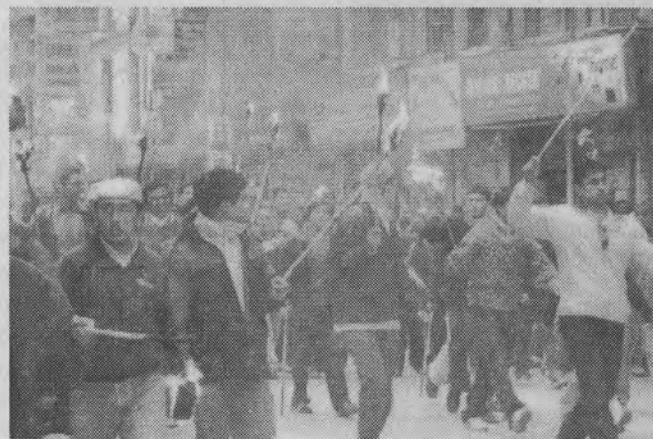
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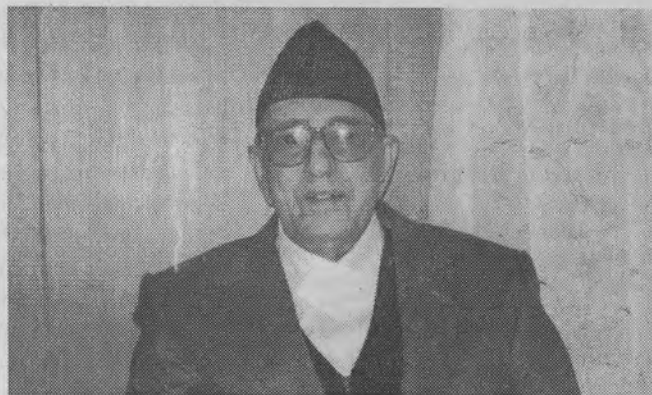
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COVER STORY: Priorities In Conflict

While the people demand peace, job and prosperity, the political leadership have different priorities

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CA Polls: Gathering Doubts

Due to lack of technical, political, legislative or security pre-conditions, the holding of CA polls by mid-June has come under doubts

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President of RPP-Nepal Sharma defends his beliefs on the necessity of constitutional monarchy to preserve independence and sovereignty

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Chief Editor And Publisher
Madhav Kumar Rimal

Editor
Sarita Rimal

Managing Editor
Keshab Poudel

Senior Reporter
Sanjaya Dhakal

Reporter
Thakur Amgai

Design and Layout
Jyoti Dangol (Singh)

Photographer
Sandesh Manandhar

Legal Advisor
Advocate Lok Bhakta Rana

Marketing
Navin Kumar Maharjan
Madan Raj Poudel

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

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

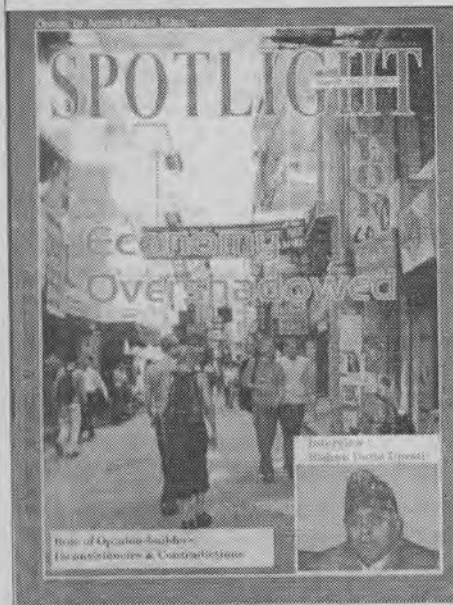
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Speaking to a few old Republican acquaintances I asked them if they considered loyalty to their party were greater than loyalty to their nation. They were frank and honest enough to confess that "nation was indeed greater than the party and nation's interests could never be ignored or sidelined to promote the party." When asked further why then they keep on supporting their President's erroneous policies that are hurting their nation, they get dumbstruck. They have no logical answer. They think this is the folly of democracy. Democracy indeed, that teaches to sacrifice all other values to uphold its ideology. And the richest and most powerful nation wants the whole world to follow its lead in democracy. What could be a greater shame than this? It has been almost more than five years the Bush administration has given a total blind eye to all human rights and human values, callously killing not only thousands of helpless Iraqis, thousands of even their own young men and women. Even though there could be no justification whatsoever in devastating Iraq, murdering Saddam Hussein and his friends, the unjust war continues with no visible end. And no power to stop this as long George Bush is the President of the U.S. Since the last two weeks I have been here I have been asking my American friends to explain their behavior. But not one has been able to put forward any credible apology for this Bush administration. As a matter of fact the Americans seem to have become disillusioned. A noted columnist has just written that, "It is a dangerous illusion to believe that America is superior to other nations. We should not be attempting to reshape other nations in the light of our values." He further adds, "Even a bigger majority of Americans believe that the main goal of American foreign policy (read governments) should be to protect the security of the U.S. and its allies, rather than the promotion of freedom or democracy." If the wealthy politicians in the number one county of the world don't bat their eyelids to unabashedly sacrifice political morality, no wonder the hungry and starving politicians in our country don't hesitate to sell their integrity, even their soul, so that they may nourish their own interests. As such, it would be sheer foolishness to expect the Nepali politicians to defend or safeguard the country's interests or uplift the miserable condition of their poor and exploited countrymen. It is, indeed, a great pity that even the hereditary Kings, frittered away golden opportunities of serving their country and their people. King Gyanendra's utter failure to rise up to the occasion has pushed the poor country to this brink of disaster. It is time Nepal's good friends rallied around her and saved her from the ensuing calamity. And it is time India Nepal's traditional friendly neighbor - stopped destabilizing Nepal's politics and proved that it is, indeed, a friend. It is time China - Nepal's dependable friend - flexed its muscle to the required extent in favor of its smaller neighbor and friend and it is time Nepal's good friend, the Anglo-American axis twisted the arm of its other partner to quit hypocritical behavior. If such a situation does not emerge, Nepal may have to face grave consequences because Nepal's security forces will not stay silent spectators of the country's disintegration.

Madhav Kumar Rimal
Madhav Kumar Rimal
Chief Editor & Publisher



Economy In Limbo

The cover story Economy Overshadowed (SPOTLIGHT March 16) has brought to light an obvious fact that the current political leadership have their priorities fixed on areas other than economy. Hardly any all-party meeting was held in the last ten months to discuss the ailing economy. In fact, the leaders think that economy is a matter of secondary importance not for them to spend time talking or thinking about. This lack of prudence is going to take a heavy toll on the nation in the coming days.

Kushal Khadka
Baluwatar

Focus On Economy

At least some media like your magazine have been raising issues of economic interest ("Economy Overshadowed" SPOTLIGHT March 16). It is not at all strange that eight parties have cast indifferent look to the business and industrial sector. For Maoists, the whole industries and businesses are nothing but lackeys of global capitalists. They have no love lost for the business community. They have been repeatedly proving their utter disregard for the concerns of the community. Despite getting tens of millions of rupees from the state, the Maoists are shamelessly collecting 'donations.' The extortion racket operated by the Maoists has haunted the whole sector. However, it appears that there is a certain class of leaders in the Maoist organization who have grown fond of such easy money. They have thrown the peace pacts and assurances out the window and continued to engage in extortion. As a matter of fact, it is my thinking that the Maoists will continue to raise extortion even after they join the interim government. They have already asked for regular salaries to their army. It is clear that country's economy is not their priority. Otherwise, for a party that had raised revolutionary slogans and vowed to build a new and prosperous

new Nepal, such blatant looting of state coffer combined with organized criminal-like extortion racket would have not materialized. The Maoist leaders have mastered the art of public deception. They will cry thunderously denying any extortion and, thereby, sound out the complaints. As Goebles – the Hitler's propaganda minister – once said – if you repeat a false statement for hundred times, it will appear like a true statement. That appears to be the dictum of Maoists, too. They cry hoarse about having abandoned violence or intimidation, but the acts continue unabated. They point fingers at people who make the complaints as agents of reactionary forces. That is their method of subduing opposition. However, the Maoists must realize sooner than later that this method will ultimately back-fire. Look how the Maoist cadres are having to face the wrath of Madhesi agitators in Terai. Same will happen in hills also if they do not improve their behavior. As far as the seven parties are concerned, they were never really efficient except in crying hoarse about threats to democracy. True, they fought on behalf of the people and got back democracy that was hijacked by the palace. But more than that, they are incapable of doing anything else. To hope that they

will somehow turn around this country economically is only a day-dream. Nepal, as such, remains without any option and the people of this country will have to pay a big toll due to the absence of effective and wise leadership at this transitional phase.

Krishna Adhikari
Anamnagar

After Political Settlement

The cover story ("Economy Overshadowed" SPOTLIGHT March 16) stated that the leaders are not giving attention towards economy. But it is a fact that Nepal currently is in a peace process and is headed towards the elections for the Constituent Assembly, which will write its new constitution. Therefore, it is crystal clear that political agendas will be in the driving seat for some time to come. But that does not mean that leaders are not concerned about economy. The economy of the country cannot grow in a vacuum. It cannot grow in an environment where there is no peace or stability. Let us give some time for the leaders to settle the political issues after which economy will naturally come. By pointing to the issue of economy continuously, you are only causing more problems to the already hard-pressed leaders. Let them first sort out politics. Let them have a breathing space.

Hit Kumar Pariyar
Teku

Give Jobs

It is high time that our leaders started to make some strategies to provide job opportunities to the people ("Economy Overshadowed" SPOTLIGHT March 16). As economist Dr. Raghav Dhoj Pant said in the cover story, the country must give jobs to youths who are desperately going towards overseas. Sending youths overseas is not a viable solution to our economic problems.

Bibek Kumar
New Baneshwore

RPP-Nepal Condemns Attacks

Rastriya Prajatantra Party-Nepal president Rabintra Nath Sharma has condemned what he termed as "conspiracies to bar his party from taking part in the Constituent Assembly polls." "The eight party syndicate does not want any other party to run in the polls," said Sharma at a press meet on Sunday (March 18). "Where in the world is there a democracy where we cannot peacefully participate in polls by carrying our viewpoints?" Sharma asked. Sharma and his party colleagues were physically thrashed in Birtamode last week by cadres of eight parties. In Phidim, RPP-Nepal vice president Padma Sundar Lawati was also similarly thrashed. Eight party cadres attacked them claiming them to be pro-monarchists and engaged in hatching conspiracies to derail CA polls. *Compiled from reports*

OHCHR Has No Mandate To Mediate

In her meeting with journalists in Rajbiraj on Saturday (March 17), Lena Sundh, Representative of the High Commissioner for Human Rights in Nepal, was asked why OHCHR had not accepted a request that it assist in getting talks started between the JTMM and the Government. The Representative responded that OHCHR had never received any such request, states a press release by the OHCHR-Nepal office. She also stressed that OHCHR did not have a mandate to mediate. "Its mandate is human rights and that is where its competence lies. Within that mandate, OHCHR would continue to support co-operation between political parties and civil society which would help the protection of and respect for human rights." If the United Nations were to be requested to assist political dialogue, that would be a matter for the Special Representative of the Secretary-General, she said. *Compiled from reports*

Dry Port And New Route To Increase Trade With China

Finance Minister Dr. Ram Sharan

Mahat has informed that a dry port and a new route will be developed to increase trade with China. He said the government considers mobilizing the Rasuwagadhi route for the purpose. He stressed the need to make trade with China export-oriented. Addressing a program organized by Nepal Trans-Himalaya Trade Association, Dr. Mahat said bilateral trade between Nepal and China should be made problem-free. Durga Bahadur Shrestha, president of association, urged the government to construct dry port in Panchkhal alongside Kodari highway. *Kantipur daily reports*

Eight Party Activists And Mjf Clash

The activists of Madhesi Janadhikar Forum (MJF) intervened the rally of eight parties in Birgunj on Saturday (March 17). In the ensuing clash, one Maoist and one traffic policeman were injured. Likewise, in Bara district, 36 persons were injured when eight party cadres and MJF activists clashed. On Friday, demonstrators supporting the Madhesi Janadhikar Forum (MJF) had vandalized the district Congress party office of Parsa and attacked its district president Rajendra Bahadur Amatya. Amatya as well as one security personnel Gyan Bahadur Rai were injured in the incident. Meanwhile, in Phidim of Panchtar district, eight party student activists thrashed Padma Sundar Lawati, vice president of Rastriya Prajatantra Party (RPP-Nepal). The students disrupted a gathering of the RPP-Nepal and vowed to prevent 'pro-monarchists' from holding any program in the district. This incident occurred a day after RPP-Nepal president Rabintra Nath Sharma was similarly manhandled in Birtamode of Jhapa district. *Compiled from reports*

Palace Staffs Pulled Out

The cabinet meeting on Thursday (March 15) has decided to pull out 50 percent of the 774 palace staffs and place them under reserve pool of the civil service. Of the remaining 50 percent, 25 percent will be offered

voluntary retirement and others will work in palace under the regular civil service job. Likewise, 51 over-age palace staffs will be subjected to compulsory retirement. Meanwhile, the cabinet meeting also decided to form Electoral Constituency Delineation Commission headed by former judge of Supreme Court Ram Nagina Singh and including members Dr. Noble Kishore Rai and Professor Surya Lal Amatya. Secretary at Council of Minister Swayambhu Man Amatya will be its member secretary. The cabinet also approved a Bill to hold the CA elections and it would be tabled in the parliament for ratification. The meeting decided to extend the tenure of citizenship distribution teams. *Leading dailies report*

Proposal To Disallow Repressors Of People's Movement From Fighting CA Polls

The Bill on CA Member Election approved by the cabinet on Thursday (March 15) has proposed to disallow repressors of People's Movement from taking part and fight the CA elections. This provision was inserted in the bill as per the suggestion of cabinet committee headed by deputy Prime Minister KP Oli - which was formed to study Rayamajhi commission report. Likewise, the proposed bill also bans the black-listed defaulters of bank loans from fighting the elections. The bill will soon be tabled at the parliament. *Kantipur daily reports*

PM Says Govt Will Take Action If Weapons Are Found Outside

Prime Minister Girija Prasad Koirala has said that the government will take strict action if weapons are found outside cantonments. Saying that it was natural for the Maoists to try to conceal some weapons, PM, however, vowed that all illegal weapons will be dealt with strictly. Talking to reporters at a program organized by Rastriya Janashakti Party to mark its second anniversary, Koirala also said that currently the situation in the country was abnormal. He, however,

adequate elections will go ahead as planned and the government will take necessary steps to normalize the situation. *Leading dailies report*

Prachanda Says 'Grenades Not Weapons' Are Outside

Correcting his earlier remarks that thousands of weapons remain outside the cantonment, Maoist chairman Prachanda said, on Wednesday (March 14), that thousands of grenades remain outside cantonments. "I had said thousands of grenades remained outside but it was reported by media later that thousands of weapons were outside. That has only created confusion," he told reporters on Wednesday in Kathmandu after addressing a conference of All Nepal Revolutionary Journalists Association. On the issue of his allegations of royalists' plot, Prachanda said they were still collecting evidences and would make them public soon. Earlier, talking to reporters American ambassador James Moriarty said he was still waiting for evidences from Prachanda over the latter's allegations of royalists' plot to kill Americans. Either he should provide evidence soon or he should retract the statement like he did about the weapons, Moriarty said. *Compiled from reports*

13 Army Trucks Seized And Freed By Maoists

On suspicion that weapons were being ferried, Maoist cadres on Wednesday (March 14) seized 13 trucks of the Nepali Army (NA) for two and half hours in Nawalparasi's Rajhar. Colonel Sagar Thapa at the Nawalparasi-based NA's Aridaman battalion said those trucks were transporting logistic materials for the army's barracks from Kathmandu to Dhangadhi. The Maoist cadres wanted to check all those vehicles. The military officials, on the other hand, said that those vehicles were heading for their destination from Kathmandu after clearance from the joint security coordination committee. They also claimed that the Maoists mobilized their PLAs under the fourth division for intercepting the vehicles. However, the Maoists released those vehicles at 8 pm after the UN Arms Monitoring Team,

which coincidentally arrived at the scene, checked the vehicles and found nothing except foodstuff and clothing. *The Himalayan Times daily reports*

Maoists Thrash A Businessman In The Capital; Another Abducted

In breach of the peace pact, the Maoist cadres have brutally thrashed a businessman in the capital on Sunday (March 18). Hari Shrestha, 59, the proprietor of Durbarmarga-based Hotel Woodland was abducted in the evening and was thrashed for two hours. He was later admitted to Bir Hospital where he received treatment for two hours. The Maoists had been pressuring Shrestha to pay extortion of Rs 2 million for the past four months. According to Shrestha, Maoist cadres led by one Kuldip Rai abducted him in a blindfolded condition and took him to Surya Carpet Factory in Buddhanagar where he was beaten by rods and pipes. He has sustained serious wounds in eyes, back, and legs. He said he was released under condition that he would give Rs 10 million donation and provide 10 rooms in his hotel for free to Maoist cadres. He was also threatened not to inform police and administration about this. Meanwhile, Suresh Malla, proprietor of Malla Press has been abducted by activists of Maoists' Young Communist League (YCL) from his office in Chhauni. He was thrashed and abducted by the YCL group led by Bishal Dangol. His whereabouts are unknown. In another incident, Maoists abducted Netra Bahadur Shahi, member of NC-democratic from Humla, a week ago. His whereabouts are unknown. According to central member of NC-D Jeevan Bahadur Shahi, there are suspicions that he might have already been killed by the Maoists. Furthermore, in Baridya on Sunday, Nepali Army (NA) soldiers detained Maoist lawmaker Narayan Prasad Sharma for entering into Bardiya national park carrying SMG and pistols. They were released after two hours. *Leading dailies report*

Flower Exports Increase By 8 Fold In 5 Years

The volume of exports of flowers has increased substantially in recent years. According to a study by the Floriculture

Association of Nepal (FAN), flower exports increased by eight-fold in the past five years. Loknath Gaire, vice president of FAN, informed that the study has revealed that while in 2001/02 Nepal used to export flowers worth Rs 4 million, the volume increased to Rs 32.6 million in 2005/06. Nepalese flowers are exported to places such as Japan, United States, Netherlands, Denmark and India. In Nepal, commercial production of flowers started only one and a half decade ago. Currently there are 550 entrepreneurs engaged in this profession which has drawn investment of Rs 375 million. The study has shown that in the next five years, area of field where flowers are planted for commercial purposes could be increased from existing 80 hectares to 1000 hectares and provide jobs to 25,000 people. This sector, however, suffers from weaknesses such as lack of government policy, lack of commercial information, lack of adequate investment etc. *Kantipur daily reports*

United Transporters Determined To Defy Bandhs

After their two biggest federations were united, the transport entrepreneurs have vowed to defy calls of bandhs in future. Two biggest umbrella organizations of transport entrepreneurs have united on Wednesday (March 14). The Nepal National Transport Entrepreneurs Federation and Nepal Transport Entrepreneurs Federation have united and formed the single Nepal Transport Entrepreneur National Federation. "The united federation will now move ahead by focusing on consumers' interest," said Dinesh Bhandari, president of the combined federation. At a program organized on Wednesday, entrepreneurs vowed to defy all kinds of bandhs and strikes imposed by political parties or other groups in the coming days. They also asked the government to formulate necessary laws to ban such bandhs and demanded that roads be declared bandh-free zone. *Compiled from reports*



PM Koirala (right) with COAS Gen. Katawal at Ghodejatra festival hosted by NA
Gorkhapatra

PRIME MINISTER GIRIJA PRASAD KOIRALA has said that he is not satisfied with the law and order situation in the country currently. Koirala said he felt he was responsible for the poor law and order as he is the PM of the country. Speaking at a program organized in the capital, Saturday, by an INGO called Universal Peace Federation, to honor him, Koirala said the situation would improve after the Maoists are inducted in the interim government. Koirala said he was feeling uncomfortable to receive an honor on good governance since the country was not witnessing good governance. Earlier, Koirala had told a group of NC leaders that it would take a few days before the interim government can be formed since the Maoists were yet to completely return seized properties.

THE ROYAL PALACE PRESS SECRETARIAT has issued a statement denying the accusations made by the Maoists against Crown Prince Paras. The press release issued by the palace, on Tuesday (March 13), says the allegations are totally fabricated, baseless and malicious. A Maoist MP Janardan Sharma had, on Monday, produced a CD and handed that over to the parliament claiming it contains detail information about the plots by the palace to spread malicious rumors against the Maoists and even kill pro-republican leaders. According to Maoist MP, the palace had formed a committee headed by Crown Prince Paras to deploy hit squads to kill party leaders. The Maoists also alleged that the palace has allocated Rs 600 million for the purpose.

AFTER THE MPs saw the CD submitted by the Maoists who claimed it contains information about detailed conspiracy by the royal palace against peace process, the episode has been settled. The MPs were surprised to find the CD containing only

news paper cuttings about Maoists' breach of the peace pact.

THE TENURE OF THE Office of the High Commissioner for Human Rights (OHCHR), Nepal will be extended by two more years. The OHCHR-Nepal's first two years of tenure was set to expire in June this year. However, the meeting of the cabinet, Thursday, decided to extend it by two more years.

THE HOME MINISTRY HAS INFORMED that between mid-January and mid-March, its teams have distributed 17,23,900 citizenship certificates across the country. According to the Ministry, of the total, around 16,17,000 citizenships were based on descent; around 72,600 based on birth; and over 34,000 were naturalized citizenship. Due to strikes and bandhs, the distribution of citizenship in some Terai districts has been affected. And the distribution will continue till mid-April.

THE ANNUAL SCHOOL LEAVING CERTIFICATE (SLC) examinations will be conducted from April 4 this year. According to the Ministry of Education and Sports, over 3,78,000 students will appear for the SLC tests this year across the country. The Ministry has informed that there will be 1100 examination centers across the country – more by 102 centers compared with previous year.

THE AGRICULTURE SECTOR WILL GROW by only 0.7 percent this fiscal year. Due to unfavorable weather, the paddy production will decline by 12.5 percent. This coupled with unimpressive growth of non-agriculture sector will ensure that the overall GDP will grow merely by 3.8 percent this year. These facts were revealed at a program organized by the central bank to evaluate monetary situation. The evaluation has indicated that the inflation will remain at 6.6 percent – caused by fall in internal manufacturing and imports, transport disruption due to bandhs and strike, and price hike of petroleum products.

THE GOVERNMENT AND UNDP have signed an agreement to launch a wetland conservation project in Koshi Tappu Wildlife Reserve in Sunsari and its buffer zone districts and the Ghodaghodi Lake complex of Kailali district. With the outlay of \$40,00,000, the project aims to ensure conservation and sustainable use of wetlands. Ghulam Isaczai, the UNDP's deputy resident representative, said the UNDP hopes to develop the project as a model for sustainable wetland management in Nepal, according to a press release. The new project will build the institutional capacity of the communities to conserve the wetlands, which are being threatened by several activities such as poaching, cattle-grazing, over-fishing, uncontrolled drainage, pollution and deforestation, the release said.

THE ROTARY CLUB OF KATHMANDU METRO recently held an Interact Leadership Tour. Twelve Interact members including young boys and girls between ages of 12 to 17 years organized a trip to Pokhara to learn about leadership, according to Kim Baaden, incoming president of the club. "They learnt teamwork, self-discipline and leadership capabilities during the five-day trip, which they themselves organized and carried out," said Baaden. According to him the Rotary Club of Kathmandu Metro engages in a number of social activities like supporting in drinking water, libraries, no-smoking campaigns, education, leadership development and so on. ■

"If the elections are not held on time, not only Girija Prasad Koirala but all the eight party leaders and the Election Commission will be blamed."

Prime Minister Girija Prasad Koirala, speaking at an all party meeting organized by the EC.

"There are technical problems to hold the CA polls on time."

Prachanda, Maoist chairman, addressing a mass meeting in Dhangadi.

"A lot more complications will emerge if we fail to hold the CA polls by mid-June."

Madhav Kumar Nepal, general secretary of the Unified Marxist Leninist, speaking at the EC.

"There is no fearless environment today. I doubt, there will be fearless environment in the coming days."

Sher Bahadur Deuba, president of Nepali Congress - Democratic, saying that creating fearless environment is a must for any elections to become credible.

"Elections are not something which can be rushed to without adequate preparations. Leaders should tell the people and prepare them for CA

*We won't repeat past mistakes
-Parties*



Jana Bhawana

elections in September/October this year."

Pradeep Giri, senior leader of NC-Democratic, in Disha Nirdesh.

"There is no alternative to liberal economic policies even after the CA polls."

Dr. Ram Sharan Mahat, Finance Minister, addressing a program by Nepal German Chamber of Commerce and Industry.

"Prachanda's allegations have put my people at risk."

James Moriarty, American ambassador, urging Prachanda to either immediately produce

evidence of his allegations that royalists are conspiring to kill US officials posted in Nepal or correct his statement, talking to reporters.

"Its mandate is human rights and that is where its competence lies. Within that mandate, OHCHR would continue to support co-operation between political parties and civil society which would help the protection of and respect for human rights."

Lena Sundh, Representative of the High Commissioner for Human Rights in Nepal, stating that her office has no mandate to mediate the talks between government and various agitators.

TRANSITION

CONSTITUTED: Electoral Constituency Delineation Commission, by the government.

EXTENDED: The tenure of the Office of the High Commissioner for Human Rights (OHCHR), Nepal, by two more years, by the government.

The tenure of the citizenship distributing teams by next one month, by the government.

DISTRIBUTED: 17,23,900

citizenship certificates, by the teams dispatched by the Home Ministry, between mid-January and mid-March.

TOPPED: Prakriti Mishra and Pranaya SJB Rana, two Nepali students, the Cambridge A level examinations of 2006, held by University of Cambridge International, UK, on sociology and psychology, respectively.

BEGIN: This year's annual School Leaving Certificate (SLC) examinations will begin from April 4. Over 1100 exam centers have already

been fixed for the purpose.

FORMED: A three-member probe team headed by acting secretary of Judicial Service Commission Prakash Kumar Dhungana to investigate allegations of bribery in the court, by the Chief Justice Dilip Kumar Poudel.

APPROVED: The resignation tendered by Minister for Industry, Commerce and Supplies Hridayesh Tripathy, by the Prime Minister. Finance Minister Dr. Ram Sharan Mahat has been entrusted with the additional portfolio for the time being.

NEW REVELATIONS COULD BE EMBARRASSING: *Upper Tama Kosi Hydropower Project*

- By Dr. AB Thapa

On one hand the Nepal Electricity Authority (NEA) is pinning all its hope on early implementation of the Upper Tama- Kosi Hydropower (UTH) project to resolve the present load shedding problem, and on the other hand that hydropower project is yet to be thoroughly studied to make certain that it is worth implementing that project in foreseeable future. The UTH project is surrounded by many doubts about the completeness of the study to justify taking the decision to implement that project. It appears based on previous studies that the proposed Upper Tama-Kosi project apart from being a project entangled in serious technical problems would be found to be at a great danger of being totally washed away by glacier lake outburst floods(GLOF) much the same way as happened to the Namche Bazaar hydropower some times back

There are significant differences between the findings of the JICA study of the Upper Tama Kosi conducted under the Kosi Master Plan study and the present study of the Upper Tama-Kosi project carried out by the NEA with foreign assistance. The JICA study was extensive and tried to cover fully the whole Tama-Kosi basin. The NEA's highly positive findings of the Upper Tama-Kosi project would make sense if the Japanese experts conducting the Tama-Kosi basin would have gone wrong.

It is very important to know about the accuracy of the cost estimate before making a final comment in favour or against any project. Unfortunately the bitter past experience of blindly believing in the manipulated cost estimate of the Khimti Hydropower is still fresh in the minds of Nepalese people. An unacceptable level of inaccuracy in cost estimate of the 60 MW Khimti Hydropower project had forced our country to buy electricity from the private developer based on a very high US \$ 140 million revised cost of that project though the original cost of the project based on the feasibility study carried out by the NORPOWER just before the commencement of the construction was only US \$ 60 million. Now it has become crystal clear that the NEA's present financial crisis resulting in repeated hiking of the electricity tariff is the direct consequence of its inability to verify the accuracy of cost estimate and few other simple technical matters of the Khimti and other hydropower projects implemented by private developers.

Schemes on the Tama- Kosi River

The Tama- Kosi River is the second largest tributary of the Sun -Kosi River. The downstream courses will be

submerged by the planned Sun-Kosi No.2 reservoir. Therefore, JICA team conducted the study of the river courses further upstream of the Khimte Khola confluence for hydroelectric power generation. Originally 6 hydropower stations in a cascade were planned. The Tama-Kosi No.1 was later eliminated because this stretch of the Tama-Kosi was found to be within the Sun-Kosi project storage reservoir based on the optimization study of the latter.

The Tama-Kosi No.6 according to the Kosi basin Master Plan is the uppermost project. The intake of this project is located just upstream of the confluence of the Rolwaling Khola and the Tama-Kosi. The intake of the proposed Upper Tama-Kosi Project is said to be further to the north close to the China-Nepal border. It is believed that the JICA team had deliberately overlooked the uppermost stretch of the Tama-Kosi. The team might have felt that the uppermost reach is hazardous for hydropower development. It could be for reasons of danger of GLOF. This reach of the Tama-Kosi is very close to places in Nepal and Tibet where very dangerous glacier lakes are located. Thus, any GLOF incidence would have left in its wake the most horrific destruction on this stretch of the Tama-Kosi.

Daily Storage Reservoir

The installed capacity of the proposed Upper Tama-Kosi Project is said to be over 300 MW. It is said that the proposed Upper Tama-Kosi project hydropower would be provided with a storage reservoir to supply water to meet the daily peaking demand for electric energy. In the absence of such daily storage reservoir the firm capacity of the proposed Upper Tama-Kosi project might have been only about 100 MW despite the fact that the installed capacity is over 300 MW.

The bed slope of the Upper Tama-Kosi is expected to be extremely steep. A very high dam is needed to provide a daily storage reservoir adequate in volume. JICA study under the Kosi Basin Master Plan had ruled out the possibility to provide daily storage pond to serve Tama-Kosi-5 and Tama-Kosi-6 projects. We have learnt from our past Arun-3 Project planning experience that the provision of a daily storage reservoir by damming the river course itself in case of the rivers like the Arun or Tama-Kosi is going to be extremely difficult task that would certainly involve a huge investment. In case of the Arun-3 Hydropower Project, it was planned that a dam only 20 meters in height would suffice to provide daily storage pond but at the final stage we had to raise the height to 65 meters.

Study of Glacier Lakes Dangerous For Nepal

At present glaciers are retreating in the Himalayan region, as a result, glaciers lakes are being formed. Such ephemeral lakes disrupt communication systems and various infrastructures like hydropower directly, or indirectly subjecting the mainstream to periodic catastrophic floods. Glacier lake outburst floods also produce peaks in sediment transfer.

In 1988 a joint team of Sino-Nepalese conducted the studies of the glaciers and glacier lakes in the Arun and the Sun-Kosi basins primarily in the Tibetan region of China. The Lanzhou Institute of Glaciology and Geocryology took part in the study from the Chinese side, similarly the Water and Energy Commission took part from the Nepalese side.

According to the findings of the above mentioned joint study, there are many glacier lakes in Arun, Tama Kosi, Bhotekosi, Trisuli, Buri Gandaki and Karnali basins within Xizang (Tibet) of China which have some past records of the glacier lake outburst floods (GLOF) events. Sino-Nepal joint study carried out in 1988 had extensively covered only the Bhotekosi (Sun-Kosi) and the Arun rivers. The joint study report has recommended to conduct similar extensive studies to cover Tama Kosi and other basins also.

In 1990s Dr. Tomomi Yamada of Japan and Dr. B.P. Upadhyay, Professor of TU were involved in the study of glacier lakes within Nepal. The study was conducted under the Water and Energy Commission. Their study covered Lower Barun, Chamlang Tsho, Naulekh, Sabai Tsho, Dudh Kund, Mojang, Tsho Rolpa, Duwo, Thulagi, Khyimjung and Kang Guru glacier lakes.

The glacier lakes study conducted jointly by experts from the JICA (Japan International Cooperation Agency) and WECS in 1991 provides detailed description of the Tsho Rolpa glacier lake on the end of the Trambau Glacier within Nepal in Tama-Kosi basin. The lake makes contact with the cliff-shaped glacier end, and it is covered with thick debris. This lake is extremely dangerous. The lake can be seen in a photograph presented in the report.

Glacier Lakes Outburst History

On August 4th 1985 the nearly completed Namche hydropower plant was completely destroyed by the Dig Tsho glacier lake outburst flood (GLOF). The Dig Tsho glacier was on the terminus of the Langmoche Glacier. The GLOF damaged not only the entire Namche Hydropower station but also all the bridges, trails, cultivation fields, houses, livestock along its path to the confluence of the Dudh-Kosi and the Sun-Kosi rivers at a distance of 90 km from the Dig Tsho glacier.

Since the nineteen forties, according to Sino-Nepal study,

there have been at least 10 cases of glacier lake outbursts within the basins investigated. Among them there have been five bursts in three glacier lakes of the Arun River Basin, and four in three glacier lakes of the Sunkosi River (Bhotekosi) basin.

In Arun basin the most common are the end moraine-dammed lakes. Because the end moraine-dammed lakes mostly consist of end moraines formed in the Little Ice Age and are closer to their source glaciers, or connect directly with the glaciers, changes in the glaciers directly influence the water level of the glacier lake and the stability of the dam. At the same time, owing to the fact that the end moraine dams are composed of new and loose till, they are uncompacted and therefore unstable. This type of glacier lakes are easy to burst and cause floods and debris flows. The end moraine-dammed lakes are distributed most at the source of several short and small tributaries in the left side of the Arun River. They are distributed over a transitional zone from maritime to continental glaciers.

Gelhaipuco is an end moraine dammed lake located in the headwaters of Gelhaipu Gully (Natangqu River Basin, east of Riwo, Dinggye County). At 14.00 on Sept. 21, 1964, the lake burst abruptly. According to the study of the Chinese Academy of Sciences, there was a heavy precipitation in the Nantangqu River Basin, which caused the glacier of the Nantangqu River to slide. Huge amount of ice slid into the lake. The generated shock waves triggered the lake water to overflow the moraine dam causing the burst. There was a breach across the dam which was 30 m deep. The debris flow rushed down to the lower reaches of the Arun River in Nepal, and caused heavy economic losses.

At mid-night, July 11, 1981, an end moraine dammed lake located at the headwater of the Sunkosi River suddenly burst. A breach of 50m deep and 40-60m of bottom width was formed at the moraine dam. The highest burst discharge was about 1600 cu. m./s, which was observed 23 minutes after the burst. The high flood lasted about 60 minutes and the burst water amount was estimated at 19 million cu. m. The debris flow damaged the Kodari Highway and the Sun-Kosi Power Station in Nepal. The flood destroyed the Friendship Bridge at Kodari. According to the investigation of 1984, there had been a similar burst in 1964 from that same lake, but the burst discharge and damage caused was smaller.

In Conclusion

It is hoped that our Government would not take a decision in haste to implement the Upper Tama-Kosi project without thoroughly establishing that the project is technically sound and economically feasible.

(Dr. Thapa writes on water resources)

CONSTITUENT ASSEMBLY POLLS

Gathering Doubts

PM Koirala makes an unimpressive plea to the EC to go ahead with the polls come what may

By SANJAYA DHAKAL

Less than a week after he said that "abnormal elections" will be held on "abnormal situation," Prime Minister Girija Prasad Koirala – who is seemingly under intense pressure to conduct the Constituent Assembly elections by mid-June come what may – made a fervent plea to the Chief Election Commissioner (CEC) on Monday morning appealing him to go ahead with the poll plans.

At a meeting called by the CEC to warn the political leaders, and possibly to urge them to consider giving some more time, the PM pre-empted him by requesting to speak first.

In his brief speech at the EC in front of all the top leaders of eight parties including Maoist chairman Prachanda, PM Koirala said that the CA elections could still be held on stipulated time if all the parties and the government worked in tandem. "If the elections are postponed it will affect not only the government's image but also that of eight parties and the EC. So let us not do that," he said.

PM Koirala's speech effectively sealed the lips of CEC who later made a speech asking the parties to provide legislative, political and security support if the polls are to be held within next two and a half months.

At the same program, Maoist chairman Prachanda said his party seriously takes note of the pleas made by the EC.

"We would like to welcome PM Koirala's commitment to hold the polls on time. If the CA polls are not held on time, we are concerned that it could unleash further anarchy in the country," said Prachanda.

The general secretary of the Unified

Marxist Leninist (UML) Madhav Kumar Nepal went to the extent of asking the EC to "shorten procedures" to hold the polls on time. "I am angry with the parties for failing to live up to the commitments," he added.

Sher Bahadur Deuba, president of Nepali Congress – Democratic, however, said that there was no possibility that there would be a fearless environment – a prerequisite for any credible elections. But, he too added that the polls had to be held on time.

As politicians expressed their inability to postpone the polls, the CEC was left with no option but to list his demands.

CEC Dr. Bhoj Raj Pokharel stated that the delay in the formulation of

electoral legislations, lack of fixation of date of elections, lack of code of conduct, lack of clarity on the number of constituencies and lack of preparations for holding polls on two separate ballot papers were hindering the EC's movement ahead. He also stated that the current situation of law and order were not up to the mark to allow for the free and fair polls.

Dr. Pokharel said no protest, bandh or strike should be announced after the declaration of elections date.

Even though it has become quite clear that the EC is not going to be able to hold the CA elections by mid-June, the politicians still have not mustered up enough courage to speak the truth as they fear public backlash for being inefficient. Out of the six required electoral

legislations only one has been enacted, four are under discussions in the parliament while one has just been tabled.

It is said that the registration of parties itself will take two months to complete. And there is a huge shortfall in security personnel required for the elections. The voters' education campaign have not been started yet. The process of registering voters have not been completed. The EC is to start the second phase of registration from March 23. The registration campaign will be launched in 58 VDCs of mountainous region between March 23 and April 17. The CEC has informed that even third phase of registration might be necessary.

The EC has already said that the polls programs must be published by the end of April to make it possible to hold elections by mid-June. The sheer



PM Koirala: Abnormal position

volume of tasks ahead is going render it technically impossible to hold the polls by mid-June.

"It is quite clear that the elections cannot be held by mid-June. One must not rush into elections without adequate preparations. It would be better if people are told the facts and elections held in Kartik or Mangsir (September/October)," said Pradeep Giri, a senior NC-Democratic leader at a talk program Disha Nirdesh in Nepal Television.

However, the leaders have mysteriously been saying that the elections will be held on time and preparations will be made on a war-footing. Amid this cacophony a simple fact has been lost - war and elections must be treated differently. ■

BUSINESSES UNDER ATTACK

Swift Repercussions

Just as they were poised to join the interim government, Maoists' attack against business community has cast doubt over its immediate formation

By SANJAYA DHAKALA

When the delegation of business community were waiting outside the Gate No 3 of Baluwater to meet with Prime Minister Girija Prasad Koirala to complain about the spate of attack against businessmen by the Maoist cadres, the PM had just returned from a crucial all party meeting at the Election Commission where he had asked all to work for the successful holding of the Constituent Assembly (CA) come what may.

But once inside Baluwater, he said he had no time to meet even with the business delegation – triggering the anger among the already demoralized community.

In a swift repercussion, the Federation of Nepalese Chambers of Commerce and Industry (FNCCI) and the Confederation of Nepalese Industries (CNI) held an impromptu press meet and announced indefinite shut down of all businesses and private sector operations.

In a hindsight, PM's refusal to meet with the delegation was against his own commitment to create a conducive environment for the polls.

As Maoists have stepped up their attacks and abductions in the capital valley, their joining the interim government has come under fresh doubts as people are certain to raise these issues as proofs that they have not yet mended their ways.

Prime Minister Koirala has himself stated repeatedly that the Maoists won't be included in the interim government until they correct their ways.

This time, the Maoists labor unions and youth wing struck at the heart of the capital. In a clear breach of the peace pact, the Maoist cadres brutally thrashed a businessman in the capital on Sunday.

Hari Shrestha, 59, the proprietor of Durbarmarga-based Hotel Woodland was abducted in the evening and was thrashed for two hours. The Maoists had been pressuring Shrestha to pay extortion of Rs 2 million for the past four months. According to Shrestha, Maoist cadres led by one Kuldip Rai abducted him in a blindfolded condition and took him to Surya Carpet Factory in Buddhanagar where he was beaten by rods and pipes. He has sustained serious wounds in eyes, back, and legs. He said he was released under condition that he would give Rs 10 million donation and provide 10 rooms in his hotel for free to Maoist cadres. He was also threatened not to inform police and administration about this.

Likewise, Suresh Malla, proprietor of Malla Press was abducted by activists of Maoists' Young Communist League (YCL) from his office in Chhauni. He was thrashed and abducted by the YCL group led by Bishal Dangol. He was later released on Sunday.

The FNCCI and 72 other business organizations have demanded that the Prime Minister and the eight political parties express commitment to work towards ending the extortion and attacks on the business sector, guarantee security to private sector businesses, and punish those involved in attacks and extortion.

"We are not protesting this single incident alone. We are protesting the series of such attacks targeted at the business community," said Binod

Chaudhary, president of CNI. He said that the protest was aimed at compelling the eight parties to become sensitive towards the deteriorating plight of the business community.

Rajendra Khetan, president of Young Entrepreneur's Council, added that the protest was necessary because of endless attacks against business community. "We want the leaders to become responsible towards the private sector and pay attention to their plight," he said.

Even Finance Minister Dr. Ram Sharan Mahat had to express sympathy over the demands raised by the business community though he did criticize them for announcing bandhs.

In a rare show of solidary 72 various business organizations from traders to transporters to airline operators to bank operators to educational enterprises have come together against the unending atrocities of the Maoists.



Shrestha (center): Beaten black and blue *Kantipur*

The Maoists, on their part, have outright denied their hand in the incident. Badri Bajgain, vice president of pro-Maoist All Nepal Trade Union Federation said that it was the workers of the hotel who had attacked Shrestha. "We are surprised that the whole business community is standing behind this person who has had a very dark past. He has been accused of various excesses against workers in the past," Bajgain claimed.

But as Chaudhary said the protest is not related solely with the single incident but at the tendency of the Maoists to engage in extortion, abduction, threats, intimidations and even outright seizure of factories – which have crippled the already beleaguered business sector. ■

Priorities In Conflict

After reaching agreement on peaceful political solution of twelve-years-long bloody conflict, the priority of common people and political leaders is, itself, in conflict now. Following the political change, people's priorities are: restoration of peace, rehabilitation of displaced population, quality of education, health, employment opportunities and economic progress. However, the priority of political leaders- who have been projecting a dream of New Nepal - is to stay in power at any cost. From closure of industry to disruption of trade, business, transport and communication network and scarcity of petroleum products, country's overall situation is no different than a war-torn country. However, supreme leader of eight parties and prime minister Girija Prasad Koirala has declared that his priority is to hold the "abnormal elections" in "abnormal time." As the priorities of common people and leaders of political parties clash, the future of New Nepal seems to be gloomy

By KESHAB POUDEL

Nepal's current situation corresponds with what Will Durant has said in The Story of Philosophy, "If the government itself is a chaos and an absurdity, if it rules without helping, and commands without leading - how can we persuade the individual, in such a state, to obey the laws and confine his self-seeking within the circle of the total good. No wonder there is chaos where there is no thought, and the crowd decides in haste and ignorance, to repent at leisure and in desolation."

For the past few months, almost all

petrol pumps are overcrowded with a long queue of motorbikes and vehicles indicating the abnormal situation of the country. The two week long blockade called by Madhesi Janadhikar Forum has completely paralyzed the economic activities in Nepal.

Thanks to the disruption of export import activities, many industries were shut down and a large number of workers laid off. Education institutions are without leaders and frequent general strike called by various groups and political parties has completely ruined

the quality of education.

However, from octogenarian prime minister Koirala to political leaders of so called revolutionaries and regressive forces, all have been chanting the slogans of New Nepal and their priorities are to remain in power while priorities of common people and difficulties faced by them have become nobody's agenda.

New Nepal

None of political leaders has announced clearly what new Nepal looks like and how will they address people's

priority. They don't know whether it will be an anarchical state with lawlessness and a large breed of unemployed people or is it going to be a country with political stability and high economic growth?

As leaders of eight political parties could not agree on the persons to be appointed as vice vice-chancellors in the country's four main universities, the latter are running in ad hoc manner. It displays their utter negligence towards the priority of people.

When political leaders spend almost all their time in the agenda of power sharing, interim government and interim arrangements, the priorities of common people have been pushed to back bench.

"Our priority now is how to hold the elections for Constituent Assembly in time. People have to sacrifice certain things for the betterment of country," said Nepali Congress leader Ram Chandra Poudel. "After the elections for CA, all the issues will be settled."

For the common people of Nepal, the life has become more difficult. The disruption in transport networks has completely halted their mobility and the mob is dictating terms.

"After six decades of political developments in Nepal, the same political parties, same class of political leaders and almost same persons have issued a new call for a New Nepal disowning all their past involvement in the political process. But none of these political parties have categorically defined how and in what sense a new Nepal have been dreamt by them," said the political analyst.

Nobody knows what will be economic policy. Whether it will be completely privatized, liberal economy or there will be state control? What would be the policy regarding land reform and the way of farming - whether that will be production oriented or employment oriented? How will they upgrade the quality of higher education?

"We will make a New Nepal after the elections for Constituent Assembly where all people will have equal share," said CPN-UML general secretary Madhav Kumar Nepal.

No Agenda for Consensus

As there is no point of agreement on many issues, the priorities of common people are yet to be taken up even in a group

discussion. Since last year's uprising, the political parties had a point of agreement only on the issue of monarchy - that will be decided by the first meeting of the Constituent Assembly.

"Maintaining silence over the issue, prime minister Girija Prasad Koirala has also followed the major trend led by republicans of all the political parties lately. But, even on the question of removal of monarchy they are divided into two major factions one which wants to declare the abolition of monarchy by this interim parliament itself. There is another group of persons within the Nepali Congress rank and some professionals, too, who believe that only the Constituent assembly could decide on such crucial issue, which are made mandatory under the interim constitution also," said the analyst.

After a sudden change in the outlook of prime minister Koirala, the balance has been disturbed. Ultimately, what prime minister is going to do is not very clear. But one of his latest statements was very disturbing when he said that the country is in the "abnormal situation so there will be abnormal elections for Constituent Assembly."

"Developing countries have very dangerous precedents in the past of facial elections. Some countries like Sikkim and Kashmir have lost their identity by such abnormal elections," said the analyst.



Youths in agitation: Rising frustrations

According to the analyst, as the situation of the country is really in a critical state the abnormal remedy provided by its all powerful executive head is alarming. In the context of such situation in the country, people need to be assured of the agenda and priorities of issues related to their economic well being, security, health, education and stability in the political order.

Political parties who are in power have been found always holding summit meeting over their own agenda. In some of the summit meeting held by these ruling parties, no other issues of common people have been taken up except of sharing the power and distributing key portfolios to maintain effective hold on power.

"This is interim period and the government formed for interim period cannot take major decisions with far reaching consequences. The government formed after the elections will decide agenda of broader economic interest, land reform, education policy and others," said Dr. Prakash Sharan Mahat to Sagarmatha Radio. "People need to show patience."

"Nobody is concerned about the priorities and preference of people and country. Every political party has their own agenda and priorities to appoint their own yes men," said professor Dhruva Kumar with the Center for Nepal and Asian Studies Tribhuvan University.

Pathetic Situation in University

The pathetic situation of country's four government universities - which are running in ad-hoc basis without vice chancellors - is an example how they fail to develop minimum understanding on important concerns of common people.

"When policy makers, politicians and members of parliament send their children abroad, nobody is concerned about the quality of education in the college of government universities like Tribhuvan University," said Uddhav Pyakurel, a teacher at Tribhuvan University who is currently doing Ph.D. "The role of students of higher education is to hold the banner of political parties and stage agitation in favor of particular political parties whenever they require. Nobody has time to think about the institution of higher education."

With the enrolment of about 500,000, Nepal's higher education system is in trouble. According to the Economic Survey 2006, there were 203,000 students enrolled in Tribhuvan University, 2958 in Mahendra Sanskrit University, 2476 in Kahmandu University, 5984 in Purwanchal University and 4614 in Pokhara University and rest of students are in other higher secondary schools.

"If the country's political leadership is visionless, like all other sectors, university also will have to suffer," said Dhruva Kumar. "Of course, quality of education makes a lot of differences in overall economic progress in the country but education is a least priority for them."

A globally renowned economist Galbraith said in his last book Nature of Poverty that where there is no literacy, there is poverty and where there is literacy there is no poverty. He argues that the country is poor because it lacks trained, educated and experienced technical and administrative talents.

But, that comes nowhere in the priorities in the political intermediaries in Nepal at present. "Number one priorities of Asian Tigers are education. The US still maintain education as a number one priority. The success of China's economic boom is result of top

priority given to the education. Education is top priority in all the members of Asian counties or Asian Tigers like Thailand, Singapore and Malaysia. Though India lags behind, its recognition in the same standard is because some of its universities and academic institutions are held in highest estimation anywhere," said the analyst.

Being a poorest of the poor countries, the so called leaders of New Nepal have been so negligent about the education system that education minister Dr. Mangal Siddhi

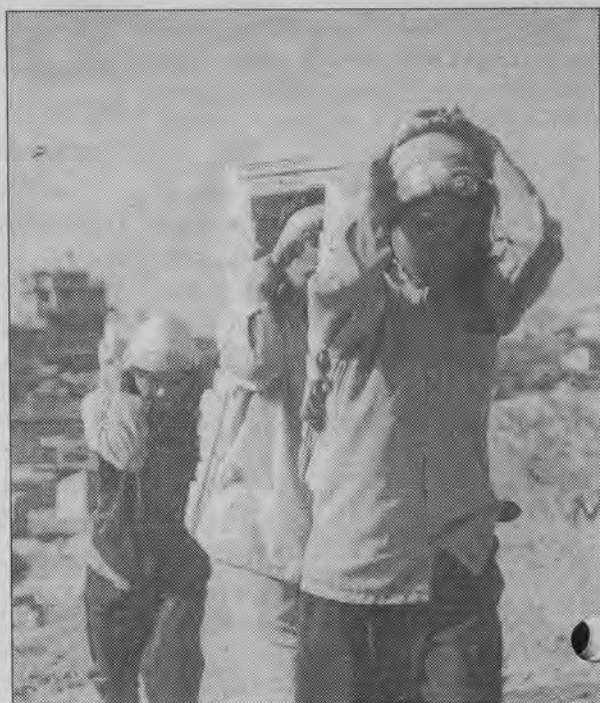
Manandhar, who himself has an impressive academic background, regrets about the pitiable condition about the universities. "I recommended the named for the vice chancellors but prime minister has not accepted it. As a minister of education, I regret it," said Dr. Manandhar.

Expressing his resentments that the prime minister does not seriously consider his recommendation for the appointment of vice chancellor in various universities, Dr. Manandhar has revealed publicly about politicization of higher education. Despite that he is no different than other intermediaries in clinging to the power as long as he is not kicked out unceremoniously.

Private Sector In Education and Employment

At a time when donor's support in higher education is virtually non existent, Nepal's private sector entrepreneurs in the education have done marvelous job by imparting quality education.

"Despite lawlessness and insecurity spread by the Maoist insurgency, the net result of the private entrepreneurship in the education has been in the top of the



Poorest of the poor: Is anyone concerned?

record. Through Nepalese expertise and investment, tremendous development has taken place in the education sector which surpasses the contribution made by the governmental sector along with the world agencies and several donor countries," said the analyst.

To increase the number of education quantitatively, the government sector has played a major role. So far quality is concerned, private sector has superseded it. In the fields of education, it is not only quantity but quality that counts much.

A huge army of unemployed persons inside the country and outside may have made much contribution by the lesser quality of education and training. Whoever has better education and training has a better chance in the competitive world market. Education of any grade or quantity is important but economically what is most important and viable is the quality education.

In the Name of the People

Everything is done for the people and by the people but there are other classes which have emerged as new aristocrats who have acquired enough resources and manpower to tell the people what the people need and, therefore, how they

should feel.

Theoretically, they don't deprive the people from a prestige of a sovereign but they nowhere allow the people to get rid of their poverty.

"If people are really accepted as real decision makers, as sovereign, the government has to look after the priorities of common people. Instead of that, if the intermediaries in power in various political capacities suspend the operation of sovereign power of the people and declare their own principles as the priorities of people as well as nation, what would be their priorities? The people need guarantee of their right agenda for development in trade, commerce, economy, health and education with an institutional guarantee for implementation," said the analyst.

"B.P. Koirala had diagnosed this force as offshoot (Bhui Futta) as a class in itself. After putting the monarchy in suspension, this class of political intermediary has assumed all the power of traditional monarchy and aristocracy around it. Besides that, this force has an additional strength of a popular posture also."

As the rights to take decision through periodical elections are suspended for indefinite period, people have no chances to challenge their priorities. The priority decided by intermediaries in power would be the guarantee for politician to be in power.

Nepal's Conflict

Nepal is universally known as a country in serious conflict. Conflict experts from all over the world are aware about Nepal's critical situation somehow or other. A lot of seminars and symposiums are held every month inside or outside Nepal related with the problems of conflict but no one has made efforts to analyze why the priorities of people and government are in conflict.

"Opinions are being rendered through various channels about the resolution of the conflict in this country. But very little information comes out to the public about the root cause of this conflict. All players of conflict are not

visible to be detected. So far as the visible forces are concerned, there is a class of people in general in the politics as a base," said the analyst.

The UN and its several branches are involved in the study of effects of conflict and post conflict management in Nepal. UN conflict experts are regularly visiting Nepal. Just a few months ago, senior UN rights official Louis Arbour visited Nepal.

In the same sequences, the World Bank has also been seriously supporting Nepal to deal with the problems of conflict

management. In a series of its efforts, the World Bank has invited Prof. Ashraf Ghani, former finance minister of Afghanistan (between 2002-2004) in Nepal. Prof. Ghani discussed the issue with various persons of different disciplines.

According to the World Bank, Ghani also visited Nepal in May 2006 in the aftermath of the political transition when he undertook a rapid assessment of the situation and offered advice to the Nepal government and Nepal's development partners.

"The World Bank has been much generous to Nepal after the debacle of Arun III power project. Some ulterior interest played a negative role against Nepal on the Arun III power project. Due to which Nepal has a severe shortage of electricity generation though that is not only the reason for the present load shedding," said the analyst. "There is a misunderstanding among some Nepali intellectuals about the lavish contribution made by the World Bank in various sectors of Nepal's overall development. Maintaining a diplomatic decency, their officers cannot explain, the reasons for disuse but it is mainly



Hydro potential: Nobody is serious to tap it

due to the unstable political situation and lack of visions and commitments of politicians in power that the offers extended by the WB have been made futile."

Along with the UN, the World Bank and other international agencies, conflict in Nepal is the top priority of the foreign departments of all the developed countries of west including Japan.

USA has its own capability of policing power which European countries particularly liberal Scandinavian countries do not have. These western European countries have been making more generous contribution in the field of grass root development in Nepal in reconstruction and rehabilitation.

All kinds of fanatical slogans are being popularized in the street which has a divisive tendency leading to tribal fragmentation of society and state. It is in this context people in general inside Nepal and friends of Nepal abroad intensely feel the lack of leadership with vision, integrity and courage.

The time is running out for the present leadership in the country to establish their work by taking care of vital issues of interest to the people. ■

“If They Want To Kill Me For My Beliefs, I Am Ready To Die”

-Rabindra Nath Sharma

I am waiting to see how the UN and other Nepali human rights organizations react on the violation of my right to dissent.

Rastriya Prajatantra Party-Nepal president RABINDRA NATH SHARMA is a well known politician. As country is heading towards the elections for Constituent Assembly with diverse opinion on monarchy Vs republican, Sharma, who held several ministerial portfolios during Panchayat period and also after the restoration of democracy, is leading a camp of constitutional monarchists. Sharma, who vehemently opposed King Gyanendra's move of October 4, 2002 and February 1, 2005 against the spirit of constitutional monarchy, was also detained by King Gyanendra's government on the charge of corruption. Whatever the situation he has had to face, Sharma, who holds the view that ceremonial or constitutional monarchy is necessary to unite diverse Nepal, spoke with KESHAB POUDEL at his residence in Budhanilkantha. Excerpts:

How do you react to recent attack against you in Jhapa?

It is not a personal attack against anybody but attack against right to speech and right to dissent. Maoists and seven party alliance have shown their true face. It shows that seven party alliance and Maoists want to turn Loktantra as an eight party syndicate. If this kind of attack continues, it will invite dangerous situation. This is a violation of human rights. I have every right to hold my opinion on monarchy. I have faith in constitutional monarchy. Nepal requires monarchy for its independence and sovereignty.

What will you do after this incident?

I will hold other mass meetings in different parts of the country. I told you that I am ready to sacrifice my life for the cause of my belief on constitutional monarchy. I am not afraid of my life as I am an old person. If they want to kill me for my beliefs, I am ready to die. I am waiting to see how the UN and other Nepali human rights organizations react on the violation of my right to dissent.

When prime minister Girija Koirala recently revealed that republic is already at the door-step and eight party leaders can remove monarchy from legislative parliament, is there any reason now for you to plea for constitutional monarchy?

First of all, this interim legislative parliament does not have that kind of power. Even the interim constitution has made it clear that the first meeting of constituent assembly will decide the fate of monarchy. If you ask me about it, I disagree with that provision. Only Nepali people can decide whether they want to retain monarchy or not.

Prime minister Koirala and other seven party leaders are claiming that they represent wishes of people and this government is constituted through the mandate of Janadolan II. How do you look at it?

I again want to reiterate that only Nepali people can decide the fate of monarchy. If somebody claiming as representative of the people decides on the fate of monarchy, it will invite chaos and conflict. Such decisions will push this country into a prolonged cycle

of political instability and violence.

What are your suggestions to decide the fate of monarchy?

There are only two ways to decide the fate of monarchy. Either you can decide the fate of monarchy through revolution or through referendum. There is no other way. This government is constituted under a political understanding with the King and all its actions were legitimized by the parliament reinstated by the King. Even interim constitution was promulgated by previous parliament. So, this is not a revolution but an evolution. Thus, they have to call the referendum on monarchy. If people reject the monarchy, it has to go. In my opinion only through referendum, you can decide the fate of monarchy. If monarch is removed on the whims of eight party leaders, it will invite chaotic situation and country's independence and sovereignty will also suffer.

Don't you think eight party leaders represent wishes of people?

It is completely wrong. Tell me how many of them are elected by people and how many of them represent the wishes of people through elections. The members of present parliament are either the members who were elected eight years ago who were elected taking oath to the Constitution of Kingdom of Nepal 1990 which upheld the spirit of constitutional monarchy, multi-party democracy and rule of law. They were not elected on the present plank of republican and these members have no moral right to vote in favor of republican. Other are picked up from the street. There are many MPs who cannot even win 200-300 votes. They are a nominated lot. If they want to prove their legitimacy, they must contest the elections.

But eight party leaders are saying the people's movement gave them mandate to declare Nepal as a republic?

It is completely false. The issue of Janadolan II was not republican but the issue was the end of autocratic monarchy. Even the King decided to hand over power to the people ending his autocratic rule. The King reinstated the House of Representatives on Baisakha 11, 2063 under negotiation with political parties to pave the way for rule of people's representatives. No political force has right to exceed the limit of that agreement which reinstated the House of Representatives.

If so, why experienced leader like Girija Prasad Koirala blamed the King for his actions to invite republican in Nepal?

I don't know why leader like Girija Prasad Koirala made such non-political remarks. Interestingly, he has not given clarifications about the actions of the King which caused Nepal to move ahead towards republic. He has to spell out

all causes. If King's statement of democracy day was a major irritant cause, nobody will agree with that. In democracy, everyone has the right to speak and right to defend himself. In that statement, the King took all the responsibility for the failure of the actions taken by him in February 2005. If he takes his moral responsibility, what is wrong with that? Every human being has the right to self defense. This is a fundamental right.

If that is so, why is there such a hue and cry?

It has sent shock waves. The statement was bomb shell to those political leaders who were arguing that the monarchy is in coma. Even the Maoist leaders, who used to declare that monarchy is dead, have changed their tone saying there are only two forces Prachanda or King Gyanendra. Maoists have made efforts to take advantages of King's statement condemning it against the spirit of interim constitution.

When Maoists will emerge clear beneficiary, what has prompted prime minister Koirala to issue new statement?

Prime minister Girija Prasad Koirala is now finding between Maoists and the King. His statement is to push both monarchy and the Maoists. He is at the center of political front because of pressure of monarchy and Maoists. Prime minister Koirala's position seems to be shaken so he issued this statement to strengthen himself in power. As he has already told Maoist leaders that he would issue a statement, the reason behind the statement may be to pacify Maoists. Girija Prasad Koirala's statement is calculative and well planned. One thing Prime Minister Girija Prasad Koirala must realize is that once monarchy is removed, no one can establish competitive political process in Nepal. In present situation when law and order is worsening and the country is heading towards chaotic and lawlessness, removal of monarchy will result in wiping out of democratic forces from Nepal.

At a time when all persons - who enjoyed benefits from the King's direct rule - seem to have vanished, what prompted a politician like you who were politically humiliated during the King's direct rule, to take up this cause?

I am defending the institution of monarchy to defend my own interest. As long as monarchy is there, it guarantees the stability and national independence. Once it is removed, no body can provide stability in this country. This is the reason why I have been defending the monarchy. I opposed King Gyanendra's move of October 4, 2002 and February 1, 2005 and I continue to oppose that kind of acts. I was politically humiliated because I publicly condemned the royal move. I have clear conscience about monarchy as I believe country needs monarchy in any form whether it is in symbolic, ceremonial or constitutional. It has utility now to safeguard the country's independence and stability. I am not personally defending the King but I am defending the multi party democratic system with constitutional monarchy as institution of monarchy is a supplementary factor to multi-party democracy. If we remove monarchy, I don't think

we ever will get full-fledged democracy and the status of independent and sovereign country. I am struggling to save democracy. We will get democracy only when we can save our independence and sovereignty. For this, we need institution of monarchy.

Leaders of political parties

are saying that monarch has betrayed democratic forces several times in the past. They argue that republic will guarantee democracy in Nepal. How do you look at it?

Of course, the King has betrayed democratic forces. Monarchy sometimes played against democracy but it handed over the power to the people. If we had military or tyrannical ruler like Pol Pot in power, he would not have bowed down to the people just after 19 days of general strike. The King has also learnt from his mistakes so monarchy and democracy can work as complimentary and supplementary to each other. Political leaders and intellectuals are talking for just the sake of their prestige and nobody is speaking reality which every one can see. There are highly developed and democratized countries which have monarchy. United Kingdom, which is known as mother of democracy, is a monarchical state. Similarly, Japan and many other Scandinavian countries have perfect democracies with monarchy. Though Iran, Vietnam, Laos, Libya are republics, they don't have democracy. Monarchy as an institution is not anti-democratic but it helps to strengthen the democratic process.

Why is monarchy so important?

If we remove monarchy without considering its importance in multi-ethnic, multi-cultural country like Nepal, the country will have to face prolonged political instability. We can see how the countries like Afghanistan, Iran, Cambodia and Iraq were devastated following the removal of monarchy. In Iran and Iraq, a tyrannical regime emerged after the overthrow of monarchy. Tens of thousands of people were butchered in Cambodia. Afghanistan has been facing prolonged political instability. In present Nepal when extreme leftists are in dominant position and extreme rightists, too, are coming up, only monarchy can save democracy.

What does monarchy needs to learn?

Monarchy must realize that it is the democratic forces which can protect the institution of monarchy. In recently published book, King, Nationality and Politics, B.P. Koirala, who was humiliated and put behind bars for such a long time, has defended the institution of monarchy. The King must understand that a true democrat is his permanent friend who will defend it at the time of crisis. If democratic forces are weakened, nobody can save the monarchy.

If there are so many positive aspects of monarchy, why are the leaders of political parties ignoring it?

Actually, the slogan of republic is not a slogan of Nepali Congress and CPN-UML but it is a slogan of CPN-Maoists. Nepali Congress is still neutral on the matter of monarchy. Nepali Congress general assembly has not taken any decision on monarchy or republic. So far as CPN-UML is concerned, it even



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If influence of extreme leftist forces is firmly established in Nepal, it will have influence on extreme leftist movement in India. The rise of extreme left has already alarmed India's policy makers. Rise of extreme leftists in Nepal will have far reaching long term implications in India.

welcomed the King's decision to remove prime minister Sher Bahadur Deuba on October 4, 2002. When I was opposing the King's direct rule, CPN-UML had even joined the government.

Why are all the parties demanding republic now?

Without removing monarchy, one cannot establish tyrannical rule in Nepal. The Maoists are clearly saying that they have not supported the present multi-party democracy and parliament. As we know, there are parliaments and multi-party democracy in communist countries but they don't have competitive politics. The Maoists are now showing that they don't believe in ballot and they want to effect change through bullet. What political leaders are speaking are not through their own brains.

As Nepal's political situation is complicated further with involvement of internal players and interest of external powers including our two neighbors, do you think any single force is in determining position in Nepal?

Frankly speaking, Nepalese internal forces are not only the sources of change in Nepal. It is a bitter thing to say but it is a fact that international communities have played a major role in all major political changes from 1950 to 1960 or 1990 to 2006. Of course, Nepal's neighbors played more decisive role. Although Nepal is small, its geo-political location is very important as it lies between Asia's two major economic powers India and China. India and China are going to play important role in world politics in 21st century. Our political, economic and religious and cultural relations are very close with India since our border with India is open and there are many similarities with India. But, Nepal has other neighbor in the north. China's presence is increasing in Nepal as it has now economic interests as well as security interests. Tibet's economic development is going fast. China is watching Nepal's development very closely. China might accept India's strong traditional ties with Nepal but it might object if its interest is under threat. China's development in Tibet will bring greater influence in northern border of Nepal as China has already decided to expand its railway up to the border. India is also showing similar interests. It is a fact that China's interest in Indian ocean and south Asia is growing. They are building ports in Myanmar, Pakistan and Sri Lanka. I don't think China will remain aloof in Nepal's internal politics like in the past. In the past, China had not involved in domestic politics in Nepal. I don't think it will last for longer period of time. After completing 2008 Olympic and completion of Tibetan development program, China will show its presence. As it shares border with Nepal, China will show its presence in Nepal. India's economic growth is also pushing higher. China will closely monitor Indian and American activities in Nepal. We cannot balance this growing involvement of foreign countries by declaring Nepal a republic. We are in a very crucial phase. If we lose balance, it will have far reaching complications. Nepal's stability is of vital interest for the world's lone super power America as well

as Nepal's two neighbors particularly India.

At a time when Nepal's traditional forces like monarchy, and democratic parties are weakening, what will happen?

Nepal's traditional forces are allies of India. We have to accept that Nepal's foreign policy lost its balance after February 1, 2005 royal takeover. It totally failed. We forget that Nepal and India have different kinds of relations like special relations in terms of religion, culture, economy and many other things. We provoked India without making any benefit to Nepal. Whether it was on the issue of membership of security council or our policy on Dhaka Summit, Nepal ignored India's friendship towards Nepal. India suspected that Nepal tried to play against India whenever it needs Nepal's support. India's complaint against the monarchy is that it supported monarchy whenever it was in trouble but monarchy in Nepal always worked against interests of India whenever it needed Nepal at crucial times. During Panchayat period, there were many ups and downs but the relations were restored using various channels. This time no one could restore the imbalance that appeared in Nepal-India relations. India faced uneasiness. However, India, too, has to understand the fact that weakening democratic forces and traditional forces is against its interest. In the present situation, Maoists may be closer to India and India need not worry. If influence of extreme leftist forces is firmly established in Nepal, it will have influence on extreme leftist movement in India. The rise of extreme left has already alarmed India's policy makers. Rise of extreme leftists in Nepal will have far reaching long term implications in India. If India sees for short term gains, it will definitely have to face bigger problems in the long term. As a friend of India, I have been emphasizing this for a long time. There are many people who don't buy this idea. As a friend, I have to speak truth though that may be bitter. Continuity of Nepal's democracy and stability is in the interest of India. For the sake of stability and continuity of democracy, monarchy is essential in Nepal. Even for Nepal-India relations, monarchy is a factor of continuity. You had changed monarchical system just in 19 days but once the tyrannical system sets in, it will not be possible to rock that. It will not be in the interest of anybody.

Who has major stakes in Nepal?

Of course, India has major stakes in Nepal as it cannot go away. Prolonged political instability in Nepal is not in the interest of India. As a vast country, India has diverse views. There are two schools of thought prevailing now in India. There is an opinion, which favors monarchy, and there is an opinion, which favors republican. We can see these reflections through the statement of Indian leaders. It is natural to have divided opinion in a democratic country like India. Whatever differences and divisions in the opinions among political leaders, they will set the policy on the basis of consensus. Monarchy will guarantee the stability in Nepal and stability in Nepal is necessary for India's security. ■

INDIA'S ECONOMIC COOPERATION

Handsome Rise

Along with economic support, Nepal needs India's genuine goodwill and friendship to bring stability and economic prosperity

By A CORRESPONDENT

Whether it was in the construction of first highway linking Kathmandu valley with the outside world or Tribhuvan International Airport or the first largest hydropower plant or university or industrial estate or hospital, India has been providing big economic support to Nepal's move towards modernity.

"The government of India would continue to support Nepal in its development endeavors of uplifting people's living standard. India's focus would remain in three major areas of education, health and infrastructure development," said Indian ambassador to Nepal Shiv Shankar Mukherjee last week.

In the process of strengthening infrastructures in Nepal, India has promised to upgrade the 1444 km feeder and postal roads with 14 bridges in the terai region. "The detailed project report for the same is expected to be complete by July this year," said Pranay Verma, Economic Consular. "India has proposed development assistance worth of Rs. 2,208 million to Nepal for the fiscal year 2007-08. India's priority on large-scale infrastructure development projects would continue to be taken up on the request of Nepal government and small grass roots level community based projects would also get due importance."

In the last six decades, Nepal remains a major country which receives continual economic support from India to strengthen its infrastructures. Political relations between two countries have seen many ups and downs but there is continuity in Indian economic support to Nepal.

From communication to completion of east-west high way and now modernization of custom points in Nepal,

India is coming to support Nepal's infrastructure building efforts. Whether it is Gandak Irrigation project or Kosi irrigation project, India helped Nepal to build infrastructures in irrigation sectors also.

India supported to build many roads in the valley including Dakchina Kali, Godavari and road to Balaju. India also supported to build drinking water projects in many parts of the country.

Most of the projects supported by India are helping to uplift the life of common people.

Making a presentation on India-Nepal economic cooperation's sixth decade of partnership in development, economic consular at the Indian Embassy Pranay Verma revealed that India has proposed development assistance worth Rs.2,208 to Nepal for the fiscal year 2007-08.

After completion of Banbasa-Kohalpur road project few years back, India has not involved in the construction of big projects of Nepal but it continued to provide its economic support to grass root level including in the village level construction like school buildings, hostels, feeder roads, hospitals and other such facilities.

Recently, India supported the construction of 200-bed emergency and trauma center at Bir Hospital. India is also supporting to establish Bhaktawari Hari Eye Hospital at Krishnanagar and continues to support B.P. Koirala Institute for Health Sciences. In education sector, India has supported

Manmohan Memorial Polytechnic at Biratnagar and polytechnic at Hetauda and Nepal-Bharat Maitri Vidyalaya at Pokhara. Among other large projects, upgrading of infrastructure of check posts (custom points) along the Indo-Nepal border and development of link and postal roads would be very crucial for economic development of Nepal.

"India has been encouraged by the huge success of community-based projects, which have a budge outlay of less than Rs.30 million. Till February this year, 129 projects worth Rs. 2420



Tribhuvan Highway: Path of friendship

million have been approved to cover 65 districts," said Verma.

India is also supporting Nepal's peace process. "India has provided assistance worth Rs. 1120 million for Nepal's peace process including equipment, vehicles and containers for storage of arms and goods/materials as well as support for the electoral process," said Verma.

Nepal and India share many commonalities of interest in religion, culture and other areas. India has generously provided economic support to Nepal contributing for enhancement of life of people. Along with this, Nepal also needs genuine support from India in all other areas including making Nepal a stable and prosperous democracy. ■

Federal states based on caste and ethnicity is impossible for Nepal

-Vikash Raj Satyal

Nepal is truly a garden of diverse language, culture, caste and ethnicity as said by Prithvi Narayan Shah and others. It is very impractical and illogical to segregate the country into federal states by racial or caste/ethnic criteria. Federalism is a political system in which ultimate authority is distributed between a central government and states or regional governments. The federal system is expected to protect the principle of due process, limiting arbitrary action by the state. In federal system – delegation of administrative authority and devolution of political power in the form of ownership is expected to be achieved. The current division of the country in 75 administrative units or districts, aiming to facilitate the administrative activities as a means of decentralization, was made in 1963. For this division some natural or geographical criteria were used. There are several criticisms on the shortcomings of the existing districts to satisfy the aspirations of decentralisation. For such inadequacies, researchers and planners have time and again proposed modified models for devolution: such as the 25 new districts coined by Dr. Harka Gurung. As the aftermath of *Janaandolan II*, adoption of a federal system has now become the most vibrant slogan in Nepal. Until now all of the major political parties and some independent researchers have proposed their own *federal models*. However, there is large discrepancy in the basis of dividing the country into federal states and in the number of proposed federal units or federal states conceived by these political and independent thinkers.

Nepali Congress (NC) has announced that the party will consider economical, social and cultural factors rather than caste and ethnicity for deciding the number of federating units as well as the nature of the future state. The Communist Party of Nepal United Marxist Leninist (CPN-UML) is not clear on the mode of formation and the number of states but will consider the factors such as caste and ethnicity, language, cultural and

regionalism for the decision on the shape of the federal Nepal. Nepali Congress Democratic (NCD) has proposed to divide the country considering ethnicity, language and regionalism. Janamorcha Nepal has proposed a semi federal model based on self-governance on the basis of the factors such as caste/ethnicity and regions. The Communist Party of Nepal (Maoist) and Nepal Sadvabana Party (Anandidevi) are the only parties that have decided the federal structure of the country. Maoists have proposed nine states based on caste/ethnicity,

Acharya, a central committee member of the NC, has proposed the division of the country into various federating units based on geographical variation, language and cultural specialties, natural resources, economical opportunities, population density, racial composition. Some independent development researchers have also proposed the division of the country as an input to the restructuring the state. Regional Planner/ Geographer Dr. Pitamber Sharma has proposed six federal states and 19 sub-

Table 1: Distribution of some major and minor caste/ethnicity in the country

S	N	Caste/Ethnic	Population	Percent
		NEPAL	22736934	100.00
1		CHHETRI	3593496	15.80
2		BRAHMAN -HILL	2896477	12.7
3		MAGAR	1622421	7.14
4		TAMANG	1282304	5.64
5		THARU	1533879	6.75
6		NEWAR	1245232	5.48
7		GURUNG	543571	2.39
8		RAUTE	658	< 0.00
9		YEHLMO	579	< 0.00
10		KUSWADIYA/ PATHARKATTA	552	< 0.00
11		KUSUNDA	164	< 0.00

Source: *Population Monograph Vol I, CBS 2003*

population, geography and language while Nepal Sadbhavana Party has proposed five states including two Terai states in the country that they have now decided to have a single state for the whole of Terai. The CPN Maoist has proposed nine self-governing states. Ethnic activist KB Gurung proposes 11 self-governing states and six Ilakas. Kumar Yonjan of Tamang Ghedung has proposed 11 states based on caste/ethnicity, land, language, available resources and regional problems. Madhesi activist Amaresh Narayan Jha has proposed 10 states. Narahari

states within the six states and his division is based on the natural resource and its availability. Leftist intellectual Gobinda Neupane has proposed a division of eight states based on caste/ethnicity. Development thinker, Dr. Mahendra Lawati has proposed 13 states based on caste/ethnicity. Late Dr. Harka Gurung had proposed 25 development districts based on economical strength. Prof. Krishna Khanal, a Political Science professor has proposed 14 states.

Thus it is seen that there is no unique basis for the national segregation, however in the political arena voices for

the Federal states based on racial or language is heard most prominently that have come up with the concept of *Limbuwan, Tharuwan and Magarat*. However, such a federation based on caste and ethnicity is not logical when one views the current population composition found in the districts. From such demographic perspectives, the major hurdle in the nature of different caste and ethnicity is that they are found very mixed and not localized. These facts can be verified from the analysis of 2001 census data as shown in the following spaces.

The 2001 census of Nepal has shown the existence of more than 100 caste/ethnicity groups in the country. However, only 7 of these caste/ethnicity groups have population more than 2.5 percent and only two of them have population more than 10 percent. There exists large caste/ethnic groups with more than 3 million heads to some very small groups having fewer than thousand heads (Table 1). This shows the existence of several minor caste/ethnic groups. Secondly, among the prominent caste/ethnic groups none have strong localized population concentration in districts so to measure from the population for that caste/ethnic group relative to their total national population that we can call the *ethnic concentration* (Table 2).

The 2001 census of Nepal shows that Chhetri holds about 16 percent of the total population, Hill Brahmin about 13 percent, Magar about 7 percent, Tamang about 6 percent and Tharu about 7 percent (Table 1). The smaller caste/ethnic groups include Kusunda with only 164 heads, Ptharkatta/Khuswadia 552, Yehlmo 579 and Raute 658 heads. The census shows that there are 19 caste/ethnic groups having population of more than 1 percent. This shows there are only few caste/ethnic groups that are very large groups to be considered as highly populated caste/ethnic groups. Hence the concept of segregation of the country based on caste/ethnic ground is highly illogical. If the purpose of segregation is to bring forward the accessibility of the smaller and backward caste/ethnic groups, it will need 100s of such states. And this concept is even illogical as the concentration of caste/ethnic groups is unevenly distributed in the country

which is explained in the section below.

If we classify a caste/ethnic group as major group of the district that occupies at least 50% of the district population then we will find (Table 2) only six such major caste/ethnic groups in the country that includes: Chhetri in 8 districts and Gurung, Tamang, Newar, Tharu and Magar each in one district. This fact is not conducive for the creation of federal states considering caste/ethnicity as basis of division. This data also infer that there is no specific conglomeration of specific caste/ethnic group but they tend to scatter

for new demarcation we could rather merge few adjoining districts according to their geographical nature or road accessibility. As Nepal is still considered as an agriculture-based country we can divide it for the peculiar weather or environment or agriculture production such as - eastern tea states, citrus regions, paddy plains, maize hills, Mustard territories. If we wish to promote tourism industry we can make regions based on mountains and tourist destinations such as - Kanchanjanga, Khumbu, Annapurna sector, Mithila, Buddha,

S N	District	Major Caste/ethnic Group	Total population of the district	Population of Caste/ethnic in the district	% of caste/ethnic in district	Caste/ethnic concentration* (caste/ethnic in the district divided by their national population, %)
1	SALYAN	CHHETRI	60643	30435	50.19	0.85
2	JUMLA	CHHETRI	69226	43697	63.12	1.22
3	BAJHANG	CHHETRI	268937	106775	39.70	2.97
4	ACHHAM	CHHETRI	231285	123086	53.22	3.43
5	DOTI	CHHETRI	207066	109217	52.75	3.04
6	DARCHAULA	CHHETRI	121996	73254	60.05	2.04
7	DADELDHURA	CHHETRI	126162	64759	51.33	1.80
8	BAJURA	CHHETRI	100626	55887	55.54	1.56
9	MANANG	GURUNG	9587	7273	75.86	1.34
10	RASUWA	TAMANG	44731	28515	63.75	2.2
11	BHAKTAPUR	NEWAR	225461	125926	55.85	10.1
12	BARDIYA	THARU	382649	201276	52.60	13.1
13	PALPA	MAGAR	268558	136750	50.92	8.4

Source: Population Monograph Vol I, CBS 2003

evenly in different localities. This second fact can also be visualized by measuring the caste/ethnic concentration that can be defined as the total population of the caste/ethnic group in a district divided by their total population throughout the country. Now if we calculate the caste/ethnic concentration of the major caste/ethnic groups (having more than 50% population in the district) then we can find that most of them have concentration of less than 10% except for Tharu in Bardiya (13.1%) and Newar in Bhaktapur (10.1%). This shows that even among the major caste/ethnic groups the tendency of population is highly dispersed.

Thus it seems that the concept of segregation of the nation considering the caste/ethnic groups is impractical and irrational. If accessibility to the headquarter is one of the problem and keeping down the administrative cost for 75 different districts is other good region

Khaptad region, Himalaya south region etc. If priorities for development are to be given for different regions we can divide it as centrally developed, eastern, least developed far western etc. Divisions based on economical capabilities as done by Dr. Harka Gurung or those based on natural resources as done by Dr. Pitambar Sharma could be more appropriate. But still they need further analysis to explain the cost or value associated with the new demarcations. Also, the boundaries of the 75 districts - as they were mainly the geographical division were very irregular and zigzag. It is often difficult to make scientific investigations with such irregular shaped areas and hence it is suggested that the newly conceived stated have more regular, preferably linear boundaries.

(The author is Research Associate/ Statistician at the Institute for Integrated Development Studies, IIDS)

WB REPORT

Poor Access

The limited and poor access of people to formal financial institutions could hurt country's efforts to reduce poverty

By A CORRESPONDENT

The Access to Financial Services Survey report prepared by the WB and DfID reveals that about 38 percent of Nepalese households have an outstanding loan exclusively from the informal sector, 16 percent from both formal and informal sector, and 15 percent from only the formal sector.

It shows quite a limited number of Nepalese people have access to financial services by formal institutions.

According to the report only 26 percent of Nepalese households have a bank account, and banks' procedures are perceived as being the most cumbersome among financial institutions. Financial NGOs and cooperatives run a close second as largest provider of deposit accounts, serving 18 percent of households. Microfinance and regional rural development banks are a distant

third provider of deposit accounts, serving only 4 percent of households – mainly the poor.

"Informal sector constitutes friends, families, money-lenders, landlords and so on," said Aurora Ferrari, WB Private Sector Development Specialist and an author of the report, at a press meet in the capital on Monday. According to her, the time factor and easy process leads people to seek loans from informal sector.

"Despite efforts by the government to address the situation, formal financial institutions do not serve the needs of most people in Nepal, especially low-income households and small businesses," said Ken Ohashi, WB Country Director.

Ohashi states that access to financial

services plays a crucial role in poverty reduction. "For example access to savings helps poor people cope better with shocks such as health care emergencies. Through access to credit, they can invest in income-generating activities or in the future, by obtaining education or migrating. Financial services also play an important role in supporting the growth of small businesses – crucial for creating jobs for low skill workers," he said.

The report also provides policy recommendations to the government to increase the access of people to formal financial institutions. The report also urges banks to adopt ways to increase their reach to the poorer regions in a reasonably profitable manner. "To serve small businesses profitably, banks need to minimize transaction costs and generate large numbers of high-quality loans. The country needs to develop an environment where small business lending is safer, cheaper and faster," said Aurora.

To help microfinance institutions serve a large number of low-income households, the report suggests promoting the industry by upgrading technical skills and reforming state-owned providers. ■

CHINESE NEW YEAR

Along with the government level, people to people relations between Nepal and China has been growing in its own dimension. This relation has centuries-old history. From businessmen to academicians and cultural experts to adventure tourists, Nepal-China relations has broad base.

Organized by Nepal-China Friendship and Development Forum, Nepalese politicians, civil society members and officials of Chinese embassy joined in a program to

celebrate Chinese New Year last week.

Attended by Minister of State of Labor and Transport, Rameshdutta Lekhak, senior CPN-UML leaders, senior leaders of Nepali Congress-Democratic, journalists, civil society members and other professionals, one of the aims of the program was to enhance people to people contact. Charge d'Affaires of Chinese Embassy Xi Hui also attended the program.

"China is Nepal's neighbor and

we must know each others' culture and other areas of national importance. As an organization dedicated to promote people to people ties between two countries, we organized this program to celebrate Chinese New Year," said Birendra Kumar Basnet president of the Forum. "We would like to thank Chinese government and Chinese Embassy in Nepal for their generous support providing an ambulance to Udayapur district." ■

NORWAY, DENMARK PLEDGE RS 3 BILLION AID IN ENERGY

Norway and Denmark have pledged Rs 3 billion assistance in the renewable energy program. Ambassadors of Denmark and Norway, on behalf of their respective Governments, signed an agreement, Thursday (March 15), with the Ministry of Finance for the provision of more than Rs 3 billion in grant support to renewable energy in Nepal over a five-year period (2007-2012).

The support is provided through a second phase of the Energy Sector Assistance Program (ESAP), which in its first phase originally was supported by Denmark. The Program will be implemented by the Alternative Energy Promotion Centre (AEPCC).

In connection with the signing the two Nordic ambassadors said: "The Program will provide institutional and technical support to the Government of Nepal to strengthen its capacity to deliver energy to rural areas. This will include support to development of a new national policy for rural energy delivery, which covers both renewable and non-renewable sources."

"The Program will support renewable energy solutions through the Rural Energy Fund that will provide financial subsidies for consumers who wish to invest in these solutions. The Program is expected to provide energy solutions to more than 1 million households in Nepal. Access to clean, cheap and reliable energy in remote rural areas can make an important contribution to improvement of health, education and reduction of poverty."

"By promoting rural development, the program will help support and sustain the peace process in Nepal. Denmark and Norway have a long tradition of investing in renewable energy sources and we are proud to be able to help the people of Nepal take advantage of these experiences."

The program will focus on three solutions; Biomass energy, which is cleaner and more energy efficient than traditional cooking fires, Micro and Mini Hydro Power installations of up to 1 MW that can provide rural communities with electricity as well as add capacity to the National Grid in a time with extreme electricity shortage in the Country and Solar Home systems of around 36 Wp, which can power lights and small appliances in the households where they are installed. In the second phase new solutions will also be tested, such as small solar powered lamps (Solar Tukis) of less than 10 Wp. ■

Book List

- Fateful Interview, Madhav Kumar Rimal,Rs. 400.00
- Beyond The frontiers Women's stories from Nepal Padmavati Singh/2006.....Rs 200.00
- Bonded Labour Kamaiya in Nepal. Padma Raj Lamichhane/2005.....Rs. 350.00
- Dhoopee "The Juniper" A Long Poem. Toya Gurung/ 2006.....Rs. 185.00
- Distribution of goods and Services in Nepal's Conflict Ananda P. Shrestha \Hari Uprety\2006.....Rs. 200.00
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- My Life Story Ramhari Sharma Nepal \ 2006 Rs.....250.00
- Nepal -Japan Relation, Ram Kumar Panday\2006 Rs. 2000.00
- Nepal Struggle for Existence -Jagadish Sharma\2006 Rs.999.00
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- 18 Uncertainty on a Himalayan Scale, Thompson \Warburation \ Hatley \2007..... Rs. 250.00

NIBL MARATHON

Run For Fun

Hundreds of young and old people turn up for the marathon organized by Nepal Investment Bank Limited

By A CORRESPONDENT

Over 2500 enthusiastic runners turned up for the first ever marathon organized by the Nepal Investment Bank Limited on Saturday (March 17) in Kathmandu.

As a part of its corporate social responsibility, the bank had announced holding annual marathon runs with the title of "Run for Fun."

In arguably the biggest marathon show in the city, the NIBL program had drawn huge interests.

The marathons were held on various categories and the winners bagged cash prizes ranging from Rs 10,000 to Rs 50,000.

Under the 21 km category, Arjun Dhakal bagged the first prize with the cash purse of Rs 50,000 in professional group; Laxman Malla Thakuri bagged first prize with the cash purse of Rs 30,000 in amateur group; and Derek Coogan bagged the first prize with cash purse of Rs 15,000 in foreigners' group.

Likewise, under the 10 km category, Mahendra Man Maharjan bagged cash prize of Rs 15,000 in veterans group; Shiva Lama bagged Rs 15,000 in 50-60 years group; Ravi Raj Thapa bagged Rs 15,000 in 60 years and above group; and Kanchhi Maya Koju bagged Rs 25,000 in Ladies group.

Under the 5 km category, Deepak Desal won Rs 10,000 in School Boys group; and Brinda Shrestha won Rs 10,000 in School Girls group; while Kalpana Subedi won Rs 10,000 in Financial Institution group.

Under the 1 km category for the differently-abled persons, Tulsī Baskota won and bagged cash prize of Rs 15,000.

On the Saturday morning, the crowd of hundreds of marathon runners occupied the whole Durbar marg area. Amid musical plays, they ran across the city and returned to the NIBL office. The total cash prize amounted to Rs 500,000.

The Chairman and Chief Executive Director of NIBL Prithvi Bahadur Pande said that the money generated from the event crossed their expectation of Rs 2.5 million.

The money thus generated will be matched with equal amount by the bank and handed over to the World Monument Fund for the conservation of Patan Durbar Square area. "We are committed to continue our support to various social and sporting activities as the bank grows," Pande said.

NIBL, through its first Annual Marathon, has taken this opportunity to support Kathmandu Valley Preservation Trust (KVPT) by way of raising funds for the restoration and conservation of Patan Durbar. This project was selected amongst various others in the World Monuments Nepal Watch List and UNESCO World Heritage Centre.

Nepal Investment Bank Limited has assisted and contributed to various conservation/heritage related projects as well as numerous sporting activities in Nepal. In the area of conservation, NIBL started by contribution towards the restoration of the Kal Bhairab Temple and the Pancha Kumari Maitidevi Temple.

In sports, NIBL has been a generous contributor in various sporting activities of the likes of tennis, golf, athletics, cricket, boxing, etc. NIBL also supported the Tenzing-Hillary Everest

Marathon and the 35th National Athletics Championships. NIBL is the exclusive sponsor of the Friends Club Kupondole.

"Nepal Investment Bank Limited's total support and contribution to heritage and sports has been to the tune of Rs 31 lakhs 81 thousand since the Nepali Management took over the Bank in 2002," says the bank in a statement.

Besides being one of the leading commercial banks in the country, the NIBL has also set standards in the Corporate Social Responsibility by lending it hands in various sporting and social activities. ■



Pande (right) awards winner: Noble cause *THT*

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