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SPOTLIGHT

September:19-25, 2008



UNIVERSAL SANITATION

Chasing A Challenge

INSIDE
PM Prachanda's India Visit
Budget 2008: Anxious Wait
Policies And Programs: Tall Talks
Viewpoint: SB Pun

अब... १ मै बचत खाता



नेपाल इन्भेस्टमेण्ट बैंक बढी भन्दा बढी नागरिकहरुमा बैंकिङ्ग सेवाको पहिलो अनुभव एवं बाढी बस्न सकोस भन्नाका लागि सगौरब प्रस्तुत गर्दछ... **मात्र रु.१ मा "आपनै बचत खाता"** सम्पूर्ण अन्तराष्ट्रिय स्तरको सेवा सुविधा सहित ।



जीवनका पहिला पलहरू देखि नै बचतको बाढी सुदृढित मतिथको लगानी

CONTENTS

Page

LETTERS

3

NEWSNOTES

4

BRIEFS

6

OPINION : Dr. A.B. Thapa

7

PRACHANDA'S INDIA VISIT: Southern Goodwill

9

GOVT POLICIES: Time To Deliver

11

FORUM: Shirish Ranabhat

15

VIEWPOINT: SB Pun

18

ENCOUNTER: Kunio Senga

20

BOOK: Sino Nepal Relations

22

QUOTE UNQUOTE/TRANSITION

23

CULTURE : Thai Puppetry Show

24



Cover Story UNIVERSAL SANITATION: Chasing A Challenge Ensuring a universal coverage of sanitation by 2017 is facing all kinds of challenges (Cover Photo WaterAid Nepal) Page 12



BUDGET 2008: Anxious Wait Private sector anxiously awaits the first budget by Maoist-led government Page-10

ENCOUNTER:
Sanjaya Adhikary
Country representative of Water Aid Nepal, Adhikary talks about ways and means of overcoming challenges in meeting the target of universal sanitation

Page-16



SPOTLIGHT

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Chief Editor And Publisher
Madhav Kumar Rimal

Editor
Sarita Rimal

Managing Editor
Keshab Poudel

Senior Reporter
Sanjaya Dhakal

Cover Design & Layout :
Hari Krishna Bastakoti

Layout
Jyoti Dangol (Singh)

Photographer
Sandesh Mamandhar

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

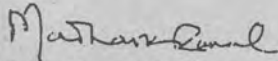
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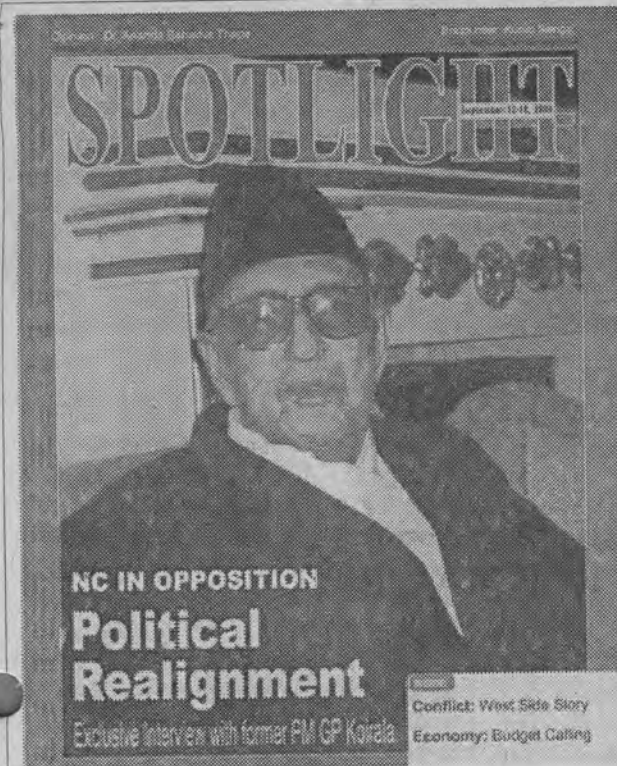
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Pushpa Kamal Dahal, alias Prachanda, the Maoist Prime Minister of the democratic republic of Nepal has become the first prime minister to pay an official visit to India in the new historic political setup in Nepal. His most recent political acts – relinquishing both the positions of the party supremo and commander of his combatant forces, could befuddle the political pundits in Nepal to make the correct assessment whether he was trying to turn himself into a liberal democrat or stamping himself into an imbecile weakling. Either way he has belied his *nom de plume*. His China visit, even though to attend the closing ceremonies of the Olympic Games, defying the stiff Indian opposition, had generated a brief impression that the Maoist Prime Minister was made of a different mettle. But, to cast aside the effects of a decade long submission could not be easy. Moreover, on second thoughts, Dahal too must have realized that the blessings of the Indian gods and goddesses were not only unavoidable but absolutely indispensable in his own interest. His statements during his India visit also were totally devoid of finesse and diplomacy, the two prime qualities in a statesman.

Nepal-India relations have seldom run on an even keel. The naïveté of Nepali statesmen and the domineering attitude of the Indian statesmen right from the early stages of the relationship after India gained her independence in 1947, had sowed the seeds of mistrusts and misgivings in the bilateral relationship. The expectations of the Nepalis that Prime Minister Dahal would strike a different chord and lay the foundations of a realistic relationship has been dashed to pieces. As the initiator of a new political doctrine in a changed political atmosphere, Dahal should have been able to assert himself to chart a different course in Nepal-India relations that would not only heal the old wounds but enunciate practical and realistic guidelines for future relationship. The Indians would also agree with this scribe that high sounding focus on age old special relationship have totally failed to carry both the countries to any fruitful distance. Consequently, it has become absolutely imperative that the Indians by virtue of being the giant and the most powerful country in the region, encompassing the tiny Nepal on three sides making her virtually India-locked, must give up the old hypocritical behavior and start a new era of sincere magnanimity to win the hearts of the weak and poor Nepali people. Even the diehard rightist author commentator Dr. S.D. Muni, who is celebrated to train and brainwash scores of Nepali intellectuals after his own way of anti-Nepal thinking, has most recently commented – “India can no longer pursue its strategic and economic interests on the basis of its colonial mindset and bureaucratized traditional tools of diplomacy.” (Hindu 15 September 2008) Unfortunately the Indian mindset is like a dog’s tail, unable to be straightened even after sixty years of hard endeavors. And Nepal is yet to produce a Nepali politician who is a real patriot standing on steely knees. No wonder uninitiated Prachanda has been taken aback by all the glare and glamour of his first international encounter. At least, we can hope, he must have availed himself of this opportunity of reading the Indian mind from very close quarters. If he stays longer where he is the knowledge is sure to become handy and valuable.


Madhav K. Rimal
Chief Editor & Publisher



Meaningless Chat

I don't understand why you had to give such a big space for former prime minister Girija Prasad Koirala. If one looks at his past role, there is nothing to cheer about him. He sacrificed everything at the cost of power. Even in the last leg of his political career, he has not realized any mistake. This interview fails to inspire anybody.

Gobardhan K.C
Via email

Right In Opposition

After making a series of mistakes, Nepali Congress has taken a very right decision to be in opposition (NC in Opposition: Political Realignment September 12-18). Although Nepali Congress has deviated much sacrificing fundamental interests it upheld in the past, there are still chances for recovery. The decision to play the role of constructive opposition is thus a good decision. I hope Nepali Congress withstands its commitment and continues to play an important role to strengthen nationalism and democracy. As there are many power hungry people in NC, the question remains whether they will be satisfied in opposition or not.

Subarna Lama
Via email

Indecisive Lot

I don't think Nepalese political leaders have any decisive power on

themselves to decide the course of politics. Of course, the return of competitive politics in the form of ruling and opposition gives hope for the evolution of healthy democracy. Nepal had already seen 30-years-long experiment of political practice without any opposition in Panchayat era. Following the reinstatement of parliament in 2006, there was again introduced the politics of consensus like that of Panchayat where seven party alliance worked under consensus politics. Nepalese politicians know their way but there are other elements that will decide the future of Nepali politics. NC president Girija Prasad Koirala's declaration to play the role of a constructive opposition is not enough to direct Nepali politics.

Karma Byanjankar
USA via email

NC Belongs To Past

Whether it stays in ruling or

opposition, the era of Nepali Congress is already over. As the founder of Nepali Congress, B.P. Koirala said in his various books that Nepali Congress will lose its identity if it gives up its ideals like nationalism and democracy - the party has already lost its base. It is going to be a part of history like Praja Parishad. At a time when there are parties like CPN-Maoist, CPN-UML and MJF to champion the cause of federalism and republic Nepal, nobody needs Nepali Congress. After the formulation of new constitution, NC will also lose its identity. King Gyanendra's over ambitions helped remove monarchy. Girija Prasad Koirala's over ambition is helping erase Nepal's oldest democratic party from history.

Sajan Gurung
Brunei Via email

No Substance

The interview of Girija Prasad Koirala lacked substance. Although he has already destroyed the fundamentals of democracy and national interest, he can revive his stature at the last leg of political career if he shows guts to speak reality of the country. Given his past record of sacrificing everything for power, there is nothing left to trust this man. At a time when he has already reached the zenith of power, the time has come for Koirala to work for the country's interest. Koirala, who holds the legacy of his own brother B.P. Koirala, must pay respect to him by upholding nationalism.

Bikash Hamal
Via email



CPN-M Changes Responsibilities Of Top Leaders

The crucial central secretariat meeting of CPN (Maoist) held Friday (Sep 12) has reshuffled major responsibilities in the party. According to the decision, deputy commander of the People's Liberation Army (PLA) Nanda Kishor Pun 'Pasang' has been given full responsibility of the party's army. The party had on the eve of election of the prime minister announced that party leaders elected to the Constituent Assembly would not have any attachment with PLA. Earlier Prachanda was the PLA chief but he resigned from that position after being elected the prime minister. Similarly, the meeting shouldered responsibility of the party organization department to other senior leader Mohan Baidya. Baidya had been seeking the role of ad hoc party chairman since Dahal was elected Prime Minister. Post Bahadur Bogati has been given the responsibility of parliamentary affairs while C.P. Gajurel will continue to look after party's foreign affairs. The meeting was held at PM's official residence in Baluwatar also suggested Dahal not to sign any treaties or reach an agreement during his India visit.

Compiled from reports

PM Consults With Parties Ahead Of His India Visit

Prime Minister Pushpa Kamal Dahal 'Prachanda' is leading a 42-member delegation in his first 'political' visit to a foreign country since he took office over a month ago. PM Dahal will be accompanied by four ministers - Foreign Minister Upendra Yadav, Information and Communication Minister Krishna Bahadur Mahara, Commerce and Supplies Minister Rajendra Mahato and

Water Resource Minister Bishnu Poudel - apart from senior government officials and representatives of private sector. PM Dahal will reach New Delhi on September 14 and return home on September 18. His official meetings will begin from September 15 when he will meet with Indian president, vice president and Prime Minister Manmohan Singh. He is also scheduled to meet with president of Congress (I) Sonia Gandhi and senior leader of main opposition party Bharatiya Janata Party (BJP) Lal Krishna Advani, apart from a number of political leaders. The prime minister will also meet with representatives of Indian business community, among others, during his stay in New Delhi. PM Dahal had earlier visited China immediately after being elected as the first prime minister of republic Nepal. He went there to attend the closing ceremony of Beijing Olympics. He later said that he will go to India for his first 'political' visit. Meanwhile, PM Dahal held consultations with leaders of ten political parties regarding his India visit and issues that need to be raised in New Delhi. He told the leaders that the visit will be a 'goodwill' one. Issues like Kosi river, high trade deficit with India are expected to feature prominently during the bilateral talks. *Compiled from reports*

Valley Protests Called Off

Various organizations affiliated to opposition party Nepali Congress have called off the protests programs after government ensured to form a team to investigate death of Pradip Khadka. Government expressed commitment to form a probe commission following the adjournment of the Constituent Assembly session Friday (Sep 12) after Nepali Congress (NC) lawmakers picketed the rostrum. Addressing the CA meeting, Friday, Minister for Water Resources Bishnu Poudel, speaking on behalf of the government, said a committee would be formed once Home Minister Bamdev Gautam returns from his visit from western districts. The committee will submit the probe report within 15 days. He also expressed commitment to bring culprits into law and provide compensation to the victim's family. Khadka, an NC cadre, was allegedly killed in a police beating on Wednesday night. Protesting the

incident, the organizations had even imposed bandh in the capital valley on Friday. *Compiled from reports*

One Madhes Demand Will Invite Conflict: President Yadav

President Dr Rambaran Yadav has said the demand for single Madhes province will push the country into conflict. Speaking during an interaction with children from different parts of the country at Shital Niwas, the presidential palace, Thursday (Sep 11) morning, President Yadav reportedly said that 'one Madhes' is unacceptable, adding that political forces should rise above ethnicity and regionalism. He stressed that only unity and mutual cooperation could usher the country into progress and that the focus now should be on writing a democratic constitution. Asked for comment on the armed activities in Terai, President Yadav said he was hopeful that the government would be able to bring the armed groups into the dialogue process in order to establish peace in the plains. *Compiled from reports*

CA Chair Urges Parties To Help Speed Up Work On Statute

Constituent Assembly (CA) Chairman Subash Nembang on Thursday (Sep 11) renewed his call to the political parties to extend their cooperation to expedite the work of writing the constitution. He also requested the political parties to stop indulging in the blame game as it would only further delay the constitution making process. "All political parties should come together to speed up the work to write the constitution within the stipulated time," he said while speaking at the inaugural ceremony of an FM radio station in Dharan. "After the work is complete and we have a new constitution then all the ethnic communities and backward groups of mountain, hills and Terai would have the equal opportunity to progress." He said though the constitution drafting procedure is challenging, since the people's representatives have been given the mandate to write the constitution it will be "progressive". The CA chair also said that he drew the attention of the government to distribute relief materials

evenly to all the Saptakosi flood victims. On Tuesday, Nembang had said that the Constituent Assembly should speed up its work to write the constitution within the stipulated time. He also informed that after formulation of CA Rules and Regulations, the CA would set itself a specific schedule and expedite the drafting process through different thematic committees. *Compiled from reports*

Illegal Tibetans To Be Returned

The government is preparing to send back Tibetan exiles living illegally in the country, according to a report in Kantipur daily. Police and immigration authorities have initiated joint investigation following strong directive by deputy prime minister and Home Minister Bamdev Gautam to stop the activities of Tibetan refugees. According to chief of Kathmandu police Sarbendra Khanal, police have detained 64 and 42 Tibetan refugees, respectively, on Tuesday and Wednesday. They were demonstrating in front of Chinese Embassy's visa section in Hattisar. Their records have been sent to the immigration department for investigation. "If they have refugee status, they have to stay within specified limits. Otherwise they will have to leave the country," said an immigration official. Home Ministry officials have said that the detained refugees won't be released since their demonstrations had not only affected traffic movement but also country's foreign relations. The government has been deploying over 400 police personnel everyday in and around Chinese embassy in Baluwatar and its visa section in Hattisar in order to stop Tibetans' demonstrations. *Kantipur daily reports*

Minister Promises Adequate Fuel Supply During Festive Season

Rajendra Mahato, Minister for Commerce and Supplies, has promised to ensure adequate supply of fuel within a month. He said so during a meeting with a delegation of Nepal Transport Entrepreneurs National Federation on Wednesday (Sep 10). The delegation had complained about the lack of easy availability of mainly diesel and warned that transport could grind to a halt during the upcoming festival season without

enough supplies. Meanwhile, the government has also promised to make available around Rs 3 billion to cash-strapped state-owned monopoly Nepal Oil Corporation (NOC). As the price of fuel in the international market has come down rapidly, the monthly loss of NOC has also decreased from Rs 1.5 billion five months ago to Rs 400 million in September. *Compiled from reports*

UML Convention Put Off By Three Months

The ongoing central committee meeting of the Unified Marxist Leninist (UML) has decided to put off the party general convention by three months. Even though the party had earlier scheduled the convention for the month of November, the CC meeting decided to hold it in February next year. The convention will be held in Kathmandu on February 16-21, 2009. Despite calls by many central leaders to hold the UML convention on earlier scheduled date, the meeting decided to postpone it citing lack of preparations. On Tuesday's meeting, UML leader Bhim Rawal apologized for his 'mistakes.' The party has also asked other two leaders Pradip Nepal and Sahana Pradhan to apologize for breaching party discipline. Both were absent during today's meeting. *Compiled from reports*

'NC To Act Tough Against Maoists'

Former prime minister and president of Nepali Congress Girija Prasad Koirala has said his party would act tough against the CPN (Maoist) to make them a democratic force.

Addressing a function organized at the BP Koirala Museum in Sundarijal Tuesday (Sep 9), Koirala said his party would act strong against undemocratic activities of the Maoist in the capacity of a responsible opposition. Unveiling the statue of the first elected prime minister of Nepal, BP Koirala, he said the party has completed a historic responsibility by ending the conflict that ravaged the country for a decade. Koirala also claimed his party rendered vital role for establishment of republican system in Nepal. Koirala assured to construct a similar statue of NC leader Ganesh Man Singh in the same place. *Compiled from reports*

Opposition Parties Slam Govt Policies

Member of the constituent assembly criticized the programs and policies of

the government during the first day of debate on Friday (Sep 12). Speaking at the Constituent Assembly meeting, vice president of Nepali Congress Ram Chandra Poudel said the government's programs and policies were unduly projecting long-term visions even though the current government is entrusted only for providing relief package to conflict hit people, completing peace process and making new constitution for republic Nepal. He accused that current coalition intended to put parliamentary system in peril and establish totalitarianism citing absence of words like parliamentary democracy and multi party system in the programs and policies. He said the government had not spoken about returning land and



properties confiscated by the Maoists. Presenting the 22-point amendment proposal tabled by NC at the CA, Poudel further said the government has not clarified about federalism and formation of a commission to work on it. Raising objections at the plans to integrate Maoist army into Nepal Army, Poudel warned government not to politicize the armed force. Leader of Terai Madhes Loktantrik Party, Hridayesh Tripathy said the subject matter of constituent assembly must not be squeezed to one ministry referring to the creation of a new ministry named Ministry of State Restructuring. He also urged the government to sincerely implement the agreement reached with Madhesi groups in the past. Lila Nyaichai of Nepal Majdoor Kishan Party asked the government to ensure that land is owned by the rightful tillers. She asked the government to provide compulsory and free higher secondary education to all citizens. A total of 18 CA members expressed their views on government's program and policies Friday. The discussion will continue for next two days. *nepalnews.com reports* ■



President Dr. Rambaran Yadav graces the Indraajatra festival in Kathmandu

IN FIRST SUCH BRIEFING by the Nepali Army (NA) since the formation of Maoist-led government over a month ago, the chief and senior generals of the NA presented the current security situation to the prime minister and ministers. Prime Minister Pushpa Kamal Dahal 'Prachanda,' Deputy Prime Minister and Home Minister Bamdev Gautam, Defense Minister Ram Bahadur Thapa 'Badal,' Foreign Minister Upendra Yadav, and Finance Minister Dr. Baburam Bhattarai went to NA headquarters on Friday (Sep 12) evening for the purpose. They were invited by the NA leadership for the briefing.

DEFENSE MINISTER RAM BAHADUR THAPA 'Badal' is leading a Nepali delegation to visit China on September 22. According to high level defense ministry sources, the delegation is leaving for China at the invitation of the Chinese government. The Minister will hold talks with Chinese officials apart from observing the parade of China's People's Liberation Army.

CONSTRUCTION ENTREPRENEURS have demanded amendment in the Public Procurement Act issued two years ago. Sukunta Lal Hirachan, president of Contractors Association of Nepal, claimed various provisions in the act were impractical. He asked the government to activate Construction Development Council. Addressing the 12th annual general meeting of the association, Friday (Sep 12), Minister for Works and Physical Planning Bijaya Gachhadar urged the entrepreneurs to speed up development activities. "I think there is possibility of installing cable car service up to the base camp of Mt Everest. You will have to study the feasibility and gather investment," the Minister said pointing at the possibilities of promoting tourism through better construction.

THE WORLD BANK HAS SAID NEPAL has not made any major reforms in the last one year that motivates business investment in the country. In its newly released report 'Doing Business 2009', the bank has ranked Nepal as fifth nation in the South Asian region in terms of business-friendliness. Maldives tops the list in the region while Afghanistan remains at the bottom of the list. Despite political instability, Nepal has been ranked friendlier for doing business compared to India and Bhutan. "South Asia has seen five reforms in the past year in Bangladesh, Sri Lanka, Bhutan and India. Reforms over the

period of 2004 - 2008 have been steady, with most reforms in registering property and trading across borders," the report said. Singapore tops the world list of 182 countries for doing business while Congo has been ranked the worst nation.

TRADERS HAVE ASKED THE GOVERNMENT to ensure there are no obstructions in major highways and roads in order to ensure supplies of all essential goods as the festival season of Dashain and Tihar is approaching. Surendra Bir Malakar, president of Nepal Chamber of Commerce (NCC), said that at a time when global food price rise was affecting Nepal, the government needed to double its efforts to ensure law and order in highways to prevent any

aggravation. He accused the government of failing to adequately stock up essential goods. Chandra Krishna Shrestha, president of Cooking Gas Dealers Association, said the government-owned Nepal Oil Corporation (NOC) was not importing cooking gas in sufficient quantity. Traders have said that as the festive season approaches, the market is witnessing shortage of essential stuffs like cooking gas, kerosene, sugar, vegetable and fruits, rice, and milk products. Gyan Darshan Udas, spokesperson of the Ministry of Commerce and Supplies, claimed that the government is taking measures to ensure smooth supplies ahead of festivals.

OFFICIALS OF NEPAL AND INDIA have agreed to reconstruct the breached Saptakoshi river dam spurs and bring the river back to its original course. According to deputy director general of water-borne disaster control department Khom Raj Dahal, the agreement was reached to tame the Koshi course back to its original course by June next year. An Indian high level technical team led by LP Singh, director of the Ganga Flood Control Committee, was here for the talks. Dahal and deputy director general of the irrigation department Anil Pokhrel represented Nepal in the talks. Talking to The Himalayan Times before returning to the capital, DDG Dahal said the Indian team has agreed to start the work soon. "The Indian team returned to India for necessary preparations for the reconstruction," he said. "It might take them some time to bring the machineries, construction materials and build road to the site. Then the work will begin." The Nepali team assured the Indian team of conducive environment for the reconstruction work, Dahal said. He said he found the Indian side more serious than he had thought. Junior technicians have already started survey work, he said, adding that the reconstruction was likely to begin before Dashain. "Just consider that the task is half-finished after the river is diverted to its original course", Dahal said. The officials of both the countries have agreed to build a channel to divert the river to its original course, Dahal said. Meanwhile, Dahal said the Indian technicians have succeeded to control the fast eroding Spur No 13.60 spur. "It is impossible to reconstruct the main breach site without diverting the river back to its original course", he said. The water flow in the river was 74,000 cusec on Tuesday, which was higher by 2,000 cusec as compared to that of Monday. ■

LET US FORGET KOSI DAM FOR THE TIME BEING

Kosi River Flood Control Problems

▪ AB Thapa

I had warned more than a decade ago that soon the Kosi is going to change its course followed with widespread devastation. The warning was published in several newspapers including the weekly DESHANTER on Falgun 1, 2056 under the heading *koshi bata hune narasanhar parkhidaicha*. Similarly I had submitted a report also on June 1, 1998 titled "The Sunsari in Grave Danger".

A Complete Surprise .

Governments of India and Nepal were completely taken by surprise when the eastern embankment was suddenly breached and the Kosi shifted its course to the east. Authorities in India appeared to be completely unaware of the far-reaching disastrous consequences for the vast number of

people living in the floodplains of the Kosi even after the swollen Kosi river was already gushing out deep inside Indian territory after bursting the eastern embankment. There

seemed little realization that all old channels of the Kosi are already full of water after incessant rain and the flood surges would be rapidly propagated further downstream. As a result, people living in the affected area were not alerted to the great danger facing them

Great Urgency

We must do everything possible to resolve the Kosi flood problem because the life and property of millions are at great risk. We know from the past experience of other countries like China that there is only one solution. Provision of storage dams to control the floods. We should as explained hereinafter implement the relatively small Sun-Kosi Dam Project along with the relatively small Tamar-1 Storage Dam Project at the earliest to bring to an end the sufferings of peoples by preventing repeated submergences of vast densely populated areas.

Indo-Nepal 1997 Joint Meeting

Lately, Indian Government authorities did not appear to have realized that there was really a great danger of Kosi flood in near future. Nepal was told by India in course of exchange of letters that the Kosi flood problems have been solved once for ever after the construction of the embankments



In course of 1997 meeting held in Kathmandu I had to give an elaborate presentation on Kosi flood problems immediately after my welcome address as head

Authorities in India appeared to be completely unaware of the far-reaching disastrous consequences for the vast number of people living in the floodplains of the Kosi even after the swollen Kosi river was already gushing out deep inside Indian territory after bursting the eastern embankment.

of Nepalese team. The Indian team was headed by chairman of Govt. of India's Water Commission. Other team members were members of Water Commission and India's Electricity Authority, Secretary of Bihar Govt., Engineer-in-chief of Kosi Project and representative of Indian Embassy. The meeting was held to finalize the Kosi Study Agreement. The presentation was quite helpful in explaining our viewpoint on relationship between the Kosi flood problems and the related dam projects.

In course of discussions the leader of the Indian team sincerely expressed off the record that from now on they are fully convinced of the fact that the biggest benefit to accrue from Kosi development would be the flood control. He further added that he did not know how India would be able to repay Nepal for Kosi flood control benefits accruing to India from the dams built in Nepal. Perhaps his remarks were

prompted by his assessment that the Nepalese side is fully aware of the enormity of the flood control benefits. According to Xlong Lei's article published in CHINA DAILY on October 16, 1998 keeping the Huang Ho river at bay has saved China (flood control benefit) US \$ fifty billion.

How Huang Ho Flood Problem Solved?

Since 1949 some eight dams have been built and four more are under construction along its 4,674-kilometre course to control the Huang Ho River flooding. Among the dams built a long time ago are the dams Liujaxia, Sanmenxia, Longyangxia which were constructed in the years 1968, 1979 and 1988 respectively.

Why Sun-Kosi High Dam First?

There are four compelling reasons why the Sun-Kosi Dam Project along with comparatively very small Tamar-1 Storage Project, instead of Kosi dam project should be immediately implemented to completely prevent the Kosi flood disaster.

(1) Sun-Kosi Project and Tamar-1 Project can be quickly implemented within four to five years if it is decided to build them on war footing. These two projects can completely resolve the Kosi flood problems at least for a period of next 40 to 50 years.

(2) The mammoth Kosi Dam Project would be comparable in volume of works and complexity in engineering studies to China's Three Gorges Project. It took China thirty years to complete the latter part of the studies and implementation of the Three Gorges Project. It would be immoral to let the people affected by Kosi flood to suffer for such a long period if there are other quick alternatives.

(3) Immediate implementation of the Kosi high dam would have devastating flooding in the lower reaches of the Kosi in Bihar due to extensive retrogression of the river bed immediately after the dam as was seen in Boulder Dam of the USA, Danjiangku (a tributary of Yangtze) dam etc.

(4) It is not technically possible to implement the Sun-Kosi Dam Project if the Kosi Dam Project is implemented

first but it is possible to implement the latter if the Sun_Kosi Dam Project is implemented first.

Sun_Kosi and Tamar-1 projects

Sun-Kosi project - There are three alternative dam heights proposed for Sun-Kosi project. They are 147m, 169m and 195m. Installed capacity could be 660 MW at 85% capacity factor. Annual firm energy output will be about 5,000 GWH. The total construction cost would be about US\$ 1.5 billion.

Tamar-1 project - The height of the proposed Tamar-1 dam would be 153m. Initially the installed capacity could be reduced to 400 MW and in course of time it would be raised to 800 MW. The annual energy generation would be about 2,500 GWH. The total initial investment cost could be around US \$ 1.0 billion.

Funding Problem

It is quite clear that the financial capacity of Nepal is

However, it definitely is quite an easy job. for an emerging super-power country like India. We are learning from various Indian sources how Government of India is providing huge amounts of grant assistance to Bhutan to implement water resources projects which can hardly be considered vital to save the life and property of millions common people of India.

too limited to enable our country to implement in immediate future simultaneously the Sun-Kosi and Tamar-1 projects, which provide enormously large flood control benefits. However, it definitely is quite an easy job. for an emerging super-power country like India. We are learning from various Indian sources how Government of India is providing huge amounts of grant assistance to Bhutan to implement water resources projects which can hardly be considered vital to save the life and property of millions common people of India.

Nepal and India must look towards Lesotho and South Africa At present the South Africa is investing US \$ 8 billion virtually as a grant assistance in construction of the Lesotho Highland Water Project. Lesotho will be receiving annually US \$ 100 million in royalty subject to periodic inflation adjustment after the completion of the entire project earmarked for export of 72 cumecs of water. The royalty rate would be upward revised after 50 years when the South Africa would have recovered its full investment. ■



PM Prachanda with Indian PM. Dr. Manmohan Singh : A dream comes true

PRACHANDA'S INDIA VISIT

Southern Goodwill

Prime minister and Maoist leader Puspha Kamal Dahal 'Prachanda', who stayed in India for several years during the period he launched insurgency in Nepal, completes his five day official visit to the southern neighbor

By KESHAB POUDEL

As it is said, everything can be justified in diplomacy. India, which was the first country to declare Maoist leader as a terrorist and put prime minister and former rebel leader Prachanda under a red corner notice, also became the first democratic country to welcome him as a messiah of new democratic Republic of Nepal.

India, which has been facing the Naxalite movement and who terms the

Naxalites – the ideological brothers of Nepalese Maoists – as enemy of the country, see Nepalese Maoists – who waged deadliest insurgency in which more than 15000 people were killed – as a reliable ally.

According to Indo-Asian News Service (IANS) reporting from New Delhi, in a special gesture that underscored the warm relations between the two countries, the Indian prime minister hosted a dinner to honor his

counterpart.

This is, however, not the first time that India has shown such contradictory behavior. In 1954, India gave a red carpet welcome to then Nepalese prime minister Dr. K. I. Singh who was declared as a dacoit by India.

During his five-day sojourn in India, prime minister Prachanda also met Indian president Pratiba Patil, leader of India's main opposition party Lal Krishna Advani, his communist friends particularly, CPI-M leaders Sitaram Yechuri and Prakash Karat.

Prachanda who first paid official visit to Nepal's northern neighbor China as a guest to attend closing ceremony of Beijing Olympics, did not spare any time to show that he understands the importance of friendship with India.

"Bilateral relations between Nepal and India are vital. Nepal's relations with India is special and cannot be compared with China," he told media in India.

He made every effort to prove that his government attaches high priority to relations with India. Like his predecessors, he also invited Indian investors to invest in Nepal's hydro power sector.

During their one to one meeting, Indian prime minister Singh and Prachanda discussed an entire gamut of bilateral issues. Experts believe that Prachanda may have given much verbal assurances to India regarding its security and strategic interests in Nepal.

Sandwiched between two Asian powers, India always wants to extract security concessions in Nepal.

Renowned American scholar late Leo E. Rose in his book Nepal Strategy for Survival published in 1971 writes perhaps perceiving the present scenario, "Some future Indian government may well conclude that the simplest solution to New Delhi's chronic problems with Nepal would be to replace the existing regime in Kathmandu with one considered more reliable by the Indian authorities. While this would probably prove

counter productive in the long run, it could be accomplished with relative ease in several ways: direct intervention by Indian troops; slightly disguised intervention through the use of the Gurkha units in the Indian army or ex-servicemen resident in India; indirect

intervention through support of a Nepali revolutionary movement or an all-out economic blockade.”

Nepalese Maoists waged revolution in Nepal even as their leaders hid in India. Even India's renowned scholar and professor S.D. Muni sees Maoists as reliable friends to fulfill India's long term strategic interest. In his recent article published in *The Hindu*, Muni stressed the need to strengthen the relations with Maoists. In his book *Maoist*

insurgency in Nepal: The Challenge and the Response published in 2003, he wrote that Maoists can contain monarchy's power and help India reduce the excessive influence and strategic presence of the western power.

Prime minister Prachanda too don't mind to reveal his relations with India. "Three years ago the foundation of the peace process, which has transformed Nepal to a democratic country, was laid in New Delhi itself. I was leading an underground movement at the time. Today when I stand here and talk as a prime minister of the country, I feel very emotional. I sometimes ask myself, is it a dream? So much has happened in such a short time. During 10 years of insurgency, I stayed in India for about eight years as an underground leader. And today I stand here as prime minister of my country which is trying a new model of peace," Prachanda told a gathering of non resident Nepalis in New Delhi at Nepal Embassy premises on Tuesday (Sept 16, *The Himalayan Times*).

From a leader of insurgent group of rag tag army, Prachanda rose to the position of elected prime minister of Nepal elbowing out all the forces monarchy, Nepali Congress and CPN-UML through political maneuvering.

Although former Nepalese prime minister and Nepali Congress strongman Girija Prasad Koirala, who signed all major treaties with India including water resources treaty like Arun and Upper Karnali and proposed to remove 400 years old institution of monarchy as a caretaker prime minister, asked prime minister Pushpa Kamal Dahal Prachanda not to sign any treaty with long term implications claiming he is just a caretaker PM, Prachanda followed the tradition set by his predecessors by agreeing to review the 1950 Treaty of Peace and Friendship. ■

BUDGET 2008

Anxious Wait

People anxiously await the first budget by the Maoist-led government

By SANJAYA DHAKAL

Finance Minister and a senior Maoist leader Dr. Baburam Bhattarai is all set to unveil the first budget of the Maoist-led government on September 19.

He will present the belated budget for the fiscal year 2065/66 at 4 pm, Friday, at the Constituent Assembly.

Donor countries have agreed to reform the existing aid procedures in order to incorporate predictability, as well as untying of aid from various restrictions.

That was what was upheld in Nepalese delegation's recent major interaction with donor countries.

During the Third High Level Forum on Aid Effectiveness held in early September in Accra of Ghana, the donor countries gave positive response to Nepal's request, according to Krishna Gyawali, Joint Secretary and Head of the Foreign Aid Coordination Division at the Ministry of Finance, who led the delegation there.

"The situation of foreign aid is likely to be same this year. In fact, if we increase our capacity of implementation, the volume of financing of development through aid can increase," he said.

At present, over 80 percent of Nepal's development budget is financed through foreign aid. Almost 25 percent of total budget is financed by such aid.

Meanwhile, at the Accra conference, the donors and developing countries have agreed to take bold steps to reform the way aid is given and spent.

"The Accra Agenda for Action (AAA) has been endorsed whereby developing countries have committed to taking control of their own future while the donors have committed to coordinating better amongst themselves," states a press release issued by Ministry of Finance.

A three-member Nepalese delegation led by Krishna Gyawali, Joint Secretary and Head of the Foreign Aid Coordination Division at the Ministry and accompanied by Lal Shankar Ghimire and Narayan Dhakal, officials from the same division, had participated in the forum.

"We presented our case. They were quite keen about recent developments in Nepal. They pledged to enhance



Budget discussion: Balancing act

support in the coming days," Gyawali said.

"In the name of aid, there are some tendencies like bringing the equipment and human resource from donor country itself and draining a large chunk of foreign aid back to the donor country. And there are also criticisms about unnecessary conditions tied with aid. In the AAA, both donors and developing countries have agreed to do away with such ill practices," Gyawali said.

At the Accra summit, talking about socioeconomic development of Nepal, Gyawali urged the donors for speedy transition from the existing project mode to program mode and also for expanding the current multi donor, multi year and program-based Sector Wide Approach (SWAP) to a broader General Budgetary Support framework with the multi-donor commitment as already initiated in some developing countries.

The Accra summit was hosted by the government of Ghana and organized by OECD and the World Bank. ■

GOVT POLICIES

Time To Deliver

The Constituent Assembly (CA) approves the government's policies and programs. Now it is time to deliver the promises

By SANJAYA DHAKAL

Hours before he left for his maiden visit to southern neighbor, India, Prime Minister Pushpa Kamal Dahal 'Prachanda' successfully defended his government's policies and programs.

The policies and programs of the government has been approved by the Constituent Assembly (CA) on Sunday (Sep 14).

Even though 17 different proposals had been tabled seeking amendment in the government policies, only two of them were withdrawn while others were defeated by majority including the one tabled by main opposition Nepali Congress (NC).

PM Prachanda defended government's policies and programs saying, "We are here representing different ideologies but we have no option other than to identify commonalities of our interests."

He claimed that 'though the policies and programs were not as revolutionary as expected by the people,' it would open a lot of doors of opportunities. He also urged opposition parties not to raise issue regarding the use of phrase People's Liberation Army (PLA).

"It is just a name given to Maoist combatants. And this name has been used by UNMIN during their registration also," he said, referring to the objections raised by NC.

Last week, president Dr. Rambaran Yadav had unveiled the government's policies and programs for the fiscal year 2065/66.

The president said that the government will implement past agreements reached with various groups including the Comprehensive Peace Accord (CPA), and the agreement with United Madhesi Democratic Front. The

president also appealed to all groups carrying out 'struggles' in various parts of the country to suspend their activities and come forward for dialogue.

"The government appeals them to suspend their struggle and come forward for dialogue to resolve differences," he said. He said the government will provide relief to people injured during past conflicts. "A Truth and Reconciliation Commission and a Commission to find about Disappeared Persons will soon be formed and their recommendations implemented," he said.

"The People's Liberation Army combatants staying at cantonments will be integrated based on CPA, and interim constitution within six months," he said.

Socio-economic transformation

The government has also intended to bring about rapid economic transformation by implementing what it calls as 'new transitional economic policies' by focusing on 'public-private partnership.'

The government has also promised to increase the agricultural productivity by ensuring the food sovereignty of the people. "A scientific land reforms will be initiated for which a high-level Scientific Land Reforms Commission will soon be set up," the president said. Tourism is another priority of the government in which it has promised to overhaul the existing infrastructures.

The government has said that it will give high priority to provide relief and rehabilitate the people displaced by recent Koshi floods, which it termed as a result of lack of timely vigilance.

"Necessary laws will be formulated to implement basic health services and education as fundamental rights of the people," he said. "The government will introduce policies to attain universal



PM Prachanda: Will he keep promises?

adult literacy within two years. The education up to secondary level will be made free of cost," the president said. The government has also accorded special priority to Melamchi Water Supply Project. "The government will initiate works to ensure supply of clean and safe drinking water to all in next five years," the president said.

Opposition

The government's policies, however, failed to impress the opposition parties including the Nepali Congress (NC). The NC pointed out that the policies and programs draft has used phrases going against the Comprehensive Peace Accord (CPA) and has called for their correction.

Senior NC leader Sher Bahadur Deuba said that the use of words such as 'Janamukti Sena' (People's Liberation Army) and Janayuddha (People's War) in the draft was against the spirit of the CPA. NC leaders Ram Chandra Poudel and Prakash Sharan Mahat dubbed the programs as just 'old wine in a new bottle'. Mahat further said that the policies and programs were not realistic.

Various parties as well as some individual CA members, subsequently, had tabled seventeen different proposal seeking changes in the government's policies. ■

SANITATION FOR ALL

Challenges

Ahead

Even as political leaders chant the Mantra of New Nepal, a grim reality is that over 60 percent of Nepalese are yet to have access to toilet. More than 13,000 children still die every year due to lack of safe drinking water and proper sanitation. Although a number of programs have been implemented over the years by various agencies to improve the situation, Nepal is in no position to achieve a target to provide sanitation for all by 2017. The recent sector review on community level models for financing sanitation in rural Nepal conducted by WaterAid Nepal and Asian Development Bank reveals how resources spent by various agencies to meet the ambitious target is virtually being drained in vain thanks to lack of coordination.

By KESHAB POUDEL

Jamuna Bishwokarma, 45, is a lady belonging to so-called Dalit community whose husband works as a black smith. A resident of Lele Village Development Committee of Lalitpur district, 15 kilometers south of capital Kathmandu, is yet to pay back Rs3,000 (US\$ 40) loan she took to build a toilet. In less than two years, her toilet has turned non-functional thanks to lack of maintenance.

Constructed under a subsidy given by an NGO, Jamuna's toilet brought a lot of changes in the last two years in her family. From reducing the cost of medical bill to making her house and surrounding clean, the latrine had transformed many things.

"After the construction of toilet, I

have not taken my children to nearby Anandaban Hospital and I, too, don't have to wake up at dawn to go to fields for relieving myself," said Jamuna. "If the toilet is not maintained in near future, I will have no option other than to revert to my past situation. After the construction of toilet, the agency which supported us has not inquired."

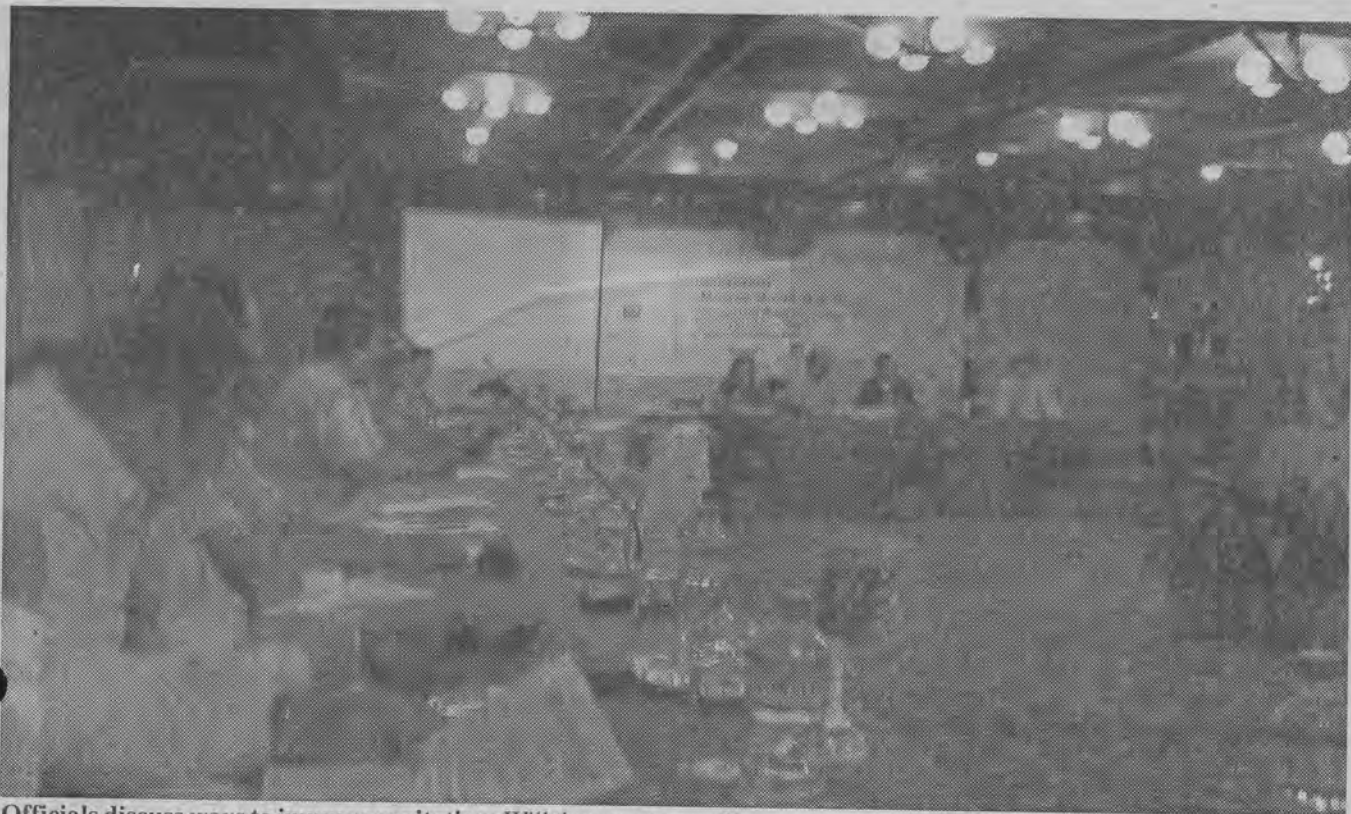
Jamuna is not alone in facing this kind of situation. There are many similar cases of malfunctioning of toilets. Had local materials used in constructing the toilets, the locals could have done the maintenance on their own.

Rush for Construction

There is a rush for construction of toilet but hardly anybody keeps in mind

the question of sustainability and economic affordability. In its report on the situation prepared after visiting Pyuthan, Chitwan, Tanahu, Kailali, Surkhet, Banke and Kapilbastu districts and based on interactions with stake holders, the WaterAid Nepal has revealed that achieving total sanitation access in rural Nepal in the near future will be a very formidable challenge.

"Sanitation coverage has increased but we don't know whether the modality we offer in the local areas is appropriate or not. There are many duplications and lack of coordination among various agencies," said Krishna Prasad Acharya, deputy director general of Department of Drinking Water and Sanitation. "As we have to meet the national target to



Officials discuss ways to improve sanitation: Will they meet target?

provide sanitation for all by 2017, we need to have coordinated approach.”

With a call to increase the sanitation coverage, the government and various donor agencies have already spent huge amount of money to construct toilets around the country but the challenge is their sustainability.

Maila Tamang 55, of Bhattedanda Village Development Committee of Lalitpur district, too, has a similar story to tell. Constructed under a grant by national NGOs, Tamang's toilet cost Rs.4,500 ((US\$70). It is now malfunctioning.

Few months after the construction, some parts of toilets cracked.”

Case Study

Recently released WaterAid and Asian Development Bank's report, Money Down The Pan? too has made several case studies. Operated under School Sanitation and Health Education Program by Nepal Red Cross Society in Bhimnagar School and Gunjanagar in Chitwan district, 150 kilometres south of capital Kathmandu, the program has increased the coverage of sanitation substantially.

However, one of the drawbacks of the program is that total latrine coverage could not be achieved because the

poorest people lacked even nominal funds to build a permanent latrine. A few of the households had built latrines with the support of a revolving loan made available thorough women's group. However, not every body could afford to take out a loan.

With the 114 households, the problem of Bashkhor community, a Madhesi community of Kapilvastu district, 500 kilometers west of capital Kathmandu, is that they are unable to use the latrine. Constructed under the Community Based Water Supply and Sanitation Sector Project, about half of the households in the area have good latrines but most latrines are not in use because of lack of ownership and hygiene awareness.

“As the country is celebrating International Year of Sanitation, the ministry is preparing a long term strategy to make the ongoing sanitation program more effective and target oriented,” said Suman Sharma, joint secretary at Ministry of Physical Planning and Works. “The report helps us to find weaknesses in national sanitation program.”

Ambitious Plan

Nepal has been implementing an

ambitious sanitation program to provide 100 percent sanitation coverage by 2017. This is the reason why a number of sanitation programs are launched with common aspiration but with different implementation models which sometimes results in overlapping and inefficient distribution of the limited resources available.

Although sanitation is separate from the sector of drinking water, the government is yet to allocate separate budget under sanitation title. As Nepal is also celebrating International Year of Sanitation, the government is said to have decided to allocate separate budget to this area from now on.

“After reviewing available documents and visiting sites and consulting with relevant stake holders, our report concludes that there is a need to develop a common and popular approach,” said Laxmi Sharma, project officer Asian Development Bank. “More coordinated efforts are needed to meet the target set for 2017 to provide sanitation coverage for all.”

The course of implementation of the program is another concern. Although sanitation activities are regulated by Rural Water Supply and Sanitation National Policy 2004, there is no proper

mechanism to regulate the activities.

Thanks to the weakness in the regulatory mechanism, there are duplications of programs confusing the people. This may be the reason why the disparities among the rich in the rural and urban areas are growing.

According to the UNICEF's 2006 report, access to improved sanitation among the richest quintile is about 79 percent and access among the poorest quintile is just 10 percent.

According to Nepal Demographic and Health Survey 2006, the access to sanitation in urban areas is 36.9 percent and 19.8 percent in rural areas.

Report's Suggestions

This WaterAid and Asian Development Bank study, among others, looks at how the resources allocated for sanitation by a range of sector actors, including the Government of Nepal, multilateral donors and NGOs, are being distributed and used at the community level.

The study has reviewed the manner in which different financial models in Nepal allocate the available resources from an economic, social and sustainability perspective.

The research recognized the strengths and weakness of all the models, and although it does not promote a single approach as the solution, it does stress the need for increased coordination within the sector to ensure the resources are allocated more effectively for those in need. The current practice of having multiple financing models, often contradictory in nature, implemented alongside each other within a VDC or District has led to confusion among citizens and held back progress towards the common goal of improved sanitation all, the report says.

"Different levels of financial support often create division in community. Communities are often not in control of how resources are allocated," said Oliver Jones, Rural Programme Manager, Water Aid Nepal.

The study recommends that within the diversity of approaches some key principles should be adopted by the sector to reduce contradictory practices. Central to these principles is that models for financing sanitation should support community sanitation outcomes, not be focused at individual households.



Construction of Latrin : Where money goes ?

Photo : WaterAid Nepal

Open defecation in Nepal is common as peoples' fathers and forefathers did it. It is also perceived as a cheap and easy solution to a natural body function. But the cost to a community's health is also great—increased cases of diarrhea, worms and other diseases caused by unhygienic practices. People, children in particular, are literally dying through lack of sanitary toilets.

WaterAid Nepal CLTS

WaterAid Nepal has been playing a pioneer role to increase the sanitation coverage launching programs along with its partner. With the support from WaterAid Nepal, Nepal Water for Health (NEWAH) has been launching the new Community Led Total Sanitation (CLTS) approach that has brought a visible change in many villages.

"One of the lacking in the present time is the coordination and approach. Water Aid's CLTS approach is very popular now as it involves the community in all aspects by developing the sense of ownership," said Sanjaya Adhikari, country representative WaterAid Nepal. "There is a need for community mobilization to achieve the target to provide sanitation for all."

According to government officials, the CLTS has already contributed to the Rural Water and Sanitation Policy 2004 of achieving total sanitation by 2017 through community mobilization. CLTS approaches recognize that individual hygiene behavior can affect the whole community.

Started as a model project in Karkanda of Dhading District in October 2003, the CLTS approach is now being replicated in various districts. Along with WaterAid Nepal and NEWAH, Plan International Nepal, Rural Reconstruction Nepal, Oxfam, and other organisations have also been implementing this program.

Implemented in Shumshergunj Banke, 500 km west of capital by Plan International, the CLTS approach is attracting the local community as it was successfully introduced in community of 59 households belonging to people mostly from Dalit and Janjati community.

Although it is still a neglected issue in national context, experiences in Nepal have shown that access to sanitation can bring about visible change in society. For this what is required is support and mobilization of community.

One of the challenges the country is facing is the financing models. According to Oliver Jones, principle of financing modalities should support community sanitation outcomes, not be focused on individual households. It should facilitate communities to engage and identify poor and marginalized groups who need additional support.

Less than eight years are left to meet the target to provide universal access to sanitation. The challenges that lie ahead include executing sustainable programs that are adaptive and affordable to all communities. ■

Federalism and Its Efficacy in Nepalese Context

-Shirish Ranabhat

One way or the other, a new constitution of the Federal Democratic Republic of Nepal will be implemented within next couple of years. The recent political trends and practices in our nation indicate that a federal system will be imposed in a monopolistic way.

In a democratic system we should have a nationwide free and transparent discussion and debate with the stakeholders on this vital question of a system in a changed political situation. People should be given an opportunity to compare and recognize different systems of government before imposing upon them. There are some important issues regarding federal system which must be resolved before transformation is made. First, it needs to be clear why federalism is needed and what type of federalism is to be implemented?

It is very important for us to understand what actually the federalism is and how this system functions. The federal system is one that sees the polity as composed of a nonhierarchical, non-centralized matrix of several or many fundamentally equal cells in which the general government is a framing institution that embraces all of them and in which authority and powers are distributed among them all by a constitution. Thus, federal arrangements rest fundamentally on constitutional pact, non-centralization, and negotiated cooperation and bargaining within the constitutional framework.

Of several forms of federalism, cooperative federalism, competitive federalism, coercive federalism, and permissive federation are a few examples based on the distribution of powers and functions between federal government and state/local governments.

In cooperative federalism, national, state, and local governments interact cooperatively and collectively to solve common problems, rather than making policies separately but more or less equally or clashing over a policy in a system dominated by the national government. Ethiopia, Germany, South Africa, United Arab Emirates, United States, Venezuela and Yugoslavia are the examples of cooperative federal countries.

In the competitive federalism, state/local governments manage their own affairs. The federal government has a limited role in state/local government in competitive federalism. Pakistan, Belgium, Australia, Brazil, Micronesia, Switzerland and United Kingdom possess such federalism.

In coercive federalism, the federal

government has control over state and local governments. Laws of state/local governments may be preempted by the federal government. Nigeria, which has a federal military government, is an example for this type of federalism.

In permissive federalism, the state/local governments have only those powers and authorities permitted to them by the constitution. Examples of this type of federal countries include Austria, India, Malaysia, Mexico and the Russian Federation.

Each type of federalism carries with it advantages and corresponding disadvantages. Since the type and structure of federalism suited for our country are not yet well defined and clear, it is important that a thorough study regarding federalism should be undertaken. Even though proponents of federalism articulate numerous advantages and benefits, federalism is not without any defect. Even world renowned scholars and advocates of federalism have acknowledged the weaknesses of a federal system. Daniel J. Elazar, a well known political scientist and federal scholar states "...it [federalism] is by no means suitable for all peoples or polities or the best means for resolution of all conflicts. In order to succeed, there must be a will to federate, sufficient goodwill to make federal arrangements work, and a political culture able to bear those arrangements with the combination of moderation, willingness to negotiate and compromise, and a spirit of comity needed to make shared-rule relationships work."

Each type of federalism carries with it advantages and corresponding disadvantages.

Internal conflicts and disintegration in many federal countries around the world in recent times have proved that the federal solutions may not be the best means to enhance democratic republicanism. It proves that federalism may not necessarily solve all the problems. So, the type of system suited for Nepal can be determined only through discussion, consultation and debate among us, not the one that is "thrust" upon us. If required, and when necessary, we the Nepali people can develop our own unique model based on the various models that have been adopted by other countries. On the basis of known ground realities, it is not unreasonable to assume that the appropriate will, goodwill and political culture required for self-rule/shared rule do not appear to exist in Nepal at the present time.

The ongoing multifarious conflicts, the growing rate of poverty, the systemic graft and rampant corruption, growing anarchism and impunity, the immaturity of the political leaders and elected lawmakers, strident cry for separate states on the basis of race and language with the rights to self-determination, inter-party and intra-party crisis of confidence and price hike and scarcity in markets are just some of the troubles that our country is beset and plagued with. The situation in Nepal has become like that in a number of other countries where regions inhabited by different ethnic groups have attempted to secede. In these scenarios, the introduction of federal concept in Nepal still lacks its efficacy in the resolution of our contentious and intractable ethno-political contest.

Political leaders in our country should give an immediate priority to ensure "lasting peace, political stability, rule of law and socio-economic development." They should rather not misguide the Nepalese people and definitely should not make any attempts to divide and smash our long "history of sovereign and independent identity and culture of national unity among diversity" in the name of federal system. Without carefully weighing the advantages *vis a vis* the disadvantages of federal system in Nepalese context including economic, social, cultural, geo-political, transforming the country into federal system cannot possibly happen. We should not invite any issues for new confrontations and conflicts. Imposing such a federal system will be a betrayal and dishonesty to the people.

It is a high time to introduce and promote revenue generating sectors, to develop agriculture, tourism and water resources and create employment opportunities. We need farsighted leadership to run and lead a system that value and understand the sentiment, strength and vitality of the Nepali people. The system must be for "the common people who live in the villages" not for "the players favored, guided and controlled by others." We need a system that guarantees to save the existence of the country and to change the fate of her downtrodden people who have sovereign and decisive authority to guide and rule the country. A unitary system of government with limited powers to the center and autonomous local bodies with maximum decentralized powers may be a right way to safe landing.

(The author can be reached at shirish.pokhareli@gmail.com)

“The current investment level on sanitation is insufficient”

-SANJAYAADHIKARY

At a time when the country has been celebrating International Year of Sanitation, overwhelming majority of rural population are yet to have access to sanitation. As a leading International non-governmental organization working in the areas of water and sanitation, UK based WaterAid Nepal has been supporting Nepal to increase access to sanitation and water. WaterAid Nepal's Country Representative **SANJAYA ADHIKARY** spoke to **KESHAB POUDEL** on various issues regarding the state of sanitation in Nepal. Excerpts:

As Nepal has been celebrating the international year of sanitation, how do you see the on going program?

The International Year of Sanitation 2008 provides an excellent opportunity to push sanitation to the forefront of national development because the state of sanitation in Nepal is in crisis. Let us take a look at the figures - almost half of the Nepalese population lacks access to sanitation. Many more lack access to good quality sanitation. Unsafe disposal of human waste contaminate groundwater and when emptied into rivers, they pollute water sources and thus jeopardize public health.

How many people die every year?

Every year 13,000 Nepalese die, before their fifth birthday, from water related diseases caused by lack of water and sanitation services. These services are basic human rights, which underpin health, educational and livelihoods, forming the first, essential step in overcoming poverty. Nepal is rich in water resources and in people with the technical knowledge to provide these services and yet so many people remain without access.

How to do you see the progress?

To accelerate the progress towards National Targets and increase programming effectiveness, it is important to have a more structured and coordinated approach to delivery of rural and urban sanitation services across the sector. The Government of Nepal, with the support of stakeholders, including civil society, is in the process of developing a National Sanitation Master Plan. Such a Plan will be an effective programming tool to guide a sector programme, harmonize approaches across actors and provide a basis for resource mobilization.

What are the barriers to advancing sanitation in Nepal?

The key barriers can be clustered around four areas. The Policy barrier: Weak national policy framework and the lower priority accorded to sanitation relative to water is the key issue. People tend to attach a higher priority to water than to sanitation and sanitation seldom figures prominently on the national development agenda. Progress in sanitation has been held back by a far weaker national strategy, the

fragmentation of the governance systems and processes, and capacity constraints of service providers.

What are other barriers?

Poverty and Gender Barrier are other barriers. Poverty remains a major constraint to gaining an access to improved sanitation. For majority of poor people, even the low-cost improved technology is beyond their reach. The weak voice of women in shaping spending priorities within the household means that the constituency with the strongest expressed demand for sanitation has little control over expenditures. Women place a higher value on access to private sanitation than do men- an outcome that reflects the greater disadvantage women face through insecurity, loss of dignity and adverse health outcomes associated with lack of access. The priority that women attach to sanitation is rarely reflected in decision-making beyond the household, in political structures extending from the grassroots to village, district and national governance systems.

What about the perception?

Another is perception barrier. Access to sanitation is still viewed as 'latrization' and not in "total sanitation" due to lack of literacy. Communities are being declared as totally sanitized which is good but the issue remains on their sustained usage, change in behavior practices such as hand washing during "critical times". In the South Asian Conference on Sanitation (SACOSAN) held in Dhaka in 2003, the thrust of sanitation programmes was highlighted on the elimination of open defecation, promotion of good hygienic practices, and proper management of solid waste, household wastewater and storm water.

WaterAid Nepal has recently published a report on Sanitation Money Down the Pan, how it observes the state of sanitation in Nepal?

Approaches to sanitation are diverse and multi-dimension, however one of the critical areas where it is perceived that the widest range of approaches are being adopted, as well as little is currently known across the sector in Nepal, is financing sanitation at a community level. For example, some programmes give high hardware subsidies, while others rely exclusively on strong mobilization and awareness building of the importance of sanitation within communities. Financial model obviously have an impact on the cost of delivering sanitation, although the effectiveness of the approach is not necessarily linked to a higher degree of investment. Allocation of available and scarce resources is

*Every year
13,000
Nepalese
die, before
their fifth
birthday,
from water
related
diseases
caused by
lack of
water and
sanitation
services.*

crucial to move towards national and international sanitation targets in the most efficient manner. However, financing also has impact on equity and sustainability issues, which are also essential in the strive to meet sanitation targets, and ultimately achieve 100% coverage across Nepal.

Given the present annual budget of the government, is it possible to provide sanitation for all as foreseen by the national targets?

While financing is one of the important prerequisites, a sound and effective policy framework and institutional monitoring are also equally important if not more. Public policies on sanitation are as significant to the state of the sanitation as economic management or basic education, yet sanitation is accorded very low priority. Even more than water, sanitation in Nepal suffers from a combination of institutional fragmentation, weak national planning and low political status.

How do you see the level of investment?

The current investment level on sanitation is insufficient to meet the national and MDG targets (UNDP HDR 2006 recommends at least 1% of GDP). The national budget does not provide a separate allocation to sanitation as budget for water and sanitation is lumped and, as a result, the budget mostly gets utilized on water. The financial transfers from the national to local level through multiple layers often gets delayed in fund disbursement and results in low utilization of allocated funds. Assuming business as usual, the sanitation target will be missed in Nepal. Hence pace of implementation has to be accelerated if we are to meet the national targets.

What the government needs to do?

The government has to create the conditions for advancing sanitation through policy framework, resource mobilization and the creation of markets to deliver appropriate technology at an affordable price. While the community led initiatives are important, they are not substitute for government action.

As an International Non-governmental organization working in the area of sanitation and drinking water, how you have been supporting Nepal to achieve the national target? WaterAid is the only INGO in Nepal that exclusively focuses on enhancing access to water, sanitation and hygiene promotion to the people of Nepal, especially those who are poor and marginalized. These basic services are essential to life and integral to the achievement of all MDGs including Goal 7. We work with NGO partners, who in turn work with local organizations including local governments, in programme and policy work.

What WaterAid Nepal has been playing?

WaterAid Nepal firmly believes that it is the state's responsibility to promote access to sanitation. The role of INGOs/NGOs is to contribute to experiment, innovate and provide replicable models. To this end, WAN undertakes research,

advocacy and influence work as well as supports its development partners in good service delivery to provide access to some of the hardest to reach and serve the unserved. As a learning organization, WaterAid Nepal also seeks to develop, test and support implementation of new approaches and helps to promote them so as to achieve scaling-up. With modest contribution (estimated to be around 5%) in the sector, we know that

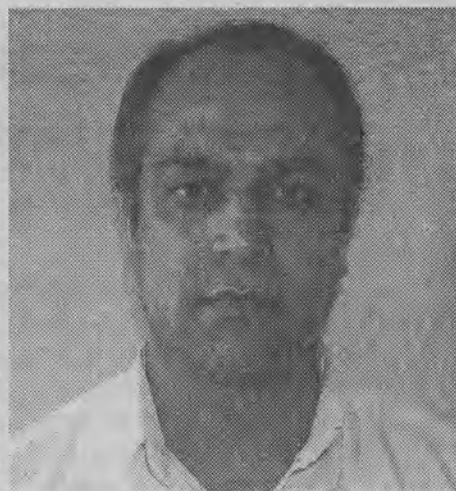
we must use the experiences gained for meaningful engagement in the sector and influencing work. You will agree, service delivery alone will not bring about systemic change although it is critical for the lives of the poor people it reaches and provides the experience needed for effective practice and policy influence.

How do you justify the investment in sanitation?

In Nepal sanitation provision lags far behind access to water and there is no evidence that the 30% gap is narrowing. This gap matter because the benefits of improved access to water will be diminished if sanitation coverage lags behind. Access to sanitation imparts benefits at many levels. There is now growing evidence of sanitation bringing the single greatest return on investment of any development intervention (roughly \$9 for every \$1 spent). Safe sanitation is one of the strongest determinants to child survival. Improved sanitation also brings advantages for public health, livelihoods and dignity which extend beyond households to entire communities. It is now generally accepted that the state of sanitation remains a powerful indicator of the state of human development in any community.

What do you think are the priorities for advancing sanitation?

To maximize the opportunity of 2008 as the International Year of Sanitation, the key priorities are: Development of a national sanitation master plan recognizing the right of all people to sanitation; Preparation of an urban sanitation and water policy in consultation with civil society; Publication of an annual plan, targets, and financing required while ensuring sufficient budget allocation including a separate budget line on sanitation; Enhancing collaboration between sector stakeholders including with education, health, academia and media; Adopting minimum standards in declaring areas "totally sanitized"; Publishing annual performance reports for discussion with civil society and public scrutiny; Creating an enabling environment to share, learn, and replicate and scale up many successes in the sector; and Ensuring that every school and public institutions have disabled and gender friendly sanitation access. ■



Safe sanitation is one of the strongest determinants to child survival. Improved sanitation also brings advantages for public health, livelihoods and dignity which extend beyond households to entire communities.

Paraguay, Bhutan and Nepal

– Landlocked but Hydropower Rich –

Cases of the Lamed Duck, Flying Geese and Sitting Duck!

– SB Pun

Foreword:

For the last 50 years, those at the helm of Nepalese affairs, from Panchas, Democrats to Comrades, have all been wailing over our '*apar khera gai rakheko pani*' (infinite waste of water). In fact, the Nepali Congress¹ by '*implementing large, medium and small projects including Upper Tamakoshi, West Seti, Arun III, Upper Karnali*' within the coming 10 years plan to increase generation capacity ten fold to 5,000 MW and earn '*billions of foreign currency*' through power export.. Not to be outdone, the CPN-Maoist² similarly declared that '*through short and long term plans*' 10,000 MW generation capacity (twenty fold) will be added within the next 10 years. Surprisingly, the CPN-UML³ was not that euphoric and had a far more sobered tone advocating a policy of multiple uses on storage projects, domestic capital for medium projects and '*local participation for projects under 10 MW*'.

Globalization and liberalization brought to the fore the charms and greed of market forces. Our get-rich-quick Nepalese do not want to '*miss the boat*' and are lobbying hard for Nepal to replicate the Bhutan model of hydropower development. It is in this context that the land-locked and hydropower rich countries, Paraguay and Bhutan, need to be visited so that Nepal may, perhaps, learn a few lessons. By sheer coincidence, these three landlocked countries have all undergone dramatic political changes recently. After an 18-year democratic parliamentary exercise and the 10-year CPN-Maoist insurgency that cost the precious lives of over 13,000 innocent Nepalese, Nepal's Constituent Assembly is set to re-write another constitution. Bhutan's

'*gross national happiness*', that was originally the Drukpa monarch's dispensation, now resides with the democratically elected parliament. In far-away Paraguay, the party led by the left leaning former bishop, Fernando Lugo, finally voted out the 63-year rule of the Colorado party.

Paraguayan Geopolitics:

Paraguay, with a 5.6 million population, is a small landlocked but hydropower rich South American country sandwiched between two large neighbours, the Portuguese-speaking Brazil to the north and east and the Spanish-speaking Argentina to the south. Traditionally, Paraguay was very dependent both economically and politically to its southern neighbour, Argentina. Her only outlet to the sea was along the Parana river via an Argentine port. Historically, there was keen rivalry between Argentina and Brazil to exert their spheres of influence on Paraguay. In 1966 Paraguay signed the Treaty of Iguacu with Brazil to develop the border river, Parana. The treaty basically recognized the border river's common ownership of water with an equal sharing of hydropower. This was followed in 1973 with the signing of Itaipu treaty for the construction of the world's then largest 12,600 MW Itaipu⁴ hydropower plant on Parana. In order to woo Paraguay, Brazil built a bridge over Parana to provide an alternate route to a sea port in Brazil. Paraguay was thus freed from Argentina's clutch over access to the sea. Not to be outdone, Argentina, under the personal instruction of its President Peron '*to sign now and renegotiate later*', signed the same year in 1973 the Yacyreta treaty with Paraguay to develop the 2,700 MW

hydropower. Thus, hydropower development for export became Paraguay's main national agenda, an agenda not dissimilar to that of our main political parties, the CPN-Maoist and Nepali Congress.

Itaipu Dam Controversies:

The 12,600 MW⁵ Itaipu dam was embroiled in a host of controversies between the two countries: on the 196 meter height of the dam, on disproportionate extent of flooding between the two countries, on low compensation for land, on 50 cycle frequency for Paraguay's share of the 6,300 MW generators when 90 per cent of it is for export to Brazil with 60 cycle frequency and even on the structure of the Itaipu Binacional Administration. But the main debate within Paraguay was on what to do with this huge 6,300 MW of its share of power at a time when its own installed capacity was 235 MW, just one-third of the 700 MW single unit to be installed there. Incidentally, Nepal's much vaunted '*sun to rise from the west*'⁶ Pancheshwar has a similar 6,480 MW capacity with 3,240 MW as Nepal's share. One school of thought in Paraguay lobbied against export to maximize domestic use through industrialization and installing energy intensive industries within the country. The other school lobbied for export. A situation that is not different from that of Nepal. The export lobby won because Paraguay had poor infrastructure, no domestic raw materials and above all no financial resources which, once the export revenue starts accruing the lobbyists argued, could be ploughed back for industrialization and infrastructure building. The initial project cost estimate of US\$ 2 billion in 1973 snowballed to US\$18 billion when completed in 1985⁷. Similarly, Yacyreta's original estimate of

US\$2.7 billion also soared to US\$11.5 billion forcing former Argentine President, Carlos Menem, to term Yacyreta 'a monument to corruption'.

Lamed Duck:

Because of the Paraguayan parliament's demand, early on, for a fair share of the project's contracts, officially 50 per cent of all major contracts were earmarked for Paraguay. In practice, Paraguay's small industrial sector was no match for Brazil's technologically advanced and capital-wise strong industries. Over 75 per cent of the total contracts with key inputs like steel, cement, machineries etc. were all supplied by Brazil. Even minor items like housing materials for Paraguayan workers came from Brazil.

But Paraguay failed dismally on the price of electricity negotiated with Brazil. As the monopoly buyer, Brazil gave Paraguay an extremely paltry price of US\$300 per million units i.e US Cents 0.03 per unit. This scenario was inevitable as Paraguay did not have the capacity to bear her portion of the project cost and Paraguay⁸ had to approach Brazil for the loan. Despite many revisions and heavy tariff increases, the price, after all 18 units were commissioned in 1992, still became only US\$4,200 US\$ per million units i.e a mere 0.42 US Cents per unit! The following table indicates Itaipu's actual generation:

Year	No. of 700 Mw installed units	Million Units	Year	No. of 700 Mw installed units	Million Units
1992	18	52,268	1993	18	59,997
1994	18	69,394	1995	18	77,212
1996	18	81,654	1997	18	89,237
1998	18	87,845	1999	18	90,001
2000	18	93,428	2001	18	79,307
2002	18	82,914	2003	18	89,151
2004	18	89,911	2005	18	87,971
2006	19	92,690	2007	20	90,620

Source: <http://en.wikipedia.org/wiki/Itaipu>

From the above table Itaipu's average annual generation over the 16 years from 1992 to 2007 is 82,038 million units⁹ of which Paraguay's half entitlement is 41,019 million units. Incidentally, the average annual generation from Nepal's planned three largest multipurpose projects (10,800 MW Karnali Chiasapani - 20,842 MUs, 6,480 MW Pancheshwar - 6,166 MUs, half of 12,333 MUs and 3,000

MW Saptakoshi - 17,607 MUs) totals to 44,615 million units, just about Paraguay's share at Itaipu. At US Cents 0.42 per unit Paraguay's export to Brazil brought her a paltry US\$ 172 million annually. That is why Paraguay, despite over two decades power export from Itaipu, is still the second poorest country, after Bolivia, in South America. That is why Paraguay's new left-leaning President, Fernando Lugo, is rattling his saber to end the contractual obligations with Brazil of selling power below the commercial market price. Paraguay, despite its earlier self-thought clever political maneuvering, now feels that it has been cheated and got a raw deal¹⁰ from Brazil. The simple lesson for us, Nepalese, is that megawatt and millions of units for export do not necessarily translate into 'arabs'¹¹ of hard Indian currency. For the 'sun to rise from the west' Nepal must have in place sound in-house institutions that can negotiate the intricacies of 'cost of project in proportion to the benefits accrued, power benefit, inter alia, saving in costs as compared with relevant alternatives etc.' The tiny 5.6 million Paraguayans have a per capita income of only US\$ 1,100 whereas the huge 176.6 million Brazilians have a per capita income of 2,710 US\$¹². Paraguay is thus a classic case of the lamed duck!

Bhutanese Geopolitics:

In 1949, Bhutan signed a treaty¹³ with India wherein Bhutan's external relations were 'to be guided by the advice of the Government of India' and import of 'arms, ammunition, machines, warlike materials or stores' could only be done with India's 'assistance and approval'. The Sino-Indian border clash of 1962 taught India to build for its own security

a series of road networks along the Sino-Indian border in Ladakh, NEFA and even Bhutan. These roads provided accessibility to the difficult interior terrains of Bhutan not only for her socio-economic activities but also for better hydropower sites. The 1975 annexation of the Sikkim kingdom by India, on the premise of bowing to the wishes of the majority, was undoubtedly a wake-up call for both the kingdoms of Bhutan and Nepal. While Bhutan immediately got down to invoke new citizenship laws, Nepal's 'permit system', recommended by Dr. Harka Gurung, was termed anti-national. Bhutan enacted the 1985 citizenship act and based on the 1988 census claimed her population to be only 600,000¹⁴. Bhutan then aggressively launched her Bhutanization drive of one language, one religion and one social customs. This resulted in the cleansing of 'Lhotsampas', the southerners of Nepalese origin, who flocked into Nepal over Indian territories. The 7 refugee camps in Nepal's Jhapa and Morang districts house over 106,000 Bhutanese, languishing for the last 18 years. Without the tacit nod from India plus Nepal's dismal diplomacy, Bhutan could not have remained stubborn over such lengthy periods on such a sensitive humanitarian issue¹⁵.

Flying Geese:

Bhutan has about 30,000 MW hydropower potential of which 16,000 MW is estimated to be economically exploitable. With 60% grant and 40% loan at 5% interest rate from India, the 336 MW Chukha hydropower project was commissioned in 1988. Similarly, the IRs.4,124 crore 1,020 MW 4,865 million units Tala hydropower project had the same grant and loan ratio with interest rate hiked up to 9 per cent¹⁶. Commercial operation of Tala started from July 1, 2006 and the first payment of loan, repayable in 12 equal installments, started from July 31, 2006. This is the Bhutan model of hydropower development with the consultants, contractors, electro-mechanical equipments, steel, cement etc. all coming from the loan provider. Over 95% of the cheap power¹⁷ so

generated is fed back to Indian grids to drive Indian industries so that the goods and services India produces would be far more competitive both regionally and globally.

With Tala's commissioning, Bhutan's power export is expected to generate about US\$ 1 million a day¹⁸. The GDP growth, 10% in 2006, is forecasted to rise to 12% in 2007. Similarly the revenue from hydropower to the national budget is expected to rise from the current 45% to 60%. The current account deficit should then move to surplus in 2007. With the India-financed 45 MW Kurichu and the Austria-financed 60 MW Basochu, Bhutan in 2008 has a total installed capacity of about 1,465 MW. The 2003 per capita income¹⁹ of US\$ 660 is predicted to double from Tala's revenues. Many predict that Bhutan is, thus, well on the way to become the flying geese of South Asia. But some analysts question whether India will remain a silent spectator when Bhutan becomes an island of prosperity in a region that is increasingly facing the brunt of demographic pressure.

Nepalese Geopolitics:

The 1950 Indo-Nepal Treaty of Peace and Friendship²⁰, 1952 Indian Military Liaison Group to train Nepal Army, 17 India-manned wireless check-posts on Sino-Nepal border, Tribhuvan Rajpath linking Kathmandu to the plains, 1954 Kosi and 1959 Gandak agreements all came in quick successions during that critical decade. The furor over these agreements in Nepal and subsequent 1964 Gandak Amendment and 1966 Kosi Revision were possible only after the short but embarrassing 1962 Sino-Indian border clash. Our two big neighbours then vied²¹ for their spheres of influence in our infrastructure construction: 21 MW Trishuli and 1 MW Phewa versus the 10 MW Sunkoshi and 1.5 MW Seti; Tribhuvan rajpath replied by Arniko rajmarga, Siddhartha rajmarga into Pokhara replied by Prithwi rajmarga from

Kathmandu. Stung by its infrastructure lapses in the Ladakh and NEFA regions, India went on to build the major portion of Nepal's east-west Mahendra rajmarga to cater to its own security concerns. This concern was, in an undiplomatic manner, manifested when Nepal was forced to retract its global tender award of the Asian Development Bank financed Kohalpur-Banbasa road to a Chinese contractor due to vehement objections from India. The ambitious Dhankuta-Kathmandu-Pokhara-Surkhet hill road that India had agreed to in principle remained, unfortunately, on the drawing board only. This road would have contributed greatly both for the social-economic up-liftment of rural Nepal as well as opening up access to better hydropower sites.

With the arrival of the powerful multilateral and bilateral institutions into Nepal from the 1970s, the rivalry between our two big neighbours diminished. In fact, India, while keeping the bilateral dialogues intact on Karnali Chisapani and Pancheshwar, retracted to its own territory by constructing unilaterally a host of such large structures like the Girijapur barrage on Karnali, the Tanakpur barrage on Mahakali and the Laxmapur barrage on the Rapti. Much in the fashion of the 1950-treaty when Nepal's chips were down, India in 1990 proposed a draft Agreement²² on Mutual Cooperation to the tottering Panchyat regime. In essence, besides not entering into '*any military alliance with any other State*' and '*consult and enter into suitable protocols with the Government of India concerning the acquisition by Nepal of arms, ammunition and other materials*', India on natural resources development continued on with the '*shall give first preference to the Government or the nationals of India*'. The new singularly important element of the Draft on '*the commonly shared rivers*' was the clause '*plan new uses or*

*projects subject to the protection of existing uses*²³ on the rivers'. Unlike Mohan Shumshere, King Birendra refused to sign this draft Agreement with India and opted rather to become a constitutional monarch in a democratic parliamentary system.

Sitting Duck:

Nepal's four large (*Kosi, Gandak, Karnali and Mahakali*) and five medium (*Kankai, Kamala, Bagmati, West Rapti and Babai*) rivers contribute an overwhelming 75% of the lean season flow of the Ganges at Farakka. The Ganges basin in 2003 supported a population of nearly 513 million (*Nepal's 25 million, 42% of India's 1,064 million: 447 million and 30% of Bangladesh's 138 million: 41 million*). At 1,061 persons per square kilometer, Bangladesh has the unique distinction of having the highest population density²⁴ in the world. West Bengal at 904 persons and Bihar at 880 persons per square kilometer²⁵ are not far behind. Nepal's 172 persons per square kilometer is quite deceptive as the terai districts of Dhanusa, Mahottari, Sarlahi, Rautahat and Bara already have population densities of around 500 persons.

Such population densities put heavy stress on natural resources particularly water. That is why India has embarked on her ambitious IRs.5,600 billion River Linking Project to transfer water from the wet water-surplus region of the east to her dry water-deficit region of the west. Of the 17 Himalayan river links, Nepal figures in 5 important links: Kosi-Mechi, Kosi-Karnali, Gandak-Ganga, Karnali-Yamuna and Mahakali-Yamuna where huge storages like Saptakoshi at Barahchhetra, Karnali at Chisapani and Mahakali at Pancheshwar would be vital elements of the River Linking Project. These three projects are expected to uproot over 150,000 Nepalese²⁶ for the benefits mainly to the people across the border. Bangladesh has already

protested strongly and Nepal appears to be satisfied with India's official²⁷ stand 'We will consult Nepal when this becomes necessary'. With the Mahakali treaty/Pancheshwar inked, the DPR study of Saptakoshi in the final stage and the agreement to 're-activate' Karnali Chisapani, Nepal has placed herself in that unenviable position of the sitting duck.

Final Word:

Recent constituent assembly election manifestoes claiming to generate 5 to 10,000 MW within ten years reveal that New Nepal's main political parties continue to be charmed with power export to India. If India is to maintain her 9 per cent GDP growth rate then she will by 2026/027 require an estimated 785,000 MW²⁸ which is about six times the present capacity. Though India has massive coal reserves and over 148,000 MW of hydro potential, she is desperately looking around for other energy sources: newer technologies from the Indo-US nuclear deal, gas from unstable Central Asia or 'the axis of evil' Iran or even the military junta of Myanmar. While energy has options like coal, gas, hydro, nuclear, wind etc., water has none. The dwindling Ganges badly needs augmentation and in the name of hydropower development in Nepal, India aims to get her freshwater by default. The 750 Mw West Seti and the 600 MW Budhi Gandaki, both storages, will provide the badly needed augmented water, however little that may be.

As the Mahakali treaty stipulates that the cost of project will be 'in proportion to the benefits accrued', the Pancheshwar project is bogged down since 1996 with the acrimony over the accrued benefits. To overcome that acrimony India astutely proposed that the costs be in proportion to the usage from the storage created. Nepal retorted that the treaty had no such provision. Pashupati SJB Rana, Nepal's then Water Resources Minister, claimed that Nepal

was able to convince India to accept the 'principle of displaced cost of alternatives in the evaluation of electricity benefits'. India countered that the 'relevant alternatives available' could well mean other hydropower, nuclear, gas etc. and not necessarily coal fired thermal plants that our Minister had in mind. So intricate and complex have

the Indo-Nepal negotiations on water resources development become that there were times when Nepal mistook the forest for the trees, like the 1991 MOU on Tanakpur. In our hurried quest to be the South Asian flying geese, Nepal could well land up like the lamed duck, Paraguay ■

Footnote

- 1 Nepali Congress manifesto for Constituent Assembly Election - 2064.
- 2 CPN-Maoist manifesto for Constituent Assembly Election - 2064.
- 3 CPN-UML manifesto for Constituent Assembly Election - 2064.
- 4 China's Three Gorges Dam on Yangtze will have 18,200 MW (26 nos. of 700 MW units) and as of December 2007 it already surpassed Itaipu's 14,000 MW capacity. Later Three Gorges will have 6 more underground turbines. <http://news.bbc.co.uk/2/ht/asia.pacific>
- 5 This capacity in 2007 increased to 14,000 MW which means that Paraguay now owns 10 units of generators each rated at 700 MW. So sensitive were the Paraguayans that they insisted on all their Itaipu generators to be of 50 cycles, their standard frequency. This forced Brazil, with 60 cycle frequency, to install frequency converters for all power to be purchased from Paraguay.
- 6 Pashupati SJB Rana, Water Resources Minister, exhorting the Joint Session of Parliament to ratify the Mahakali Treaty on September 11, 1996
- 7 The last 18th generator was installed in 1991.
- 8 A case not dissimilar to Pancheshwar project: 1995 project cost US\$ 2,980 million. There is a major acrimony between Nepal and India over project benefits particularly irrigation and flood control. However, assuming Nepal's portion to be 50% then US\$ 1,490 million @ Rs65 per US\$ equates to Rs97 arab. Nepal's internal revenue resource generation for fiscal year 2007/08 was projected at Rs104 arab. So do we like Paraguay approach India for the loan?
- 9 In 2005, Itaipu contributed 93% of Paraguay's and 20% of Brazil's electricity consumption.
- 10 Much in the manner that the Nepalese howl over the Kosi, Gandak and Mahakali treaties!
- 11 NRs.21 arab annually from export of Nepal's Pancheshwar power - Pashupati SJB Rana to the Press on Ashwin 7, 2053 after the Mahakali treaty was ratified.
- 12 World Bank's World Development Report 2005.
- 13 Articles 2 and 6 of the treaty inked in Darjeeling on August 8, 1949. The two countries in February 2007 'contemporized' the 57-year-old treaty that will 'largely free Bhutan's foreign policy and defense purchases from New Delhi's approval'. - The Telegraph, Calcutta. January 11, 2007. Also of interest to Nepal is the return of '32 square miles territory in the area of Dewangiri' to Bhutan by India. - www.nerve.in/news/25350032381
- 14 Till 1990 Bhutan maintained that her population was 1.2 million. But in 2004 King Wangchuk in his National Day address revised it to 'just over 500,000'. - Matthew Joseph C. 1999. *Ethnic Conflict in Bhutan*. Nirala Publications. New Delhi.
- 15 It is indeed heartening to see energetic young Bhutanese couples with their children boarding the aircraft at Tribhuvan international airport for better futures in USA.
- 16 www.thehindubusinessline.com/bline/2006/08/17/stories
- 17 Chukha export tariff has recently been pegged at IRs.2/ per unit. - www.bhutannewsline.com. This price of energy needs to be equated with the recent US\$135 per barrel of oil that was in 1998 only US\$12.
- 18 www.adb.org/documents/books/ado/2006/bhu.asp
- 19 The World Bank. World Development Report 2005.
- 20 Nepal's leaders fail to stress that India, world's largest democratic country, hastily concluded this Treaty not with a democratically elected Government of Nepal but with the decrepit century old autocratic Rana regime that, in its last dying gasps, was ready to sign on any dotted line. On the import of 'arms, ammunition or warlike material' this treaty was akin to that of Bhutan requiring the 'assistance and agreement of the Government of India'. On the development of natural resources (not limited to Water Resources only) Nepal 'shall give first preference to the Government or the nationals of India...'. Now 58 years later, after having 'contemporized' her treaty with Bhutan, India is now ready to review this treaty with Nepal.
- 21 Much in the fashion of Paraguay's neighbours, Brazil and Argentina. 22 Bhasin, AS. 1994. *Nepal's Relations with India and China*. Siba Exim Pvt. Ltd. Delhi.
- 23 This clause, however, got embedded into the Mahakali treaty - without prejudice to their respective existing consumptive uses.
- 24 With the exception of city-State, Singapore - 6,967 persons. World Development Report 2005.
- 25 2001 India Census.
- 26 Dikshit, A. Mulyankan. 2062 Chaita/46. Kathmandu.
- 27 Shyam Saran, India's ambassador to Nepal to the media. Spotlight July 16, 2004.
- 28 IL&FS Infrastructure Development Corporation, New Delhi.

BOOK

Sino Nepal Relations

Historian Baburam Acharya's book gives an insight into the long history of Nepal-China relations

By A CORRESPONDENT

Nepal-China relation has a long history with recorded documents, sculptures and books elaborating the length and breadth of the ties. Although Nepal is a small mountainous country south of Himalayas, China has made contact with her since a long time.

From Chinese scholars to traders and spiritual visitors, the interaction at the people to people level can be traced till a long way back.

Nepal also has a long practice of officially dealing with China on different matters including religious, political, cultural and economic issues.

This is what one can read in the book "China, Tibet and Nepal" written by renowned historian Baburam Acharya. Written in Nepali, Baburam Acharya's book gives detailed facts about historical relations existing during the various dynasties in Nepal up to the democratic changes.

According to historian Acharya, China, which always treats Nepal as its friend and supports whenever the country faces the crisis for its survival, remains a dependable and true friend.

Tracing many historical facts and documents, historian Acharya describes the social, cultural, political and economic relations existing between the two countries since time immemorial.

Various dynasties rose and fell but China's relations with Nepal remained same. One can see very little ups and downs.

For Nepali readers, Acharya's book is an eye opener that shows how Nepal China relations have gone through various stages in the past centuries. Except some sporadic occurrences of misunderstanding, Nepal maintained a



China, Tibet and Nepal

By: Baburam Acharya

Editor and Publisher:

Shreekrishna Acharya

Price: Rs. 130.00

Pages: 263

very good relation with China.

Even in his recent statement, Chinese ambassador to Nepal Zheng Xianglin described centuries old relations with Nepal thus, "China's historical scriptures have recorded lots of wonderful and detailed data about the contacts between China and Nepal. In 406 AD Master monk Fa Xian of Eastern Jin Dynasty recorded in Account of the Buddhist countries his visit and detailed impression in Nepal," said ambassador Zheng Xianglin.

"Since Tang Dynasty, there had been

constant exchanges between China and Nepal and lots of historical events have become household stories for the people of both the countries such as Princes Bhrikuti marriage to King Songtsan Gambo and Arniko's guidance in constructing the White Pagoda."

Historian Acharya's book even traces back the relations between two countries as early as Christian era. Nepal's legends describe that Manjushree rehabilitated people in Kathmandu valley after releasing the water cutting the edge of the mountain.

Acharya's book is divided into several chapters. The first chapter deals about geographical position, dawn of Nepal's civilization, Tibet and Nepal's relations, hostility and friendship with Tibet. The second chapter discusses the rise of Vaisa and Thakuri dynasty in Nepal, establishment of new royal dynasty, Buddhism penetration into Tibet, and Nepal's troubled year.

Another chapter is about the rise of Dalai Lama in Tibet, Nepal's Malla dynasty, Malla dynasty's internal squabbling, and unification of Nepal and expansion of Nepal up to Tista. Fourth chapter discusses Nepal's disputes with Tibet, restoration of normalcy, internal power struggle in Nepal's Royal Palace, Nepal's war with Tibet, and Kerung Agreement.

"As Nepal shares long border with Tibet, China gives importance to Nepal's stability and prosperity. Although China's political and administrative control weakened in Tibet from time to time, China has never compromised its sovereign right over Tibet and historical evidence, too, suggests that Tibet was an integral part of China," writes Shreekrishna Acharya, editor of book.

"Whenever China's administrative and political control was weak in Tibet, Nepal had disputes and confrontation with Tibet. A powerful and prosperous China has never committed any hostile acts against Nepal and Nepali people."

Acharya's book is very important for all Nepalis who want to know about the history of Nepal and China relations. ■

"The demand for single Madhes province will push the country into conflict."

President Dr Rambaran Yadav, during an interaction with children from different parts of the country at Shital Niwas, the presidential palace.

"It is just a name given to Maoist combatants. And this name has been used by UNMIN during their registration also."

Prime Minister Pushpa Kamal Dahal 'Prachanda,' referring to the objections raised by Nepali Congress in the use of phrase PLA in the government policies and programs.

"The present government is merely a caretaker one. It cannot sign any treaty or agreement with India."

Girija Prasad Koirala, former Prime Minister and leader of main opposition Nepali Congress (NC), on the eve of PM Pushpa Kamal Dahal 'Prachanda's' visit to India.

"This government has full authority to sign treaties with other countries. This is an elected government."

Mohan Baidya Kiran, senior leader of Maoists, at the Reporters' Club.



"The policies and programs were boring."

Sher Bahadur Deuba, former prime minister and senior leader of NC, reacting to government's policies.

"I think there is possibility of installing cable car service up to the base camp of Mt Everest. You will have to study the feasibility and gather investment."

Bijaya Kumar Gachhadar, Minister for Works and Physical

Planning, addressing the convention of Contractors Association of Nepal, in Nepal Samacharpatra.

"The treaty is in shape, I don't think that treaty needs a fundamental review. But we will pay minute attention on the things that need to be done in Nepal side and our side."

Saif Uddin Soz, Union Minister for Water Resources of India, ruling out the need to review Kosi Treaty, in an interview with BBC Nepali Service.

TRANSITION

LEFT: Prime Minister Pushpa Kamal Dahal 'Prachanda,' leading a 40-member entourage, for New Delhi, India, on a 'goodwill' visit.

Foreign Minister Upendra Yadav, Water Resource Minister Bishnu Poudel, Commerce and Supplies Minister Rajendra Mahato and Information and Communication Minister Krishna Bahadur Mahara, for New Delhi, accompanying PM Dahal.

RESHUFFLED: The major responsibilities within the CPN (Maoists), by its central secretariat meeting. According to its decision, deputy commander of the People's Liberation Army (PLA) Nanda Kishor Pun 'Pasang' has been given full responsibility of the party's army. Earlier Prachanda was the PLA chief but he resigned from that position after being elected the prime minister. Senior leader Mohan Baidya Kiran, will shoulder the responsibility of the party organization department, replacing Ram Bahadur Thapa Badal who has been appointed

as Defense Minister. Post Bahadur Bogati has been given the responsibility of parliamentary affairs replacing Dr. Baburam Bhattarai, who is the Finance Minister. C.P. Gajurel retains his responsibility as the chief of party's foreign affairs cell.

PUT OFF: The general convention of the Unified Marxist Leninist (UML), by three months, by central committee meeting of the party. Earlier scheduled to be held in the month of November, the CC meeting decided to hold it in February 16-21, 2009 in Kathmandu.



THAI PUPPETRY SHOW

Culture of Life

Thailand's traditional puppetry show by Joe Louis Puppets Troup demonstrates unique culture of Kingdom of Thailand

By A CORRESPONDENT

For majority of viewers, the Thai Puppetry show gave unique and fascinating experience. When they saw Thai version of Ramayana, the crowd was curious and enthusiastic to know that a country far away from Nepal, too, has the culture of performing the story of Ramayana in theatre.

Although Thailand is far from Nepal, there are similarities in the cultural and religious inclinations, difference is only on the style of performance. As the story was related to Ramayana, the audience easily understood it.

Making puppet is a very intricate job. The human puppet in which human beings are dressed up as puppet in the performance was most delicate. Based on classical Thai masked dance Khon, the puppet attire and decor was created

paying close attention to many intricate details reflecting the sophistication and elaboration of Thai craftsmanship.

Nepal and Thailand have long history of political and economic relations and the people to people relation is growing fast. As a country of birth place of lord Buddha, the number of visitors to Nepal from Thailand continues to increase.

The Thai Airways, Thai flag carrier which is popular among all Nepalese, has made enormous contribution in promoting tourism in Nepal. Till a decade back Thai was the sole airlines to link Nepal with outside world from Southeast Asia.

But, majority of people of Nepal have rarely seen the traditional cultural life of Thailand which is unique and fascinating.

"When I visited Janakpur recently and saw the Janaki temple, I became assured that the Nepali audience will like the Thai version of Ramayana performed by the traditional puppets. I believe that this kind of exchange of arts and culture will help us and Nepali citizens to understand each other even better," said Vanvisa Thamrongnavasawat, Thai ambassador to Nepal.

Thanks to the efforts of the Embassy of Kingdom of Thailand, Nepalese have got the opportunity to see the fascinating traditional culture shows in Kathmandu. Organized by Embassy of Kingdom of Thailand, the performance was held in Nepal Academy.

Presented by Joe Louis Puppets Troupe, the Thai version of Ramayana performed by the traditional Thai Puppets attracted a large number of crowds at the Nepal Academy Hall.

Established by Sakorn Yangkiawsond (Joe Louise who died in 2007) the troupe is looked after by his children.

Along with performing the Thai version of Ramayana, the visiting twelve members of Thai troupe also presented the traditional puppet play Hun Lakhon Lek. Artist Surin Yangkeawsot, the seventh son of late Joe, demonstrated artistic and fascinating dance.

"We are very happy to perform Thai traditional puppet show in Nepal. Of course the human puppet performance is more difficult. There is a need to control human expression and body language. We need to practice constantly opening our ears open and understand the signalling by the puppeteers," said Surin Yangkeawsot.

Although Kingdom of Thailand is far away from Nepal, it has many things common to share with Nepal. From mountain to plains and sea and rivers, Thai traditional puppet show displayed the stories and life of people of Thailand. It showed how rich and diverse ■

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