

NEPALI Times

NEPAL'S TOP NEWSPAPER

A SIGN OF THE TIMES

At last count, there were 1,300 newspapers registered in Nepal. There is no shortage of newspapers in this country, and ironically that is why this newspaper has become necessary. When there is so much to choose from, a few must stand out, they must become must-reads. Nepali Times is an idea whose time has come.

Arthur Miller once said that a good newspaper is a nation talking to itself. Talking leads to understanding and awareness which in turn can spur action. Without understanding and public debate, actions taken may be inappropriate. We agree that things in Nepal are not quite right, we agree that the problems are serious and solutions are required urgently. Then, because we are a democracy, we have to start with awareness and understanding to achieve change.

Change, however, is a vector. It has magnitude as well as direction. There can also be uncontrolled change, a headlong plunge into an abyss. Change has to be understood and calibrated, only then will it be a change for the better, improve peoples' lives and bring progress.

Great newspapers point the direction as well as record the speed of change in society. They are the essential elements of a feedback loop that constantly informs rulers and citizens about the immediate effects of public policy so corrections can be made.

Newspapers, then, do more than hold a mirror to society. They become the mirror itself. Journalism is called history in a hurry. It is also culture, sociology, anthropology, philology, and philosophy in a hurry. Nepali Times will aspire to be a true reflection of our times—a journal to record the life and times of Nepalis in the decades ahead.

There is a belief that literature is generally not read, and journalism is often unreadable. This newspaper will be different. It will seek to be informal, lively, clear and direct. Liveliness is serious business, it should not be confused with frivolity. Don't be fooled by the tabloid format, this is also a serious paper that tackles serious issues head-on, as this issue perhaps proves.

A newspaper cannot thrive by merely reporting. Collecting facts does not add up to truth. Facts are expensive and opinions cheap, but a balance of comment fosters debate, and expands the public sphere. A newspaper also needs a set of values to sustain itself. In a society cursed with extreme inequality, some of those values are fairly obvious: to speak for the last, the lost and the least. We will be fair, and we will protect our independence intensely. This is a modern newspaper for a new Nepal. A sign of the times. ♦

WHY ENGLISH?

In the heyday of the Panchayat in the early 1980s, we were often asked why we worked for *The Rising Nepal*. Our stock reply: "Because His Majesty reads it."

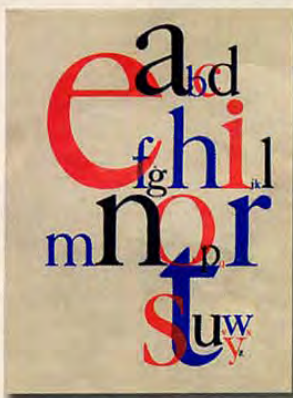
Those were the days when few Nepalis outside the charmed circle of Kathmandu expatriates and local elite read English. In some ways, that is still the case. Only two percent of Nepal's 23 million people can read, write or speak English. So what has changed, and why a newspaper in English? Firstly, although literacy rates are barely keeping pace with population growth, the number of people who read English has grown. There are also signs of a budding middle class exposed to and using English.

More Nepalis than ever before are confident and comfortable with English. An increasing number of "boarding schools" and colleges are churning out graduates more conversant in the language. Globalisation is turning English into a global lingua franca. It is the language that you need to surf the Net, follow English programmes on cable, or go abroad for further studies. There has emerged a class of Nepalis who want more than just make-do English, they want to be fluent in it.

English has another advantage over local languages: it is easier to be rational in it. One is expressive and effusive in one's mother tongue, feelings are stronger in the colloquial, and it is easier to be emotional. In a language that is learnt formally, and among readers of an international language, there is less tolerance of intolerance.

Through English, we will take the concerns of those who matter to those who chatter. Issues raised by the English press is taken more seriously in the wine and cheese circles of the Kathmandu elite. We will talk about us in a language they understand.

Enough said. Now to work. ♦



STATE OF THE STATE

by CK LAL -pali



Keep going, keep going

Despair hangs as thick as diesel exhaust in the Kathmandu air. Nepal's nabobs of negativism hold forth in their nay-saying nooks. "Yo Nepal ho," they tell anyone who cares to listen, "nothing is going to happen here."

Cynicism is at least a reflection of an exaggerated sense of self-worth. Despair is much worse, it is a state of having lost all hope. It is a self-fulfilling prophecy. The answers are ready even before the question is asked. If no one believes anything is going to happen, no one has any motivation to make something happen.

The Upanishad chant *Neti Neti* ("Not this, not that") seems to have become Nepal's present mantra. Originally, the chant was perhaps meant to put one into a questioning frame of mind. It taught seekers not to accept any apparent reality at face value. It was maybe because of this that persistent questioning came to be called *brahminical cynicism*. But today we seem to have lost even the ability to ask the right questions.

There is a paradox here: we reject, but we do not have the will to reject. So we end up accepting what we initially rejected. Be it the Maoist

insurgency, the issue of market economy or the basis of our relationship with India, we seem to be trapped in holes of our own making. Among all the challenges facing the nation, the most important for now is that of restoring faith, making Nepalis believe that it's better to trust your hopes than rely on your fears.

Corruption is endemic, poverty is pervasive and persistent, politicians are self-serving, the economy is mired. Battered daily by news of hopelessness, Nepalis have lost hope in themselves.

But look around: with very little effort you can see signs of positive change. I'm not talking about government data of so many kilometres of roads built or so many schools and health-posts opened. They are important, but do not mean anything by themselves. If one has no money to ride a bus, no time to attend school or no means of getting to a health-post then those numbers have no relevance.

It is the structural changes in Nepal that should interest us. To start with, we have peacefully voted two sets of parliamentarians out, and three sets in.

Our legislature, so confused for so long, is slowly but surely finding its feet. Law-makers are showing signs of accountability, they are becoming assertive, not merely raucously aggressive.

The executive that had been combative right from the beginning is now learning to be accommodative. The opposition is finding creative new ways, rather than shutting down the nation at every opportunity, to influence policy. Even if it is just for public consumption, the government has shown its willingness to talk to the Maoists who have fundamental differences with our constitution. The Prime Minister has agreed to visit New Delhi to talk things over rather than air his grievances through the media.

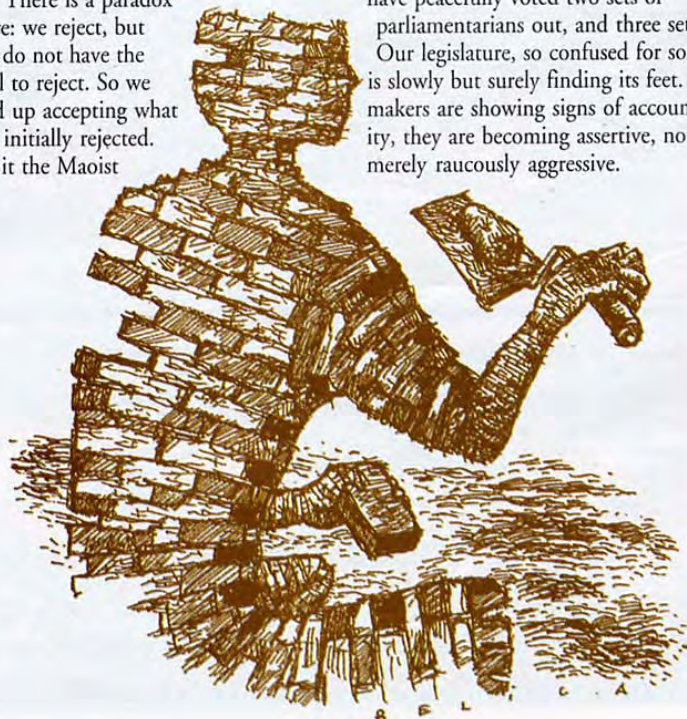
From being self-consciously important, the judiciary is learning to be more reflective and less agitated. Even other constitutional bodies seem to have realised that it's preferable to be effective by keeping a low profile rather than get consigned to ceremonial status by crying for more attention than is possible.

The media's growth and professionalism has been most spectacular. We have more newspapers, periodicals, and vibrant discussions of new private FM stations. These are happening times for the Nepali press. The prospect of building a career in journalism has started attracting the young and the not-yet-jaded.

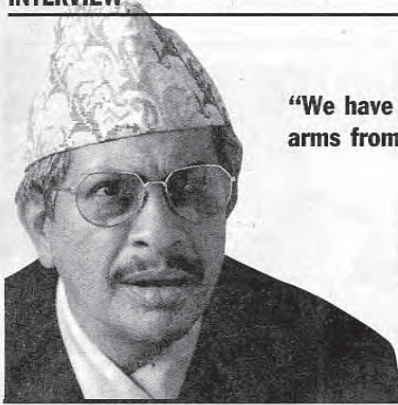
Yes, our public administration still has to be re-oriented to become a facilitator. Our professionals and intellectuals have done precious little to justify the respect accorded to them by society. Education lies in shambles, agriculture in utter neglect.

But what is important to remember is that even if we are laggards at the point of departure, as long as we are on the right track (flanked by socialism on the left and democracy on the right) there is reason for hope.

There is another relevant Upanishad maxim: *Charaiwati, Charaiwati*, which means "keep going, keep going". More than either unrealistic hope or deep despair, Nepalis need the courage, confidence and strength to cope with the future. ♦



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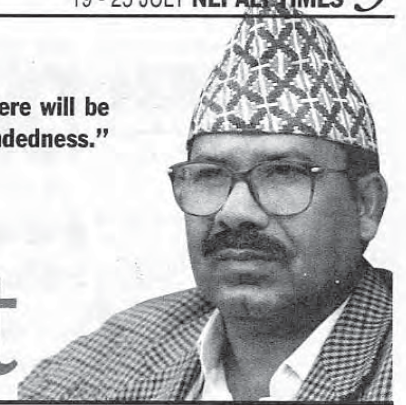


Chakra P. Bastola
Foreign Minister

"We have reports that the Maoists are getting arms from India."

"If no suffering is caused on Nepal there will be no need to talk about India's high-handedness."

PM's India visit



Madhav K. Nepal
General Secretary, CPN (UML)

A make-or-break visit?

I don't think that you can draw a clear line there because this is a goodwill visit. We also have issues to discuss which we feel may come in the way of healthy bilateral relations. So we have to sort them out. If there are problems, we have to thrash them out rather than run away from them. For the last four years, almost all the mechanisms set up to deal with Nepal-India issues have not been working. Their foreign secretary visited us after a lapse of four years.

Nepal's concerns

On security, it is the Maoist issue. We have reports that the Maoists are getting arms from India and support from the People's War Group. That is one of our security concerns. I would also like to remind India that when we ourselves were there in exile the government restricted our movement.

We've had the border talks going on for almost 24 years. A high-level commission has been looking at the issue of inundation. We are prolonging the problems and I think that is not very healthy.

Boundary list

Kalapani is related to the boundary issue. The contention is that Kalapani belongs to Nepal. The added point is that India has security personnel stationed there. As it is related to the issue of total border delineation and demarcation, we have to resolve this matter soon because Kalapani is also related to the Mahakali Treaty.

We have to settle the border problem because it is a serious and sentimental issue, and also because it has a bearing on many other things also.

The 1950 treaty

There again is a common agenda of the political parties: the 1950 treaty. We have to take it up seriously. If we want a review of it we have to be serious about it. It has become a sort of whipping boy. So let us get into concrete things. The treaty has a provision that each of two countries can give a one-year notification and do away with it if we don't want it. If we want an alternative treaty we have to come up with that. Those who say we don't want the treaty should come up with suggestions; we are willing to take them up seriously.

India's concerns besides ISI

We have to find out what these are. They seem satisfied with our security arrangements, because during my visit to Delhi or during their visits here I have not been informed of new concerns.

Priority on hydropower

I think we can divide the whole visit into two. One is hydropower, commerce, trade and economics. The other is the political side. On the political side we don't have many insurmountable issues. The water resources issue is going to prove tricky. The Indian side does not want to purchase power in dollars. But this is besides the point because they

have been talking about total convertibility and we're also talking about the same thing. So buying in this or that currency should not pose a problem.

During my last visit, India suggested that we start a new 300-600 MW run-of-river project and finish it. They want to go for a project that has the least problems.

Achievements expected

I would say the visit will try to set a direction for the future and delineate parameters for bilateral relations. We have to look at things correctly. Another is confidence building; because even a minimum there can have tremendous impact. We have to be prepared to face all the issues rather than blame one another. If we can lay the foundation for new thinking and new directions, I will consider the visit a breakthrough.

I don't still find much problem at the political level. If only the things agreed at that level could percolate down to the bureaucratic level 90 percent of the problems between Nepal and India would be solved.

Personal ties

There are few people left of my generation who have personal relations with Indian politicians. I have told them that maybe after us they will be meeting Nepali professionals educated abroad, who wouldn't be able to speak and understand Hindi. Familiarity with Hindi is not essential, but I think Hindi is a language that sets the tone at meetings and brings you closer. ♦

Issues of immediate concern

The prime minister's visit should focus on taking all issues raised to a level where implementation can begin. Adequate homework must be done on some issues that have emerged recently and solutions must be found. Issues likely to emerge in future should also be anticipated and discussed.

Our problem is that we don't pay attention until it is too late. The Laxmanpur barrage was being constructed since the mid-1980s but no one seemed to know about it until recently. This means that our system is defective. The bund came to our notice only after it was built. Why not before or during construction?

Another issue is Kalapani. What is surprising is that the same person [Prime Minister Koirala] who said he would not visit India until Indian troops are withdrawn from there is now rushing there.

The 1950 treaty

First it has to be reviewed, article-by-article. We need to discuss the articles to find out what is advantageous to Nepal and what is not. Should we not begin the review work on our own first? We have to discuss among ourselves if we need the treaty, and if we do, we need to decide what other points should be included.

There is general consensus that the treaty, as it is, should be done away with. All problems should be discussed and honest efforts should be made to find solutions. There

has been some talk about a review but no concrete work has taken place yet.

Status of the treaty

If it is inactive and defunct, it must be declared so. Why carry excess baggage? If we don't want it, let's provide India the required one-year advance notice. If we want to keep it as a symbol of friendship, then let's update it for another 50 years, but first taking into account new dimensions in the relationship.

Using the India stick politically

The stick is there because of the way Nepal has been treated in the past. The feeling exists that we have not received due benefits, and that we have been cheated.

If there were no issues no one would use the stick. India should try and understand why it is always accused of interfering in Nepal's internal politics rather than feels frustrated by the accusations.

How can you not talk about India when afflux bunds come up along the border? Or when the DPR [detailed project report on the Mahakali] is delayed? India has imposed a new tax on Nepali exports and the Indian police has looted Nepali migrant workers on their way back home from India.

If no suffering is caused on Nepal there will be no need to talk about India's high-handedness. For example, China has not created any problems for Nepal, so relations with it are not discussed.

Government-opposition agreement on India

We have been one on Kalapani. He [Koirala] also spoke about the 1950 Treaty during the elections. Now the issue is about implementing the commitments. On Rapti also we have one voice. Let the government come up with a forum to work on basic minimums in dealing with India. It can include leaders of political parties. Issues can be discussed there as they arise.

Indian attitude

There are some new leaders of whom I cannot say much, but I do not see them as major hurdles. I believe if our preparation is good and if the climate is right, then many issues can be resolved. Even if they are not resolved now, at least they will make things clear. We can begin by agreeing to disagree.

It is all a question of being prepared. For example, I was asked why Nepal had not raised the issue of the afflux bunds when they were being built, what could I say? No one told me of the bunds when they were being built, it was not reported in newspapers, there was no official information.

If we present ourselves reasonably, I think high-level Indian officials will also be reasonable. I think the colonial mentality is still present in their bureaucracy, and some leaders could also suffer from it. But I think many issues can be resolved if we do our homework well. ♦

LETTERS

THANKS NTB

Thank you for your article "Flower Power in Kathmandu" (Demo Issue) regarding the beautification projects in Kathmandu. The project would not have been possible without the active and firm commitment of the Nepal Tourism Board. The development of projects is perhaps the easiest component in Nepal. The more difficult aspect is the long term maintenance and sustainability.

The flowers at Maiti Ghar would not have been so glorious or well maintained without the continuing financial support of Nepal Tourism Board. The CEO Pradeep Pandey, the Finance & Administrative Director Prashant Singh and Kishore Pandey in particular among the Board of Directors deserve

special mention because they have provided invaluable support and encouragement for any innovative or challenging ideas that have been broached. The Mayor of Kathmandu also deserves kudos for being an innovative City Father in allowing the private sector to be part of his city development team.

Renchin Yonjan
Kathmandu

NOSTALGIA

Reading your Publisher's Note (Demo Issue) I was reminded that this same type of nostalgia for past times, even times that were patently horrific, is not uncommon in Russia and in China too. While travelling in (mostly west) China not long ago I was amazed at a kind of "Cultural Revolution Chic", which included songs from that era, wall graffiti, and, of course, the ubiquity of Chairman Mao's

photo dangling from rearview mirrors.

China has changed dramatically since that time, but even though it's still a long way from being democratic, I could hardly fathom this peculiar fashion for an era now widely repudiated by so many people—at least by people living in the eastern part of that country. I couldn't make sense of it until I thought that, as nostalgia, recalling (even!) the Cultural Revolution conceals a desire for something that is known—something fixed and stable.

The past, by definition is finished, after all, therefore we know how the story comes out and there is nothing to fear. Even a horror story, which might be extremely thrilling, cannot really hurt us. But the present moment is always

anxiety-laden because, again by definition, the present perches on the precipice of the future. Who knows where democracy might take us? As you say, "that is precisely the point"; risk is what makes anything worthwhile.

H. R. Downs
Sonoma County, California

HOW FAIR?

"Objectivity is not having to make up our mind about anything, fairness listening to all sides," you say in the publisher's note. Forget "all sides" Nepal itself doesn't seem to have found proper importance and space in the demo issue. Inclusion of problems and solutions concerning Nepal and Nepalis would have been appreciable and would complemented to nation's growth rather than mentioning who can do it how

long, who fakes orgasms, what happened in the World Fair, Heathrow, Belgium. I had expected *Nepali Times* to help educate foreigners about Nepal but as it appears it is more inclined towards educating Nepalis about foreign happenings.

S.L. Limbu
Kathmandu

NEPALI TIMES

I wish I could afford to buy the coming issues of *Nepali Times*. But do you really think that Rs 20 for a weekly newspaper in Nepal is a reasonable price? If you do, then I must say that I certainly don't fall under your target-readers. I had eagerly waited for *Nepali Times*, but I was dismayed by the price. Nevertheless, I wish all the best for the success of your new attempt.

Avinaya Shah
Kathmandu

There was a need of international standard English newspaper in Nepal and I think, the *Nepali Times* has filled the need. It would be better if the paper was published daily. Anyhow, the newspaper has a very good beginning. The content is very good but the price seems little bit high in our context. Congratulations.

Chiranjibi Paudyal
Kathmandu

I have in my hand your maiden printed issue of *Nepali Times*. As a starved reader of English publications in Nepal, I am pleasantly surprised and overjoyed too. I can only thank and congratulate you. The galaxy of noted contributors is welcome. May your tribe live long.

Bhu Dawa
Kathmandu



Breeding ground for greed

A NEPALI TIMES INVESTIGATION

One misty morning in December 1999, the Nepal representative of the United Nations Population Fund, S.K. Alok, drove as he always did from his residence in Thapathali to the UN complex in Pulchowk.

As the chauffeur-driven limousine with its blue UN flag turned in at the gate, it was stopped by the guards and Alok was not allowed to go up to his own office. An unprecedented series of hush-hush events began to unfold, the repercussions of which are still reverberating through the UN system in Nepal six months later.

Alok was accused of embezzlement, and this month almost the entire second tier of the agency's Kathmandu-based staff has also been accused of complicity and suspended.

The United Nations Population Fund (UNFPA) is headquartered in New York

A senior UN official in Kathmandu was secretly sacked six months ago for embezzlement. Now, four more staffers from his office have also been suspended.

and oversees family planning and reproductive health projects worldwide. Its country programme in Nepal has a budget of about US\$ 4 million a year, and is regarded as vital by both the UN and the government because of the country's cripplingly high population growth rate.

UNFPA Nepal had been in the process of implementing a multi-year US\$ 8 million programme to build a string of rural family-health posts all over the country to provide poor women with access to specialised care in reproductive health.

The Fund's headquarters in New York started getting reports of corruption in its Kathmandu office in late 1999. In November the head of its Finance Division arrived in Kathmandu to investigate. The

evidence he found was so compelling that Alok was suspended on the spot.

Nepali Times has learnt that the charges against Alok had to do with massive over-invoicing of contracts to build the health posts, awarding contracts without a proper bidding process, favouring certain groups of contractors, and other transgressions.

The investigation showed that over-invoicing of up to 30 percent beyond the actual construction cost, and UN sources said Alok had personally profited to the tune of US\$ 250,000 from the deals, much of it said to have been stashed away in an overseas bank account. After his suspension, Alok told friends in Kathmandu that he had been framed by his Nepali colleagues and that he had simply signed the contract

papers prepared by his staff.

In the beginning, he received sympathy from the expatriate community in the Valley, but there is now no question that the international civil servant from India has committed fraud on the Nepali people in a crucial arena of their development effort.

As in cases like these, the UN system circles its wagons and seals itself from the press. Nothing came out in the media in December, even though a high-profile scandal involving a UNDP-funded project was playing out in the Nepali press at about the same time.

And the whole matter would have ended there, had it not been for the fact that UNFPA New York re-started its investigation after fresh evidence emerged pointing at complicity of Alok's Nepali subordinates in Kathmandu.

As UNFPA was gearing up worldwide to mark World Population Day, the investigation team returned to Nepal to examine the evidence. Four of Alok's immediate subordinates, including project, administrative and accounts staff were suspended.

UN staffers in Kathmandu are right-lipped about the new allegations, only saying that investigation is ongoing. Nepali Times has learnt that the four suspended staff were asked to fly to Bangkok last week for further questioning, but they refused.

UNFPA's activities in Kathmandu are procurement-intensive, and its projects heavily infrastructure-driven. It appears that this presented an ideal breeding ground for unscrupulous managers to earn a side income.

One senior expatriate UN



Six months after he left, Thapathali sign still shows Alok's house.

official based in Kathmandu shook his head in disgust: "You hear of corruption in business all the time, but when it involves money that is meant for Nepal's neediest, that is when it is not just another crime. It becomes morally abhorrent."

The only good to come out of the UNFPA scandal so far is to show that when malfeasance is discovered the UN's internal investigative mechanism is swift and action immediate. What is not clear though is if the four Nepalis will face any criminal action under Nepali law, or will the simple suspension be considered penalty enough. Neither is it known where international bureaucrat Alok will face legal action. ♦



Grassroots democracy delivers health, education and other services.

HEMLATA RAI

Nepal is not getting any poorer, according to the United Nations, but the country is not becoming any more prosperous either. It seems to be stuck.

The Human Development Report 2000 released last week shows that Nepal now ranks 144th among 174 countries. It is already at the bottom of the heap, even among South Asian countries.

An average Nepali lives for 57.8 years, 4.2 years less than the average South Asian. And Nepal is the only country in the world where men live

longer than women—an indicator of serious gender disparities. Poor and disadvantaged groups and castes in Nepal live only an average of 46 years—a full 15 years less than the "upper castes".

The poorest 20 percent of Nepalis earn less than 8 percent of the total income. The richest 20 percent pocket almost 50 percent. Income disparities are widest in Nepal compared even to Pakistan and Bangladesh (see table).

The good news this year is that Nepal didn't fall any further down the ladder, and our human development index—a measurement of average

Devolve or bust

lifespan, education, and living standards—improved slightly.

Looking back over the past 30 years, Nepal has made remarkable progress. But it needs to take giant leaps if it is serious about making a dent on poverty. According to the United Nations Development Programme (UNDP), the most encouraging thing for the country's planners is that we now know how to do it: development is inextricably linked with devolution.

"Nepal's progress has been very rapid, but it doesn't mean anything if human poverty is still so widespread. Big things need to be done," says Saraswathi Menon at UNDP in Kathmandu.

"The most effective way to fight poverty is to make democracy work at the grassroots and let the people demand development."

The provisions of the decentralisation laws in Nepal are exceptionally advanced compared to other South Asian countries.

The Decentralisation Act (1992) and the Local Self-Governance Act (1999) are radical pieces of legislation and contain the provisions necessary to make grassroots democracy deliver basic health, education and other services.

So what is holding things up? Why isn't the standard of living of Nepalis improving? Most development experts blame Kathmandu's reluctance to let go. Speeches by ministers extolling the virtues of decentralisation are usually just lip service—the line ministries do not really want their budgets eroded, the tax department feels local collection would hurt national revenue.

"So far, decentralisation exists mostly on paper," says Krishna Prasad Sapkota, president of the Association of District Development Committees of Nepal. "We have a centralised mentality, we have to first get over that."

If properly implemented the acts would allow people to make decisions about basic health care, education,

roads, bridges, agriculture and employment and even pay partly for them from locally generated revenue.

"The bosses in Kathmandu don't want to give away their economic, political and administrative authority. Elected local bodies are more accountable to the people and they are more transparent in their functions," says Sapkota. "In many ways, there was probably more real decentralisation in Panchayat times."

The main problem is that older laws clash with provisions in the Local Self-Governance Act. For example, existing laws give line agencies responsibility for health and education at the district level whereas the 1999 legislation puts the onus on local elected bodies.

If not amended to comply with the newer legislation, these laws could force local bodies to keep on functioning at the command or discretion of the Centre.

"Decentralisation is the great hope for Nepal," says UNDP's Menon. "But for decentralisation to happen, the centre has to re-invent itself."

At the Local Development Ministry, Uday Raj Soti says the government is "hundred percent positive" about amending the contradictory provisions. He adds:

"But we need time for the amendment procedures to be completed. We

can only request the line ministries to act promptly on the amendments, but we can't pressurise them."

Critics of rapid decentralisation, however, argue that district-level management, auditing and tax collection capabilities have to be upgraded before budget and tax collection are devolved. UNDP, the German agency GTZ, Norway's NORAD, the Dutch SNV are all using decentralisation for development projects in rural Nepal and will soon be working in all 75 districts.

Sanjay Adhikary, of UNDP's Participatory District Development Programme, sees a shift in the government's thinking and allocation of funds to local bodies. "It has been a gradual process, but we see elected groups at the district and village level becoming increasingly capable, and asserting their decision-making authority."

"The power in the Centre has been wielded by a small closely-knit group. They are afraid to let control go to others," says sociologist Krishna Bahadur Bhattachan.

"The Centre treats local bodies like puppets without letting them have autonomy. The government cannot think of building their capabilities and bringing the fruits of development to the people's level without devolving power." ♦

JUST HOW POOR IS NEPAL ?

	% below poverty line	Rich-poor quotient	under-nourished	adult literacy	female literacy	maternal mortality
Bangladesh	29	5.8	65%	38%	26%	850
Bhutan	-	-	38%	42%	28%	1600
India	53	6.1	53%	52%	39%	437
Pakistan	12	7.4	38%	38%	24%	340
Sri Lanka	4	6.6	38%	90%	87%	30
Nepal	53	9.3	47%	28%	14%	1500

Bad Lenders + Bad Borrowers + Bad Politics = Bankrupt Banks

Endless political ping-pong between the Nepal Rastra Bank and the Ministry of Finance threatens to prolong the suffering of two seriously sick banks.

A NEPALI TIMES INVESTIGATION

Nepal's largest banks, Nepal Bank Limited (NBL) and Rastriya Banijya Bank (RBB), are up to their necks in bad loans. But more worrisome is the failure of both the government and the central bank to show that they have the political will to address this crisis.

Directions from the Nepal Rastra Bank to NBL and the RBB in April say it all: *when you have the time, let us know what's going on.* Or, words to that effect. Besides the shockingly banal tone, as if it were dealing with the most ordinary thing in the world, the letter was couched in officialese, asking the banks to furnish "comments and suggestions...within seven days". That, on a serious and damaging auditor's report.

This was the Draft Final Report of a study done by KPMG Barents as part of the World Bank-supported Nepal Banking Reform Project. The Rastra Bank letter, however, warned that as some points in the report were "very sensitive" the banks are to restrict its circulation.

But that did not prevent leaks to the press. And what a story the leaks told: both NBL and RBB have negative net worth, totalling a staggering Rs 25 billion, plus another Rs 5 billion to meet capital adequacy. Said one international finance expert: "No bank in the world would be allowed to lend with such a large negative worth."

The essence of KPMG's findings was that bad politics, bad management, bad governance, bad accounting and bad business practices all had a role in ruining the two banks. Said a senior banking source: "The KPMG report told us what we had suspected all along. The situation is critical and if you leave them as they are the banks will collapse."

The government now has to seriously weigh the cost of not doing anything. The two banks together hold up to Rs 7 billion worth of government provident fund deposits, and another Rs 6 billion of the Army. And then there are the millions of Nepalis whose deposits are not insured.

What is worse is the lack of tangible counter-measures to arrest the downslide. Official recognition about the seriousness of the problem would at least give some hope. The Finance Ministry says it is up to the Nepal Rastra Bank (NRB) to act, but the central bank is not totally independent and rarely functions without a nod from the Ministry.

The reason for the buck-passing is clear. Finance Minister Mahesh Acharya had resigned from the Bhattarai cabinet earlier this year, following differences over the appointment of Tilak Rawal as Rastra Bank governor. (Incidentally, Rawal is a former head of RBB.) Now, Bhattarai is out, Acharya is back as finance minister, and Rawal is still the governor. What this means is that the two men who should be working together to tackle what is perhaps Nepal's worst banking crisis are said to barely stand each other.

Ask the Ministry what is happening with the reforms and the answer you get is that the Rastra Bank is working on it. At the Bank, they say a "matrix of reforms" has been sent to the ministry and the World Bank.

Sources say the matrix includes a proposal appointing new management teams to run the banks. Section 29A of the Commercial Banks Act allows NRB to take up the management of sick banks. The question is, will the Rastra Bank act, and, if so, when?

The government owns Rastriya Banijya Bank wholly, and holds 41 percent of Nepal Bank shares. But even if the law allowed the NRB to act, there are still the unions to deal with. It would require declaring banks as essential services, and that can only be done by the government, which basically means the Finance Ministry.

KPMG auditors mention instances when top management decisions at NBL have been changed under union pressure. De-fanging or banning unions will not be easy because they are "fraternal" extensions of various political parties. Bank unions are so powerful that office-

bearers don't have to work during office hours, even though they receive the same salaries and benefits as other employees.

Says a banking source, "Since those in the unions have already proved they are not actually needed for regular banking functions that is where downsizing should begin." Both banks are terribly overstaffed. Of the 6,341 NBL employees, around 1,100 active union members at NBL alone, nearly half of whom are engaged fulltime in union activities.

The government can intervene easily in the name of public interest, but that is going to be tough. Politicians of every shade have fiddled with the operations of the two banks at one time or another. They've not only used them to provide employment to friends and relatives, but have also influenced lending decisions to favour cronies and campaign contributors.

Members of parliament still accompany constituents to help them get loans, said another source from banking circles. Larger loans are sanctioned on the telephone by people in "high places", or expedited through management cronies.

In all their years of operation, NBL and RBB have yet to take action against any fraudulent use of loans mainly because of lack of adequate laws.

It is not just the government that is to blame. The country's biggest business houses are the biggest defaulters. Insider dealings are rife. At NBL, some borrowers have adequate shares to nominate directors, who are then used to procure loans.

Inflated financing for projects arranged through a consortium of banks are lubricated by political connections, allowing them to override standard evaluation and monitoring processes. This explains the concentration of loans in a few sectors (sugar, steel, textiles), and the huge exposure of some individual businesses.

What keeps the two troubled banks still afloat is their access to large deposits of government and semi-government agencies, and their nationwide networks which help them to mop up the savings from a vast population of small, unsuspecting individual depositors.

While examining the banks, KPMG applied Bank for International Settlements (BIS) standards which provide guidelines on capital adequacy, lending guidelines and borrowers not providing adequate financial information. In simple terms, these guidelines are about

reporting assets only if you are reasonably sure about their collection.

Instead of doing something to avert crisis, critics of the KPMG report, like Punya Prasad Dahal of RBB have alleged that BIS guidelines are "unrealistic" in Nepal—implying that regulations here should be more elastic. And Governor Rawal told a gathering of bankers last month that NBL and RBB were "too big to fail". Many are not so sure anymore.

The other crisis in the banking sector stems from the collapse of real estate prices by 50 percent since 1996. Most of the collateral for outstanding loans are properties which are now worth much less.

There is evidence that the Rastra Bank's banking investigation cell has been warning about the state of the banks long before the auditors came into the picture. Why were the problems not addressed then, is a question that Nepali politicians better have an answer for very soon. ♦



Union banner outside the Nepal Bank head office: "We will not allow the bank's reputation to be played with."

Comparative position of major banks			
Bank	Total Assets*	Loans*	Deposits*
Rastriya Banijya Bank	44.0	20.8	27.0
Nepal Bank Limited	34.2	18.1	28.1
Nepal Grindlays Bank Ltd.	10.3	4.0	8.5
Nepal-Arab Bank Ltd.	11.0	4.9	8.7
Nepal Indoduez Bank Ltd.	3.3	1.6	2.6
Himalayan Bank Ltd.	8.7	4.0	7.7

Source: KPMG Barents, April 2000, Annex-2 In billion rupees.

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"No question of taking it lightly"



Reported by Dev Prakash Tripathi in Ghatana ra Bichar, 12 July 2000

Dharendra Shah: I went to a programme organised to celebrate the auspicious birthday of the Crown Prince since I was invited as the chief guest. When invited to attend a programme to mark the auspicious birthday, there was no question of not attending it. But I had no idea about who was going to say what there. It is not only the programmes in which I take part, but at any programme nobody has prior information about which speaker is going to say what.

Q: No one knows who will say what, but when that speaker said that he will shoot the prime minister if 'ordered', how did you feel?

A: I was shocked. If anybody says that he will shoot the prime minister of the country, nobody can take it in one's stride, and neither did I. It is not the question of the prime minister only, it's not right for anyone to say that he will kill another person. As it is, the country is seeing raging violence, and it's the collective responsibility of every Nepali to work to bring the violence to an end. In such a situation, if somebody talks about killing the prime minister in my presence, then the question of taking it lightly does not arise.

Q: Did you know the organisers beforehand?

A: I did know one or two among the organisers, but not all.

Q: Are you in favour of legal action against the person who talked about killing the prime minister?

A: I have heard there is freedom of speech in a democracy. I don't know whether just a speech can be the basis for prosecution or not. The decision to proceed or not to with the prosecution, therefore, rests with the government.

Q: How did you feel when this issue was raised

strongly in the parliament?

A: I thought that the parliament is an honourable institution where people's representatives debate and decide over grave issues facing the nation. But I didn't realise that a storm would be raised over something a private citizen said somewhere. If parliamentarians showed as much unity over real issues facing the nation, then the country would not have been in such a mess. It's not good for democracy when important parliament time is wasted over such trivial matters.

Q: It is said that democracy faces a threat from the palace, is there a real threat from the King? What do you think?

A: I can't understand how there can be a threat to democracy from the King. In 1951, it was the King who fought for democracy and even now it is the King who has made the multi-party system of democracy possible. The King can be a source of democracy, never a threat. What I do want to say is that no Nepali should ever be under the delusion that there is a threat to democracy from the King.

Q: What is your commitment at present?

A: My commitments are clear. My country, the Nepali people, the constitutional monarchy, the constitution and democracy are my commitments. Another thing, I am very impressed with nationality and nationalism. Although here, being a nationalist you're made out to be a *Mandalay*. But it's very good to be a nationalist. If only those who had worked for the Panchayat system been nationalists? There are nationalist elements in the Congress and among the communists. In our context, whoever strives to work for the benefit of Nepal is a nationalist. It's not true that the only nationalists are those who were with the Nationalist Students Group earlier. Every citizen working for the benefit of Nepal is a nationalist. I support them all. ♦

QUOTE OF THE WEEK

He (Koirala) wears nice clothes, he looks clean, and goes around well-dressed. But because I haven't worked with him closely, I can't say if he is clean or not."

- Bal Bahadur KC, Nepali Congress MP in Ghatana ra Bichar



Budhabar weekly, 12 July 2000

Sign says: "The Metropolitan City is doing its work. How about you?"

- Kathmandu Metropolitan City.

Maoist dam-busters

Janadesh, 11 July 2000

Nepalgunj—Communist Party of Nepal (Maoist) District Organisation Committee Banke-Bardia has released a press communiqué asking the Government of India to dismantle the Lakshmanpur Barrage immediately as it has led to the submergence of more than half a dozen village development committees (VDCs) in that region. In addition, the communiqué noted that in the Terai districts like Banke and Bardia, the centuries-old tradition of bonded labour has yet to be abolished and pledged support for the farmers of Bardia engaged in the movement to abolish it.

Of human bondage

Based on report by Roshan Shrestha in Himal Khabarpatrika, 16-30 July 2000

They are bonded no more, but their sufferings are not yet over. Under intense pressure from human right activists and the intelligentsia, some of the biggest landlords of Kailali District released the bonded labor they were keeping illegally.

Released these workers are, but they have nowhere to go. Workers released by landlord Shiva Raj Panta, a former minister, continue to live in the land owned by their old master. Organized by BASE, a non-governmental organization working for the welfare of ethnic Tharus in the western and far-western region of the country, and encouraged by a Kathmandu-based forum Martin Chautari, about 150 of these former bonded labors have arrived in Kathmandu. They have camped at Gaushala Dharmshala and have been holding sit-ins at Bhadrakali to draw attention to their plight. Till the time of writing this report, government has not taken any notice of their plight.

Slavery was officially abolished from the country way back in B. S. 1982, about seventy-five years ago, by the then Prime Minister Maharaja Chandra Shamsher.

Existing laws are enough to free these unfortunate beings from bondage. The challenge, however, is to rehabilitate them, and to provide them the dignity of making a living from the land that they have inhabited for centuries. That requires political will. Does our present leadership has it?

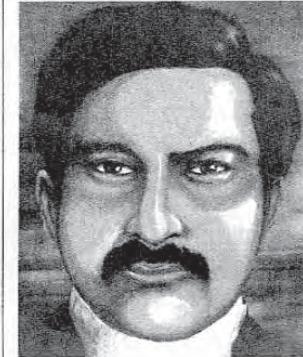
Prachanda's Indian passport

Khabarpatrika, 11 July 2000

The Indian government has not denied the rumour that Communist Party of Nepal (Maoist) Secretary-General Prachanda used an Indian passport to

attend the international meet of the communist extremists, RIM [Revolutionary International Movement], held in London in the month of April. According to a high-ranking diplomat of the Indian Embassy, the Government of India has initiated an investigation after that news was published.

Secretary General Prachanda probably used a passport under the surname Jha which he could have obtained through a ration card. Claiming that the records of passports issued by Bihar and Uttar Pradesh are being checked, the highly placed source said: "It's not difficult to get an Indian passport, but the



question to ask is how did the country issuing the visa do so?"

Meanwhile, reports say the Government of India has issued an arrest warrant for Comrade Gaurav (Chandra Prakash Gajurel) who has been operating out of India as the departmental head of International Division of Communist Party of Nepal (Maoist).

"Silent KS-3"

Jana Aastha, 12 July 2000

The Maoists released former minister Reg Bahadur Subedi to create a conducive environment for talks with the government. But, according to various sources, the Prime Minister, the Home Minister, the Minister for Communication and Information, the Minister for Foreign Affairs, the Chief of Police, the Chief of CID and members of the Koirala family have secretly planned another offensive named "Silent Kilo Sierra 3".

According to a source close to the Home Ministry, there are 3,000 plainclothes policemen and 4,000 armed policemen involved in this operation. It has also been learnt from a Nepali Congress source that 1,000 cadres of the Nepali Congress were recently recruited as plainclothes policemen, and another 300 were also taken from the Rashtriya Prajatantra Party, UML and Masal parties.

A highly placed source said the main aim of this operation is to get reliable information about the Maoist rebels. The CID officials involved in this operation intend to take over villages, kill rebels, and arrest others. The Home Ministry has ordered the police to kill only some of the rebels for fear that mass killings would ignite unrest amongst villagers.

This time the whole operation is shrouded in secrecy. Hence the word "silent" in front of the code-name.

The other objective of this

operation is to curb Maoist activities from spreading to neighbouring villages for which the police are setting up road-blocks and conducting random checks. The police have been deployed in large numbers in the district headquarters. Striking base camps have been established in the main areas. Sources say that lightly armed plainclothes spies have been going around the main Maoist-affected villages incognito.

In this operation, the police are using the SLRs (self-loading rifles) given to them by the army. Policemen going to the districts have been boasting that they are going to build an environment for the army to step in.

Bhattarai silenced

Desbantar, 9 July 2000

Former Prime Minister Krishna Prasad Bhattarai seems to be getting active these days. After re-locating to Bhainsepati from Baluwatar, he hosted an all-party meet, held talks with the coalition of nine left parties, and discussed separately with Nepali Congress lawmakers from different development regions, before bringing the process of dialogue to an end on Friday.

Former Prime Minister Bhattarai left the country in the hands of god after he became the prime minister last year and ruled for ten months without seeking anybody's advice. In that context, his sudden initiative in consulting leaders of different political parties soon after his exit from the government has raised some questions.

It appears that the former PM wants a continued presence in contemporary politics despite his public posturing about handing over the party leadership to the second generation of leaders. His activism, it appears, is a challenge to Prime Minister Girija Prasad Koirala. Even if he is not targeting the government, he seems likely to hinder Koirala's effort to retain



leadership of both the government and the party at the time of party convention.

He is rehearsing for that eventuality already. During an exchange with Nepali Congress parliamentarians from the eastern development region, Bhattarai observed that the law and order situation in the country hasn't improved after the installation of a new government. Information and Communication Minister Jayaprakash Prasad Gupta rebuked him and said, "Don't grumble, Kishunjee. Get 58 signatures and change the government. These exercises only invite unnecessary instability."

This has silenced Bhattaraijee for a while. ♦

Pimps on the run



P. CHAPAGAIN

SANGEETA LAMA IN MELAMCHI

If you came across Patali Tamang on the trails that lead out of Melamchi up towards northern Sindhupalchowk district, you would not imagine that she has single-handedly put traffickers behind bars.

Patali has a bravado that belies her name, which means "thinny". Like the time last year when a man suspected of being involved in trafficking young girls to India was identified in Taramarang. Fearing detection, the man escaped to Thakani. But Patali chased him there, and with the help of the community *barried out a house-to-house search. Finally they found him hiding in one of the houses and*

took him to the police station. "We've had enough of this buying and selling of our girls," says Patali who has been nominated Village District Committee member and treasurer of a paralegal committee in Sindhupalchowk to prevent girl trafficking. Patali is earning a reputation for being tough. These days, if the villagers encounter trafficking, the word goes out: "Find Patali Didi."

Although brothels in Indian cities have girls from all over Nepal, the highest proportion of them still come from Sindhupalchowk District, east of Kathmandu Valley. Trafficking is a complicated issue, in many cases brothers, fathers or uncles sell off their daughters or

sisters. In others, Nepali sex workers from Bombay return home on recruitment drives. Indian trafficking networks work with Nepali middlemen. But the end result is the same: inhuman treatment and extreme exploitation of girls, some of them as young as ten.

Estimates put the number of Nepali girls in Indian cities like Calcutta, Bombay and Delhi at anywhere up to 200,000. One survey in Bombay showed that up to 40 percent of them were HIV positive. Frustrated by government inaction and lack of national outrage, local activists like Patali are finally sending a powerful message of resistance against trafficking, and addressing the root of the problem in the villages and homes from

Village activists are finally sending a powerful message of resistance against girl traffickers.

where the girls lured away. They have formed paralegal committees made up of local activists to spread awareness and to take action against traffickers where necessary. As the monsoon rains fall on the banana leaves outside, the paralegal committee meets in Sindhukot village with Patali presiding. Ambika Sigdel is a teacher at the local school and a member of the team, she says: "Even though this is a busy time

Activists of a paralegal committee in of their regular meetings in Sindhukot meet last week.

for me, with planting rice and all, I had to come to this meeting. It is just too important, we have to work together to save our girls." Anti-trafficking organisations in Kathmandu estimate that despite recent crackdowns, about 6,000 girls a year are smuggled out of Sindhupalchowk every year. Traffickers are now going further afield to remoter villages where awareness about pimps have not yet spread. The villages of Ichowk, Ghotang, Botang and Thangpalkot are considered to be the worst affected. Local activists have set up their own anti-trafficking networks in the district and formed paralegal committees in 24 villages. Each committee has 11 members, nine women from nine villages one male teacher and one local

leader. Members keep a constant vigil on young girls in the village, and look out for strangers. If they notice anything suspicious, like pimps propositioning young girls or someone leaving the village suddenly, they make sure the parents concerned and the police know about it.

But they haven't stopped at trafficking. The committees are also playing an active role in controlling gambling and the sale of alcohol in the villages. Drunken brawls are taken seriously, and anyone involved is tied up all night on the street. Patali Tamang isn't worried that men are stronger. "Eight women are always stronger than one man," she says laughing. Local youngsters sometimes help the women keep village drunkards under control. The committees are now actually doing some of the work of the police by resolving local problems in areas where there are no police posts or where they have been removed because of the Maoist problem.

A young college student from Thangpalkot, Tashi Lama, feels that more and more villagers now know about trafficking, and are determined to stop it. But Tashi is worried about what happens to the culprits after they are handed over to the police. "We catch the pimps and hand them over to the police, but the next day

we see them walking free. It is frustrating." Other committee members echo this. They say trafficking can never be stopped until the collusion between pimps, police and politicians is curbed.

Sita Kharel of the activist group, *Samaj Uthanka Lagi Sangathit Samuha* (United Forum for Social Reform) is blunt about the nexus: "Politicians help pimps get out of jails. We had filed a case against a man who sold a girl and put him into jail but he was released soon after with the help of money and corrupt politicians."

Brave villagers

Despite this, speaking to villagers in Sindhupalchowk, you get the feeling a solid start has been made. People here know exactly who the corrupt politicians are and which policemen are helping the pimps. Now, with the help of the brave villagers in the committees it is easier to identify and catch the crooks. Because of increased vigilance, the pimps have "gone underground" and although it has not been proven by statistics, local activists are certain that trafficking in Sindhupalchowk is down. Fearing a backlash in elections, politicians have also shown some wariness about openly patronising notorious pimps. ♦

"I did not believe that anyone would believe that our country's ambassador would stoop so low."

KANAK MANI DIXIT

When Novel Kishore Rai returned from Bonn after serving a much appreciated—even celebrated—term as Nepal's ambassador to Germany, the last thing he expected in Nepal was a petty accusation intended to destroy his reputation.

A leak to a Kathmandu newspaper earlier this month, most likely from officials in the Nepali Embassy in Bonn, accused Ambassador Rai of leaving Germany without paying credit card dues of a little over DM 1,000 (about NRs 32,000).

Foreign Ministry officials at Shital Niwas deny having played any part in the leak, but seem strangely reluctant to speak up for an envoy who had served the country well. Dr Rai's replacement, Balam Singh Malla, could not be reached by telephone for comment because the embassy is in the throes of moving to Berlin.

Because the process of credit card billing (where payment is made after presentation of monthly bills) is not well understood in Nepal, the newspaper story carried a certain credibility among

the Nepali public, already predisposed to believing the worst of their representatives abroad after one was caught stealing books in Washington DC some years ago.

The tiny unpaid amount was actually billed to the credit card of Dr Rai's spouse, Nirupa Rai. Besides the fact that the unpaid sum was very small in Deutsche marks, Ambassador Rai says that most of the charge was actually the result of a billing error for a train fare to Paris that he had already paid in cash.

Diplomatic insiders say that, by all indications, this was a motivated leak meant to taint the image of someone with a scrupulously clean reputation. But it was a tragic blot in the four-year ambassadorial stint of this Tribhuvan University linguist. Says Ram Thapa, the Cologne-based President of the German-Nepal Friendship Association (GNFA), "This is an incredible insult for someone who did Nepal so proud. A simple credit card oversight has been used as a smear campaign." Indeed, the accusation needlessly tarnished the unblemished image of a non-career scholar and much-acclaimed diplomat.

Novel Kishore Rai was appointed

ambassador to Bonn by the UML government of Man Mohan Adhikari, and was unique in that a serving academic was given a posting which had earlier been the preserve of ex-generals, retired bureaucrats and royal palace appointees. At last Nepal had an ambassador in Bonn (plus his wife) who spoke fluent German, which added to his effectiveness in a pivotal European country. Being a political appointee (though he is not a party member), there was a fear among these German professionals that he would be recalled when the UML government fell in Kathmandu.

They therefore lobbied hard and succeeded in prevailing upon the new foreign minister to maintain Ambassador Rai at his post. That initial political hurdle having been overcome, Dr Rai was able to complete his full term in November 1999, even as the country saw six prime ministerial changes back home.

This was an ambassador extraordinaire, as can be gauged from remarks made by luminaries from Germany, Austria and Switzerland in a special GNFA testimonial published

when he finally left Bonn. Karl Kirchoff, Head of the South Asia Division of the Ministry for Economic Co-operation and Development, writes of how Ambassador Rai's "loyalty to Nepal was enormously motivating for us" and how he admired his "commitment, charm, wit and expertise".

Former UNDP Resident Coordinator in Nepal, Manfred Kulessa, writes of how not since the days of the "great Sardar [Bhim Bahadur Pande]" had Nepal seen an envoy to Germany as effective as Dr Rai. A German-based Nepali doctor who has worked for long to provide ambulances and medical equipment to Nepal writes: "We had nearly forgotten over the previous years that we could get support and interest from the ambassadors of Nepal. With Dr Rai a new era started." Toni Hagen, the noted Swiss geologist of Nepal, said that Dr Rai belonged "to the new generation of open-minded, well-educated and unbureaucratic young Nepalis with a sense of compassionate responsibility for the whole people without self-interest."

Perhaps the best accolade came from firebrand German activist and



Ambassador Rai

journalist Ludmilla Tuting, who has covered Nepal for more than two decades. "You were the best ambassador from Nepal we ever had in Germany," she writes.

After such a sendoff in Germany, when asked how he felt about the accusation, Dr Rai's eyes well up with tears, and he takes off his glasses. He does not answer. You try again, and ask: "Why don't you send a clarification to the newspaper?"

He replies, "*Des ko rajdootlay yasto garcha bhanera kasailay patyaula jasto malai lagena. Tyasailay khandan garina.*" (I did not believe that anyone would believe that our country's ambassador would stoop so low. So I chose not to react.) ♦

BIZ NEWS

ADB loan

The Asian Development Bank has agreed to provide credit assistance worth US\$ 50 million (Rs 3.52 billion) to the Nepali government for the implementation of the Rural Electrification, Distribution and Transmission Project.

The Project is expected to provide electricity to about 154,000 households, with a population of 860,000, living in 240 village development committees of 22 districts. After the completion of the project, 18 percent of the Nepali people will have access to electricity, representing a 3 percent increase from the present 15 percent. The Project will also develop a 132 KV transmission system in the Kathmandu Valley and set up a computerised billing system at the Nepal Electricity Authority.

The ADB loan will cover most of the foreign exchange component of the project's estimated cost of US\$ 94.5 million. But, as has been reported, it also comes with the rider that the Nepal Electricity Authority hike power rates by 30 percent.

Thai on Net

Booking a Thai Airways ticket is now only a mouse click away. Net users can check flight availability and associated fares for a air journey in real time. To make reservations users simply have to create their own traveller identity and passwords, search and select flights from the availability display, accept the fares calculated by the system, create bookings and then purchase and pick up the ticket from a Thai Airways office. No membership of any kind is required to use this facility. Click www.thaiair.com or www.thaiairways.com

And the winner is ...

Lumbini

Perhaps. After years of government indecision over where to locate Nepal's second international airport, the Civil Aviation Ministry signed a memorandum of understanding with the French Alpa Consultant Company to conduct a detailed feasibility study to develop the "Gautam Buddha International Airport" in Bhairawa.

According to the agreement, signed on 12 July 2000, Alpa will have to complete the feasibility study within nine months. After the

completion of the study, the government and Alpa Consultant may enter a construction agreement under BOT (build, operate and transfer) system, although the agreement does not commit the government to grant Alpa construction rights.

"Alpa wanted a 30-year concession period for the transfer of the proposed international airport to be mentioned in the agreement, but the government did not agree to set a timeframe for the transfer," said a well-placed source at the Civil Aviation Ministry. The airport will cost about Rs 7 billion. Alpa has already completed the preliminary feasibility study on the proposed international airport.

Macro traffic jam

Kathmandu, get ready for the mother of all traffic jams. In a matter of months, the already overcrowded streets will have more than 500 new minibuses jostling for space.

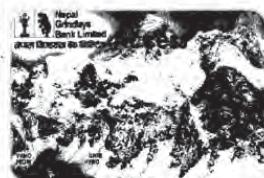
There were only about 200 electric three-wheelers last year when the government



banned the diesel-run Vikram tempos. There are now 600. The government allowed duty-free imports of 560 minibuses when it banned the polluting Vikrams. The idea was to give its operators an alternative to operate cleaner vehicles. Former Vikram owners have now taken possession of 200 of these new diesel minibuses which will

replace the old 10 polluting Vikrams that came from China are now being converted to run on LPG before they begin operating as public transport. Two weeks ago 172 diesel-powered Hiace vans arrived in the capital. Toyota officials claim the new Hiace are Euro-2 compliant.

The order was big enough for Toyota to fly in its General Manager, A. Okabe, to Kathmandu to hand over the vans, which he said were famous for low emission and high performance. Little wonder then that Okabe was all praise for the government's "excellent Tempo scheme".



New ATMs

Private commercial banking is gearing to take a fresh stride as Nepal Grindlays Bank Limited prepares to introduce a new generation of Automatic Teller Machines (ATMs) in Kathmandu and Pokhara. The ATMs operational at different banks allow only withdrawals at specific banks where the accounts are maintained. Grindlays accounts are can be accessed from any branch or ATM. The Bank said its new ATMs

would also offer more services than competing banks. The NGBL machines would allow its "Access Card" holders, credit card customers and tourists with Visa and MasterCard to withdraw cash. The machines have already arrived but need to be installed and tested before actual commissioning-to be done by ANZ Grindlays technicians from Australia.

The ATMs will allow cash withdrawals and deposits besides services like inter-account fund transfers and credit card payments. The bank may also allow customers to check account status and order check books using the ATMs. "It is an effort to make our service available at all time," said Anil Shah, Chief Operating Officer, NGBL. "We hope the ATMs will help shorten banking hall queues and over time, become cost effective than having more tellers." A major advantage NGBL machines would allow tourists is eliminate the need to walk around with wads of cash.

Trade gap widens

Nepal's trade gap has widened to reach Rs 46.11bn despite the increasing exports—especially to India—Central Bank statistics show. According to the Bank's 10-month economic update, Nepal exported goods worth Rs 41.74 bn billion, up from Rs 29.31bn during the comparable period last year. The export to India was valued at Rs17.80b. Total import is also up reaching Rs 87.85bn, up from about 70.26bn during the comparable period a year ago. In mid-May the trade deficit stood at Rs 46.11bn.

Commodity-wise, export of woollen carpets have more or less remained at last year's level (Rs 8.17bn), while that of readymade garments has increased by 48.6% top reach 11.73bn—up from Rs 7.89bn during the same period last year. Other traditional exports to countries other than India have slumped: pulses exports dipped by 93%, tanned skin by 53% and Niger seed by 84%.

Budget deficit swells

The budget deficit reached eight billion rupees in mid-May forcing the government to overdraw close to two billion rupees despite improvement in revenue collection. The deficit reached Rs 7.8bn, a 19% increase over the same period last year, the Nepal Rastra Bank said in its 10th monthly report on the economy. The government also overdraw Rs 1.8bn from the Central Bank. By law the overdraft has to be less than one billion at the end of the fiscal year.

Government spending increased by 10.2 percent to Rs 40bn, at a rate slower by four percentage points compared to the same period last year. Regular expenditure grew by 9.5 percent and development spending by 10%. The deficit was due to slow resource mobilisation, which grew by a mere 8.3 percent compared to last year's 15.5% growth rate. Revenue collection (11.2%) was slightly better this year, it brought in Rs 30.8bn. Inflation has remained under control with prices growing by just 1.8%

Sky chefs

Soaltee Crown Plaza has teamed with LSG Sky Chefs, a Lufthansa subsidiary, to set up a flight-catering unit in Kathmandu. Under an agreement signed last week, LSG would provide technical advice and set up the flight catering facility.

The new unit is operational in 10 months. Soaltee Crown Plaza currently has 10 percent of flight catering market from Kathmandu, which adds up to about 2,000 meals a day. Soaltee's flight catering unit

presently employs about 125 Nepalis.

BY DIPAK GYAWAL

COMMENTARY

If power projects were horses, beggars would ride



Once again, a flurry of news portending the imminent resurrection of late Arun III and other hydropower projects has the media's blood racing. The euphoria misses the main point: projects are only a means to an end, which is to provide Nepal's industry and commerce cheap and reliable electricity that gives them a competitive edge. Neither the proposed projects nor the manner in which they are being dealt with will lead Nepal to that goal.

If projects were horses, beggars would ride. At \$5000/kW (four times higher than the going market rate) the late Arun III was a bad project. But it was, and continues to be, a good site that can be developed wisely to produce cheap electricity. Had the Nepali power bureaucracy and the World Bank's consortium succeeded in stemming civil society's protest against this project, we would not have seen the half a dozen alternative projects, some of them complete and others nearing completion, that are presently providing more megawatts at almost half the cost and half the time than the Arun III path. Still twice as expensive than it should be, but better than four times.

Nepali rivers, because of good dry season flow and high incline that is effectively a nature-provided high dam, have the potential to

provide cheap and clean electricity. That is, only if loans with usurious conditionalities do not fund these projects and the Indian market pays the true cost of submerging Nepali villages. The question is: does HMG have the institutional capacity that can assure all of this?

As the 144MW Kali Gandaki—the last of this breed of foreign-aided projects—nears completion, Nepal is entering a new path of hydropower development, one led increasingly by the private sector. One wonders what this society's capacity is to successfully negotiate the route ahead.

Nepal's power bureaucracy came to maturity as a rent-seeking feudocracy in the pampered age of foreign aid. The requirement of the new age is a professional civil service capable not just of understanding the engineering but also of navigating through the thicket of international finance, legal fine print and riparian politics. Its track record to date is not good.

Arun III was an example of Nepal's water bureaucracy abrogating its responsibility by surrendering to the World Bank. The Mahakali Treaty, on the other hand, is an example of its inability to read legal fine print and advise project-fixated political masters of the day of their implications.

Even though Article 3 of the treaty mentions Nepal and India both having "equal entitlement in the utilisation of the waters of the Mahakali

without prejudice to their respective existing consumptive uses", clause 3(b) of the Lohani-Mukherjee letter exchanged with the treaty denies Nepal its right over its equal entitlement and also allows India to make exorbitant claims regarding existing consumptive uses. Nepal's bureaucracy failed to see this, and the Parliament's strictures passed with the treaty are unable to rectify the mistake.

The West Seti is another example of Nepal's water bureaucracy incapacity to negotiate a fair deal on a commercial multi-purpose project with water rights implications from storage benefits created by the dam that would, under current arrangements, allow lower riparians free-rider returns. The initial agreement on 7th July 1994 gave "free of cost to HMG Nepal quantum not less than 10% of the generation".

By the time the MOU of 11th May was signed, the free power — in effect a royalty — had been changed to "10% of power or an amount equivalent" and even that would be "deferred till SMEC has sufficient funds to make payments" after paying off other debt participants and operating expenses!

Nepal's power system will have a surplus in the immediate future with the completion of the alternatives to Arun III. However, they too are run-of-river projects. Nepal's power system sorely needs storage projects in the 100 to

400MW range that can sustain the dry season slack. West Seti should therefore ideally have been developed for Nepal's use and not for export. Even if exported, Nepal should have insisted that it receive its "not less than 10%", i.e. 75 or more megawatts, as peak power for its own use.

Nepal's current hydropower policy is simple: hand over to private sector and let them export to India. That it is prone to intractable conflict is not difficult to see, and the slew of new export projects will make it worse.

A more sensible policy path would be to first unbundle the power feudocracy to generate an internally competitive market, much like domestic airlines, and open the space for civil society to question these projects for the justice issues inherent in them.

Export should be placed on the back burner till such a time when the monopsony Indian market gives up its "cost plus" policy in favour of a much fairer "avoided cost" one that is willing to share some of the market surplus generated by Nepali hydropower. And when that happens, all export should be only through the national grid. ♦

Dipak Gyawali is with the Nepal Water Conservation Foundation. ida@wlink.com.np

Arun III is back

This time it is bigger, cheaper and being built by a foreign private investor

BINOD BHATTARAI

Five years after the World Bank abruptly pulled out of the US\$1 billion Arun III hydroelectric project, the controversial scheme is back. This time, the private sector will take the lead and it will generate twice as much electricity.

The government has decided to let the Los Angeles-based EurOrient Investment Banking Group to build the project. The



EurOrient's managing director Ron Nechemia

company had applied for three licenses on the Arun River in eastern Nepal last year: for the 402MW Arun III, the Upper Arun (335MW) and a feasibility study of the Lower Arun (308MW).

EuroOrient will now be allowed to build the Arun III, and the government says decision on the Upper Arun bid will depend on its performance. ASTQ Holdings Company from Canada and Susasun Power Company Private Ltd, a Nepali company, had also bid for Arun III.

Sustained opposition in Nepal and abroad to the 201MW version of Arun III (called Baby Arun) in the early 1990's led the Bank to pull out in 1995. But the Bank did so

saying Nepal was incapable of building it, and glossed over its own role in mothering its favourite mega-project from inception to detailed design.

In Nepal itself, Arun III became a political hot potato with the Nepali Congress blaming the United Marxists-Leninists (UML) for sabotaging the project. By then, there were internal divisions within the Bank about its economics, and a new boss James Wolfensohn decided to opt out.

Bigger, Better ?

The new Arun III is 402MW, and is to be built by private investors and not funded through soft loans and tied bilateral grants. The 201MW Baby Arun would have cost over US\$ 1 billion, or about \$5,000 per kilowatt.

Even though the new plant will be twice as powerful, even if were to have a tab of \$1 billion it will cost half—only \$2,500/kw. (A 1995 estimate of the bigger project was \$859m). Most of the power is for export to India.

EurOrient's managing director Ron Nechemia is due in Kathmandu later this week to finalise the deal.

"We hope the entire process will be completed in a month," says Binaya Amatya, representative of EurOrient in Kathmandu. "Should everything go according to our schedule, we hope to complete the project in 6-7 years."

Amatya says EuroOrient has talked to possible power buyers in India, Nepal's main market, and it will now start detailed discussions. The power deficit in

northern India has now reached 9,600MW, and is expected to grow to 14,999MW by 2005 and 20,800MW by 2010.

Although EurOrient's proposal to the Electricity Development Centre shows that it has experience in building power projects, most of them have been thermal plants. The company, incorporated in 1988, says it is presently building four BOOT (Build, Own, Operate and Transfer) projects ranging from 650MW-3000MW in China and a \$3b telecom project in Turkey.

The Arun III is to be built at the end of a new, 129-km road in Sankhuwasabha District in eastern Nepal. The road alone is expected to cost more than \$400m. Since the highway from Hile near Dhankuta to the project site at Num will have almost no returns for the investor, it is unlikely that the company would go ahead without assurances of getting to do other projects on the same river. Another critical question for the government is who is going to pay for the roughly \$15m worth of studies it has already done on the Arun schemes.

In September, Nepal invited proposals from companies interested to develop 11 Category A projects and conduct feasibility studies on another 11 Category B hydro-investments. Twenty-seven companies had applied for licenses, including nine from Nepal, four from India and one from China. In early June EurOrient's Ron Nechemia wrote to the government pointing out the delay in evaluating the bids. He also hinted that the \$1.84 billion EuroOrient had allocated for



the project would not be available if the delays continued. The minister then decided on the project on June 28.

Suddenly, private sector participation in Arun III has changed the entire tenor of the debate on the project. Activists who six years ago had questioned the project's economics and the World Bank's role have also changed their focus.

Gopal Siwakoti Chintan of the human rights group, INHURED, was among a group of firebrand activists who came to be known as "The Arun Slayers". "Earlier the battle was against the World Bank and its aid conditionalities, not on the technical aspects of the project," says Chintan. "Today, with the private sector our efforts will be to ensure that the project does

not become an expensive Khimti—negotiated and implemented with minimum transparency."

Chintan and other activists say they will have to carefully examine the terms of the license and if the recommendations of the Bank's inspection panel are complied with.

The earlier debate had centred on funding tied to bilateral aid, the high cost and vulnerability of the site to glacial outburst floods.

"We had said let's do Arun III after ten years," says Bikas Panday, an electrical engineer, another Arun Slayer. "Our concern was the risk the government was taking by going for a single project that was too expensive, which could also have blocked other development." ♦

New hydro policy

NEPAL'S new hydropower policy proposes specific efforts to correct some of the lapses in the existing one prepared eight years ago when Arun-3 was high on the government's development agenda.

The draft—10th Kha in the series—of the new policy was discussed this month by the Parliament's Natural Resource and Means Committee, which recommended that the government finalise it within a month and also prepare a new law to go with it as soon as possible. Water resources experts and former and present officials of the Ministry of Water Resources were invited to the discussions.

Its mention of developing electricity as an exportable product is a clear departure from the existing policy that was hurriedly prepared in 1992.

The proposed charge for plants built for domestic consumption is Rs 100 per kilowatt of installed capacity, and the royalty is two percent of the energy sales for the first 15 years. This rate is applicable to projects of 1-10 MW capacity. The changes thereafter would be Rs1700/kw of installed capacity and 10 percent of energy charges.

For export, projects above 10MW will be required to pay Rs800/kw of installed capacity and three percent of energy sales for the first 15 years, and Rs 1,700/kw and 10 percent thereafter. ♦

Seven New Private Hydros

The government has opened the floodgates to investment in hydropower generation with the recent approval of seven private companies to build medium-sized schemes worth more than US\$2.6 billion. EurOrient bagged the prize: the 402 MW Arun III which was expected to cost US\$ 859 million in 1995. Other projects are:

- Budi Ganga, 20MW (\$50.6 m in 1995) Cement Coordination and Planning Cell (India's Birla)
- Likhu Khola-4, 51MW (\$75.5in 1998) Pacific Hydro Limited (Australia)
- Tamor-Mewa, 101 MW (\$159m and \$ 33m in 1998) US Combined Energy Companies
- Dudh Kosi 301MW (\$690m in 1998) ASTQ Holdings (Canada)
- Kankai 60MW (\$285m in 1984) Coyne Et Beller (France)
- Andhi Khola 176 MW (\$463m in 1997) Nepali joint venture with EurOrient

"The companies may now apply for construction licenses if they have firm Power Purchase Agreements and finances," said Angira Acharya, a senior engineer at the EDC. They would also need approved Environmental Impact Assessments and pay Rs100 per kilowatt of installed capacity as "performance guarantee" to obtain construction permission.

Nepal began licensing private hydro projects in 1996. Khimti 1, the first private venture, is already selling power to NEA. Khimti's owner Himal Power Limited has an agreement to sell 350GWh of energy each year for 20 years. It sells at US 5.09 cents (1995), which is pegged to the US Consumer Price Index for adjustments.

The 36MW (\$98m) Bhote Kosi project—promoted by Nepal's Himal International Power Corporation and subsidiaries of two US companies, the Dallas-based Panda Energy International, Inc. and Chicago's Harza Engineering Company International LP—is expected to come on line later this year. Under a 1993 law the 50-year BOOT contracts come with 15-year income tax holiday, one-percent import duty on equipment, machinery and parts and exemption of sales tax and license fees. The royalty is fixed at Rs. 100 (\$1.47) per kilowatt of installed capacity per year and two percent of energy sales for the first 15 years. The royalty increases to 10 percent on energy sales and Rs. 1000 (\$14.7) per kW of installed capacity per year thereafter.

The fees and royalty structure could change when the government finalises its new hydropower policy and a new law to go with it. From the 10th draft it is evident that both royalties and fees will be higher for export projects. The tax plan may also change, according to sources.

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Rani and Aftaab get ready for a shoot in a make-believe Kashmiri meadow in Switzerland.

CHRISTIANE OELRICH IN SAANEN, SWITZERLAND

When Indian film stars Rani and Aftaab flirt with each other on a flower-filled mountain pasture, millions of Indian movie-goers think the scene is in Kashmir.

But the cow on the periphery of the screen is not a holy one, but rather a Swiss Alpine cow, the pasture belongs to the farmers of the town of Boltigen, and the background panorama is made up of the Swiss Alps of the Berne region.

No matter. More and more Indian film directors are discovering Switzerland as an ideal place to make their movies.

"I love Switzerland. It has a pleasant climate, good lodgings, and nobody staring," says Rani Mukherji, who is already a big

film star though she is only 22.

She says that when she does a film in India, dozens of police have to cordon her off. With the five or six new films each year seen by hundreds of millions of people, almost everybody knows her. On top of this, while there are beautiful sites for filming in India, there is often a lack of hotels where the film crews can be lodged.

By contrast, Rani has her peace and solitude up in the Swiss Alps, except for maybe the boy whose only job is to follow her around with an umbrella to protect her skin from the sun.

Rani's films are the stuff which the dreams of the poor are made of, with movie director Vikram Bhatt saying "films are

the only entertainment for the masses. They want to escape their misery for two hours and dream."

It is Jakob Trittin's job to see that operations go smoothly in Switzerland. The bus company operator has gone over completely to working with Indian filmmakers.

He gets their visas and arranges their hotels, takes over the transportation logistics and has acquired a lighting vehicle and electricity generators. Then there is the mobile kitchen in which Indian cooks serve up dinners of rice and chicken kebab to the film crews up in the Swiss mountains.

Trittin also takes care of the arrangements with the Swiss farmers on whose pastures the scenes are filmed that make

Bollywood in the Swiss Alps

Indian film-goers hearts beat faster.

He was particularly busy in June, having seven different Indian film teams to take care of: "We were cooking for 360 people." The crews, counting up to 60 persons, work virtually round the clock.

"In Switzerland the sun goes down later. We can film longer and so make up for the extra travel costs," says Mukesh Bhatt, producer and uncle of director Vikram Bhatt.

Rani also has an action-packed programme. After this particular day with Bhatt, she must head to another production team, on another Swiss mountain, for a film being made there. Meanwhile her film partner, Aftaab, will be doing scenes for Bhatt - for yet a different movie altogether.

This is all part of an industry in India in which 800 films are produced each year. "The industry feeds 45 million people," Bhatt observes about the branch of movies which has become known as "Bollywood".

In the Saanerhof Hotel in

Saanen, India has taken over. The guests have occupied the entire facility, including the kitchen, which hotel operator Juerg Neuenschwander turns over in the evenings.

"This is good business. It fills up the rooms during the off-season," he says, while in the restaurant, where the scents of exotic spices fill the air, a cross-cultural event is underway: a local town singing group is practicing, while the Indian guests don't quite know what to make of the yodeling.

Neuenschwander has entered the Indian film history books, having played the role of a Swiss hotel owner. Not every film director tries to convince the Indian film public that the movie was actually made in India. Switzerland already is well known in India as a heaven on earth for honeymoons and dream sequences.

This means dividends for the Swiss tourism industry. The number of overnight stays by Indian guests has doubled since 1995 to almost 166,000 per year.

"Among the future markets, India is one of the most interesting," comments John Geissler, a marketing research for the Swiss tourism industry.

But for the Indian film-going public, the mountain pasture in which Rani and Aftaab look with deep yearning into each other's eyes must certainly be Kashmir. The story takes place in 1947 and the plot is like this:

The Hindu maiden, in the confusing aftermath of the division of the Indian subcontinent, most flee to India from Peshawar. Her entire family gets killed in the process. During her flight, she gets to know a Muslim youth. The two fall in love despite their religious barriers. The youth puts his life on the line in order to deliver

Switzerland already is well known in India as a heaven on earth for honeymoons and dream sequences. This means dividends for the Swiss tourism industry. The number of overnight stays by Indian guests has doubled since 1995 to almost 166,000 per year.

his beloved one safely to her homeland...

How does the story end? - Indian film-goers will find out in the spring of 2001 when the movie comes out. ♦

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Vino nirvana in Kathmandu

The search for truth has brought many to Kathmandu. But, for Bruce Owens, the truth included the Valley's secret wine stash.

In wine is truth. If, indeed truth is to be found in wine, veritas has become far more readily available in the Kathmandu Valley since I first began to pursue it in this land over a decade and a half ago. The search for truth in this particular form always becomes particularly pointed during what Americans and Europeans rather chauvinistically refer to as "the holidays," for Christmas is a time in which the most acculturated American, regardless of her faith, grows nostalgic for the season's gastronomic indulgences. Though buffalo brain soup and stuffed goat lungs became my favorite foods shortly after my arrival here, I never became immune to the weaknesses of this season.

Thus, as a lover of the aged fruit of the vine, I found myself in mid-December of 1983 stunned by a miraculous vision one day at my favorite Pulchowk "fresh house" a place in which, paradoxically, one could find only food that had either been tinned or frozen. There, situated atop one of the stores three refrigeration devices, was a display of bottles: Russian Champagne, Vermouth, Vodka, and a

bottle of Barsac. All were available at the handsome price of 400 rupees each the equivalent of about 2,500 of today's rupees. This was an extraordinary sum for someone who counted each rupee spent as a fraction of an hour that could not be spent in Nepal.

But this was Christmas, and this was Barsac. Barsac, by the way, is a special appellation from the Sauterne region in France, a place famous for its unctuous yet refined dessert wines, which are desserts in and of themselves. A bottle of Barsac would be the perfect surprise for my Christmas feast co-conspirators. I felt compelled to negotiate with the sauji, who had somehow managed to extract these goodies from some long-forgotten Rana cellar, and who was actually placing himself at some risk by displaying such merchandise without license to sell it.

This particular saji was no stranger to the peculiar impulses that arise in bideshis at this time of year, having worked as a research assistant to a British anthropologist for some time. Though I knew that he knew he had me at a disadvantage, I was driven, so I pointed

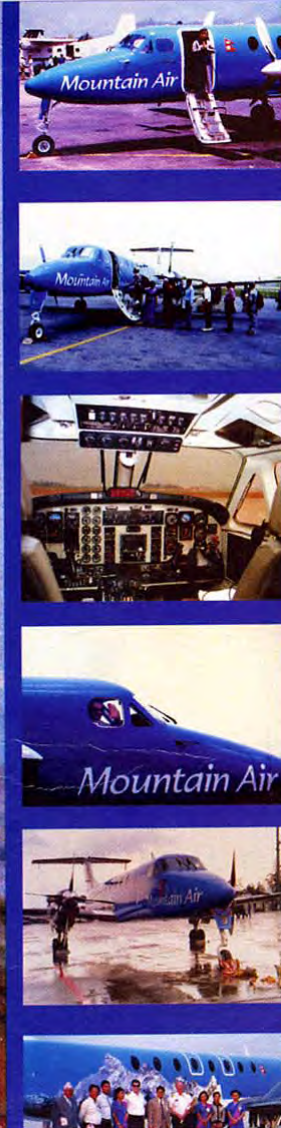
out that, given the 1958 date on the bottle, the odds were 50/50 that its contents would be good only for dressing a salad.

After some discussion, a price of 200 rupees was settled upon. Not one drop of this Barsac was spilled on lettuce. In fact, it was probably the finest Barsac (if not wine of any kind) that I will ever have the pleasure of drinking. Though I can never know if, in fact, this particular bottle was as superb as I recall it to be, the drinking of it was extraordinary. Wine at that time was simply not available in Kathmandu if one was neither a diplomat nor rich. I had heard stories of bottles stored in godowns somewhere, but also understood that extensive documentation of some sort or another was required for the privilege of buying it. Occasionally one would be offered "wine" by well-meaning Nepalese while on trek, only to find that the proffered beverage was made of pineapple or some other unlikely fruit, and glowed in the dark in some noxious shade of yellow or orange. The genuine article once mysteriously appeared in a Bishalnagar supermarket window, cheek by jowl with an enormous bottle of mayonnaise, French perfume, and a short-wave radio, all priced about the same.

My how times have changed. Though an assessment of the history of the beer situation in the valley warrants another article, it should also be mentioned that in the early eighties there was only one local beer available, and it was a matter of good fortune if the particular bottle one acquired had bubbles in it. This only exacerbated the seriousness of the wine situation. Now, of course, all beer has bubbles, and most restaurant menus include almost as many kinds of beer as dishes. (I sometimes wonder if occasional water shortages are due to the demand at the numerous breweries that have sprouted up in the valley.) But back to wine. The problem has shifted from its rarity to its prevalence.

On a recent desperate search for a voltage converter late one Saturday afternoon, I found wine at every super market and grocery I explored (but, alas, no converter). It now seems easier to find wine in Kathmandu than in Paris. But, the question arises, would one want to drink it, and at what price? Having been pressed into the role of sommelier at a friend's house during my visits to Kathmandu, I am pleased to say that "drinkable" bottles are readily available. The mystery has shifted from how it is that wine appears in stores next to mayonnaise and frozen fish, to how it is that one need pay only a few dollars more for the privilege of drinking the same fruit of the vine here as one does in the countries that actually grow it. ♦

(Dedicated to the memory of Shanta Man Singh, occasional purveyor of fine spirits and constant friend.)



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Time to junk your desktop?

Notebooks have advanced technologically and have become a true alternative to desktop computers for many users.

VENIO PIERO QUINQUE

In the age of the Internet, mobility and speed can add up to a critical competitive advantage. Add to that fact the necessity of having information at one's fingertips at all times and from all places, and the importance of a good notebook computer can hardly be overemphasised. It's no surprise, then, that notebook PCs have become the one indispensable tool for many information junkies.

The first portable computers were clunky and had poorly-lit monochrome displays, little memory, and relied on a floppy drive as opposed to a hard drive. But the latest high-end models are not only smaller - they're also often as well equipped as most desktop models.

But "high-end" notebooks, according to Mark Thorne, business notebook product manager with Dell Europe, are defined differently by different people. "High-end is defined either according to performance, according to the price performance ratios, or based upon the size weight relationship," says Thorne.

U.S.-based Dell produces and

configures some of the most popular portable computers on the market today. Dell's secret to success is the degree to which it allows consumers to customise portable PCs to meet their needs. Users can log in to Dell's web site to put together the portable of their dreams. The basic Dell model Inspiron 5000 targets private users with high performance demands, as well as business users in small and medium-sized companies.

The Inspiron 5000 is equipped with an Intel Pentium III processor of up to 650 MHz. The chip comes with Intel's new SpeedStep technology, which lets the CPU know whether the computer is connected to an outlet or a battery. The model also comes with a choice of two 15-inch displays with resolutions of up to 1,400 by 1,050 pixels. The hard drive comes in sizes between six and 18 gigabytes (GB). The cheapest Inspiron 5000 model is priced at around 1,800 dollars, with any extras costing more. "If the term high-end is used to characterise the price performance ratio, the Inspiron 5000 is a high-end notebook," says Thorne.

Toshiba, another perennial favourite among notebook enthusiasts, recently released its Tecra 8100 series, which also utilises the new Intel Pentium III SpeedStep processor, running at 700 MHz. The Tecra comes equipped standard with 128 MB of RAM, a 12 GB hard drive, and a six-speed DVD drive. The model also ships with a 14.1 inch TFT display and an internal V.90 modem.

Toshiba's computer is designed elegantly in silver. Priced 2,600 dollars onwards, the Tecra 8100 may be out of the price range of many home users, but it's priced perfectly for the small office or business user.

Apple's Powerbook is also aimed at the professional market. According to Apple, the computer, which weighs in at only 2.8 kilograms, can serve as a complete amateur film studio as well as a traditional notebook.

"Movie makers can edit their videos while shooting," says Apple's Georg Albrecht. "All you need to do is connect a DV camcorder or an external hard drive to the Powerbook." The Apple software Final Cut can then be

The end of PCs

SYDNEY - A software rental scheme, being piloted in Australia, could sweep away the need for stand alone PCs and iMacs as well as software stores and even entire IT departments.

The latest computing revolution means programmes which usually require powerful computers and need constant upgrading can be rented down a telephone line. Simple screens are all that will be needed. The 'processing' of data - from videos, internet browsing and home banking - will be done at computer centres with virus scanning and updating part of the rental. InternetCentral Global Universal will replace the business of upgrading Office 98 to Office 2000 because it will provide Office Now.

Software giant Microsoft, with the two largest telephone companies in Australia, Optus and Telstra, and other computer servicing companies, is trying out the idea on several million Australian households and small businesses.

If the Australian experiment is a success it could dramatically change the way the internet and software is used, owned and priced. Companies may be able to dispense with their entire IT departments, replacing them with a connection to a data and process utility which will take its place alongside

power, telephony, water and sewerage. The all embracing IT utility, that sends customers a bill each month, will give the home office the same computer firepower on tap as the biggest enterprise in the city.

The implications for competition policy, privacy and security are all uncertain though Microsoft insists data will be protected. What would happen if there was an earthquake or, perhaps more likely, a power failure, at the central facility is also unclear.

Centralising information in this way may also water down the so-called anarchic aspects of the internet. Societies which fear the empowering of individuals by the private use of the internet may find it easier to recover processed information. The hard drive inside today's PC retains in recoverable form every keystroke entered into the computer long after files have been supposedly erased. A centralised computer system would mean those hard drive records would be stored in their data banks.

Whether ordinary computer and internet users will trust this new method may become evident from the Australian model.

(The Guardian)

used for editing and cutting videos. Apple is positioning its Powerbook to fill the market niche for creative applications, as Apple has with its desktop computers and the desktop publishing sector. "We are targeting customers who are doing mobile business and need a powerful computer," Albrecht says. The Powerbook is priced from 2,500 dollars.

Computer expert Henning Withoef advises potential notebook owners to determine what the portable's main function will be before purchasing. "To use standard office applications such as word processing or spread sheets, a standard model is sufficient," says Withoef, who edits a technical publication.

"To run more time-consuming

applications on the road, powerful batteries are important," Withoef adds. Information provided by manufacturers about battery life is not always reliable, the expert says. If possible, customers should arrange for a trial period with the vendor. "With the more expensive models this is possible, and many vendors will do it," says Withoef. "Another possibility is a rental contract, with payments counted toward the final purchase." dpa



Duchess of York, Javier Perez De Cuellar, Hillary Clinton...
If name-dropping helps, then may be your next stay will be at Soaltee Crowne Plaza.

The last reason we want you to come and stay at Soaltee Crowne Plaza is because a select who's who decided to do so. It's just that we want to draw your attention to the kind of people we have entertained over the years.

Of course, you are as welcome as Duchess of York, Mr. Javier Perez De Cuellar or Mrs. Clinton. We will receive you with the same high level of hospitality because that's what people have come to expect of Soaltee Crowne Plaza. After all it isn't for nothing that Soaltee Crowne Plaza is considered the premier hotel of Kathmandu.



Discover the Difference

Millions face preventable AIDS death

Thanks to the advent of new drugs, dying of Aids-related conditions is a thing of the past for many people living with HIV in western countries. But **John Madeley** in London reports that for those living with the virus in the developing world, where only one per cent of sufferers can afford treatment, the future still looks bleak.

LONDON - Ten years ago, HIV Aids appeared to be a death sentence. But today in industrialised countries, hundreds of thousands of HIV-positive people lead full, healthy lives because they have access to cutting-edge, anti-retroviral treatments.

But sweep across to the developing world, where most of the world's 34 million HIV Aids sufferers live, and it's a very different picture, where only about 1 per cent of sufferers can afford these drugs on a regular basis. For instance, in Uganda, one of the worst affected African countries, only 1,400 out of an estimated 120,000 people with Aids have access to full treatment. A new report published yesterday (Tuesday) to coincide with the Aids 2000 Durban conference being held in South Africa this week, warns that some 12 million people with HIV Aids could die in the next five years because they cannot obtain anti-retroviral drugs. The report is published by the Panos

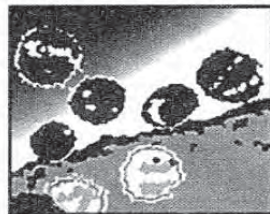
ARV drugs: beyond our means?



● While a standard ARV combination costs \$9,950 a year in the US, \$4,201 in Uganda and \$2,365 in Brazil, the average annual income in developing countries is often less than \$400



- Antiretroviral (ARV) drugs suppress HIV and indefinitely postpone AIDS symptoms
- About 12m people face death without ARV drugs within 5 years
- ARV prices vary vastly depending on importing, licencing and manufacturing policies



- To buy ARV drugs for all who need them in Zambia would cost \$2 billion - more than half the country's gross national product
- To buy drugs at current prices for all who need them would cost \$60b - less than a quarter of annual US military budget

f 34.3 million people worldwide have contracted HIV

f 24.5 million of them live in Africa, about 5 million in South Asia

f In 1999 alone, another 5.4 million people worldwide became infected with the disease

f In the poorest countries, annual health expenditure is frequently under \$20 per person.

f Only when the price of anti-retroviral drugs is reduced by 95 per cent or more will they be available to all who need them

Institute in London which has run an Aids information programme for many years.

HIV - the virus that causes Aids - is transmitted through sexual intercourse, infected blood and mother-to-infant transmission during pregnancy and breastfeeding. The virus damages the immune system, and the 12 million people at risk face death from opportunistic diseases and infections such as tuberculosis, pneumonia and meningitis, which their bodies can no longer resist. Anti-retroviral drugs do not cure Aids - the disease is incurable - but they

do inhibit viral reproduction of HIV, reducing the amount of virus in an infected person's system to undetectable levels. But they are not cheap. 'It costs around 4,000-6,000 dollars a year to provide a year's course of anti-retrovirals and the associate tests and consultations in the developing world,' says the Panos report.

For most African countries, neither personal nor government budgets stretch to anything like that. In Zambia, for example, where nearly 900,000 people have the disease, annual incomes average \$330.

To buy anti-retroviral drugs for all who need them in Zambia would cost 2 billion dollars - 57 per cent of the country's gross national product. A further problem, says the report, is poor infrastructure - inadequate health facilities, including lack of hospital beds and laboratories, lack of trained medical and laboratory staff, and non-existent or incomplete drug distribution systems. But improving infrastructure costs more money than most developing countries can afford. To provide anti-retroviral drugs for all who need them, worldwide, would cost US\$

60 bn a year. "Southern governments are unable to spend this money, Northern governments are unwilling to do so," says Martin Foreman, author of the Panos report.

And yet his report notes that the US\$ 60bn a year figure is less than a quarter of the annual US military budget. Moreover the pharmaceuticals industry is expected to earn 400bn dollars globally by 2002. The World Health Organisation is among those pressing the industry to reduce the cost of anti-retrovirals for developing countries. "The only other potentially large enough source of funding is foreign debt," says Martin Foreman. Nigeria's foreign debt of 28.5bn dollars, for example, is three times the cost of creating an infrastructure for mass consumption of reduced-cost, anti-HIV drugs. For Uganda, the figure is 1.3 and for Zambia, it's five.

Western governments agreed last year to cancel US\$ 100bn of the developing world's US\$ 350bn foreign debt. However, very little has so far been cancelled.

Meanwhile, education campaigns about HIV Aids are beginning to indicate that young people in Africa are avoiding the behaviour patterns of their parents which led to such high levels of the disease.

In the interim, millions of already infected people face a bleak future and preventable death. ♦ (The Observer)

Beyond Our Means? The cost of treating HIV Aids in the developing world is published by the Panos Institute

Small is useful

WASHINGTON - New 'micro-power' technology, not coal or nuclear power plants, provide the best solution to the world's growing energy needs, according to a new report released Saturday by an environmental think-tank.

Fuel cells, micro-turbines, and solar roofing, are as small as one-millionth the scale of today's coal and nuclear plants. But these smaller-scale energy sources are ultimately more reliable, efficient, cheaper and environmentally friendly than traditional large scale power plants, according to the Washington-based Worldwatch Institute. "The kind of highly reliable power needed for today's economy can only be based on a new generation of micro-power devices now coming on the market," said Seth Dunn, author of the report called *Micro-power: The Next Electrical Era*.

Micro-power devices may be most important in developing countries, he argued, where power systems are weak and polluting, causing frequent blackouts and contributing to major health problems. A staggering 1.8 billion people, nearly one-third of humanity, have been left in the dark by the centralised power model, said Dunn. In developing nations, "decentralised technologies have enormous potential to bring power to the people, allowing the development of stand-alone village systems and doing away with the need for expensive grid-expansion," he said.

In rural regions where people lack access to electrical services, small-scale systems are already economically superior to the extension of transmission lines, he said. The large-scale power plant design loses a lot of energy that is never recovered, said the report. Many developing countries lose the equivalent of 20 to 50 percent of their total power generated through leaks in their transmission and distribution systems. In addition to becoming economical when mass-produced, small power systems can be adjusted to match the scale of demand and

installed far more quickly than a central station, he said. "Micro-power can improve reliability by reducing demands on transmission systems and thus avoid costly investment in new power plants and distribution systems," he said. Smaller systems, he argued, can facilitate more local control over power use, contributing to economic development within the community and reducing reliance on distant institutions. (IPS)

S.Asia worse than Africa

BANGKOK - South Asia has made large gains in human development in the past four decades, but its record of taking care of its children is worse than many impoverished sub-Saharan African nations, according to the U.N. Children's Fund. Three out of every four children in the world who are 'stunted' - shorter than other children their age - live in Asia-Pacific nations, said 'The Progress of Nations 2000', the annual UNICEF survey of gains by nations in meeting globally agreed targets to ensure children's physical and mental health.

Sixty-two percent of children under five in North Korea are stunted, followed by 56 percent in Cambodia, 55 percent in Bangladesh, 54 percent in Nepal, 52 percent in India, and 50 percent in Pakistan. All of these countries fare worse than all sub-Saharan African nations, except Ethiopia with 64 percent and Angola with 53 percent. On average, 39 percent of all children under five in developing nations are stunted. "Many (stunted) children do not survive...many of those who do survive carry long-term deficits in mental capacity along with losses in stature," noted the report.

"Once established, stunting and its effects typically become permanent. Stunted children may never regain the height lost and most will never gain the corresponding height," said the report.

COLUMN

by GRO HARLEM BRUNDTLAND



Medicines for the masses

Ill health keeps people in poverty. Investing in health is a measurable and effective way to reduce poverty.

GENEVA - As we begin the 21st century, one-third of the world's population still lacks access to the essential drugs it needs for good health. In the poorest parts of Africa and Asia, this figure is 50 percent.

It is scandalous that important drugs can be used by a fortunate few while millions of others who need them go without. According to the latest World Health Organisation (WHO) figures, 10.3 million children under five years of age died in developing countries last year.

About 8.6 million of these deaths are due to communicable, perinatal, and nutritional conditions. A large proportion of these deaths could be prevented if those at risk had access to essential drugs.

Developing countries, with three quarters of the world's population, receive only a quarter to a third of the income generated by the world economy.

While developed countries are trying to control drug expenditures, developing countries still face basic issues like the lack of a primary health care infrastructure, insufficient funding for health and pharmaceuticals, the high cost of newer essential drugs, and, on occasion, ineffective management of available resources.

Access to drugs is a critical component of a health sector strategy. Governments face difficult choices: they cannot invest in a few costly drugs and ignore all the other aspects of care. Many factors affect the

complex issue of access: distribution systems, financing, procurement and prices. Medicinal drugs are not ordinary commodities: their procurement, storage, inspection and distribution require special skills.

WHO will support any measure that will enhance access to all essential pharmaceutical products in a sustainable way. Today's gaps in access amount to a giant market failure, and to succeed we will need broad partnerships between governments in developing and industrialised countries, financial institutions and the pharmaceutical industry.

We will also need to build a consensus on the needs of the poor and the basic requirements for improving their access to life-saving drugs.

One and a half billion people live in extreme poverty perpetuated by ill health and are unable to access effective health care. At least another billion people, while slightly better off, are unable to receive the care they need because of a lack of money or because the services simply don't exist.

While the pharmaceutical companies have a moral obligation to contribute to the solution and help the poor get sustainable access to drugs at affordable prices, we also need to see protective tariff barriers and distribution margins lowered and to win political acceptance for the concept of "equity pricing", especially for newer essential drugs that are vitally important to

public health.

But accepting equity pricing is a political decision in which the governments of industrialised countries must take the lead. In turn, governments of developing countries must facilitate access by improving financing, importation, purchasing and distribution systems for medicines, vaccines and medical equipment in their own countries.

The strategies and policies to combat poverty and ensure access to health and pharmaceuticals need to be comprehensive and clearly oriented to ensure population-wide access to health services and pharmaceuticals.

In Brazil, for example, given the emphasis on ensuring access to medicinal drugs, the National Drug Policy highlights generic drugs and stipulates mandatory adoption of generic names in all public purchases and promotes prescription and use of generic drugs.

Promoting generics can help meet the objectives of reforms by improving affordability, increasing choice, and helping to rationalise both the selection and use of pharmaceuticals.

The European Union has agreed on three major policy regulations regarding pricing and reimbursement of pharmaceuticals in an effort to contain drug spending increases, to enhance competition by making the market more transparent and encouraging generics, and to raise the cost-awareness of patients by better informing them of the cost-benefit ratios of therapeutic alternatives.

WHO has long encouraged drug policies based on the promotion of generic drugs of assured quality, which have proven to be a cost-effective strategy in containing drug expenditure.

It is becoming increasingly clear not only that poverty causes ill health, but that ill health keeps people in poverty. There is compelling evidence that investing in health is a measurable and effective way to reduce poverty.

If there is one universal element that features in every economic transition over the past two centuries, it is that improved health results in lower child mortality and longer life expectancy.

Universal access to essential drugs and vaccines is also a shortcut to lower mortality and better health for the entire population and among the most effective health interventions a country can make.

Health is not a peripheral issue that only more affluent economies can afford to spend money on. It is a central element of development. And access to drugs is a central element of any health policy.

Our shared mission is to make medicines available to all who need them regardless of their income. It is possible—if we act together. ♦

(Inter Press Service)

Gro Harlem Brundtland is director-general of the World Health Organisation and former prime minister of Norway.



"Beauty with a higher purpose"

LONDON - Miss World's return to terrestrial TV was such a success in the UK last year that Channel 5 will be showing it again after a gap of many years. The next event will be held in the Millennium Dome and be compered by Jerry Springer. But even in this post-feminist age when women are allowed to be girly if they choose, the pageant forever associated with the worst of 1970s male chauvinism has had to make concessions to political correctness.

This year, to mark its 50th anniversary, Miss World will have a higher purpose. Perfect teeth and a love of children and animals will no longer be enough, according to its ageing founder, Eric

Rather, the 21st century Miss World is all about "beauty with a higher purpose".

Nor will the contestants be asked to parade in bikinis in the chryseion. The swimsuit heats will be conducted away from the chryseion in the Maldives. "Sixty percent of the audience are women and not about ogling men at all," said Morley. "And I bet none of them know that the girls have raised about 100 million (US\$ 151,000) for women's causes down the years." But Miss Angola, who won two years ago what she would do if she won the big prize, said "House! Mercedes!" Her reply was tactfully translated by Morley as: "She would be very proud to win for her country."

While Britain may still be mildly embarrassed, Morley, now 82, claimed that Miss World has never been so popular abroad. "Since we stopped doing it live in the UK we have grown from 36 countries to 135 countries and we now have a 2 billion audience worldwide. They did us a favour really [taking it off TV]. The girls haven't changed that much down the years. They've got a lot taller—you won't see many below five foot six now—but I think people still prefer normal women than very thin supermodels. I can only think of one winner who went on to be a model.

(The Guardian)

Cat can't go to Israel

TEL AVIV - The 1970s pop star who converted to Islam in 1977 after his brother brought him a Koran from Jerusalem, has been denied entry to Israel, which accused him of supporting the Islamist movement Hamas.

The British musician, who changed his name to Yusuf Ibrahim, was held for several hours at Tel Aviv airport on Wednesday morning before being returned to Germany. "He knew before he came here that he would not have permission to come in," said a government spokesman. "His interest in Hamas is not purely verbal and in that sense he is not considered a tourist who comes to see the sights. We do not feel any obligation to allow people into the country who have in the past shown support for the Hamas terrorist organisation, which is responsible for blowing up buses in the centre of Tel Aviv."

He would not give details of the alleged support, but said it was "tangible".

Yusuf Ibrahim told an Israeli paper that he was held for three hours without water or access to a toilet in a windowless cell two metres square. He called his expulsion "a disgrace". In recent years he has campaigned for Afghan refugees, Bosnian Muslims, and for funding for Islamist schools in Britain. He has also endorsed Hamas's opposition to the Middle East peace process.

(The Guardian)

Big Brother in Britain

LONDON - Ten people began having every aspects of their lives exposed on television and the Internet as a British version of the Big Brother show began on 14 July.

The group entered their new custom-built home and for the next few weeks their every move will be monitored by cameras, with excerpts shown by the British Broadcasting Corporation.

Viewers will also be able to observe them on the Internet. The volunteers were chosen after interviews with programme producers and psychologists. At stake is a US\$ 105,000 prize for the last person left in the house which has been built at a TV studio in east London.

The 10 can be observed on the website www.channel4.com/bigbrother. The concept, which has met strong criticism as well as huge popularity, originated in the Netherlands and spread to Germany earlier this year. (dpa)

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Blame it on Mom

PARIS - Those troubled by jet lag may have their mother's genes to blame, research into the biological clocks of female zebra fish published in *Science* suggests. The so-called internal clock which regulates human behaviour throughout the 24-hour day is inherited from the mother, French researchers announced in the American monthly.

The findings of scientists at the Molecular Biology Laboratory in Lyons and the Institute of Genetics and Molecular Biology near Strasbourg showed that the female zebra fish "set" the clocks of their young before birth. If the same is true of mammals, as scientists suspect, variations in maternal genes may influence the way people adjust to changes in the day and night cycle. The researchers also discovered that the Circadian clock begins to "tick" at the very moment the embryo starts to form, not at birth, as previously believed. It could explain why some individuals suffer terribly from jet lag while others are barely affected. (dpa)

SAVING FAITH

by DESMOND DOIG

A temple of dubious reputation

This temple was first built by the great Nepali prime minister and army commander Bhim Sen Thapa, Gen Ochterloney's valorous opponent during the Anglo-Nepal wars of 1814-16. He planned it to be a building of singular magnificence, but the foundations were hardly complete when Bhimsen was forced to commit suicide.

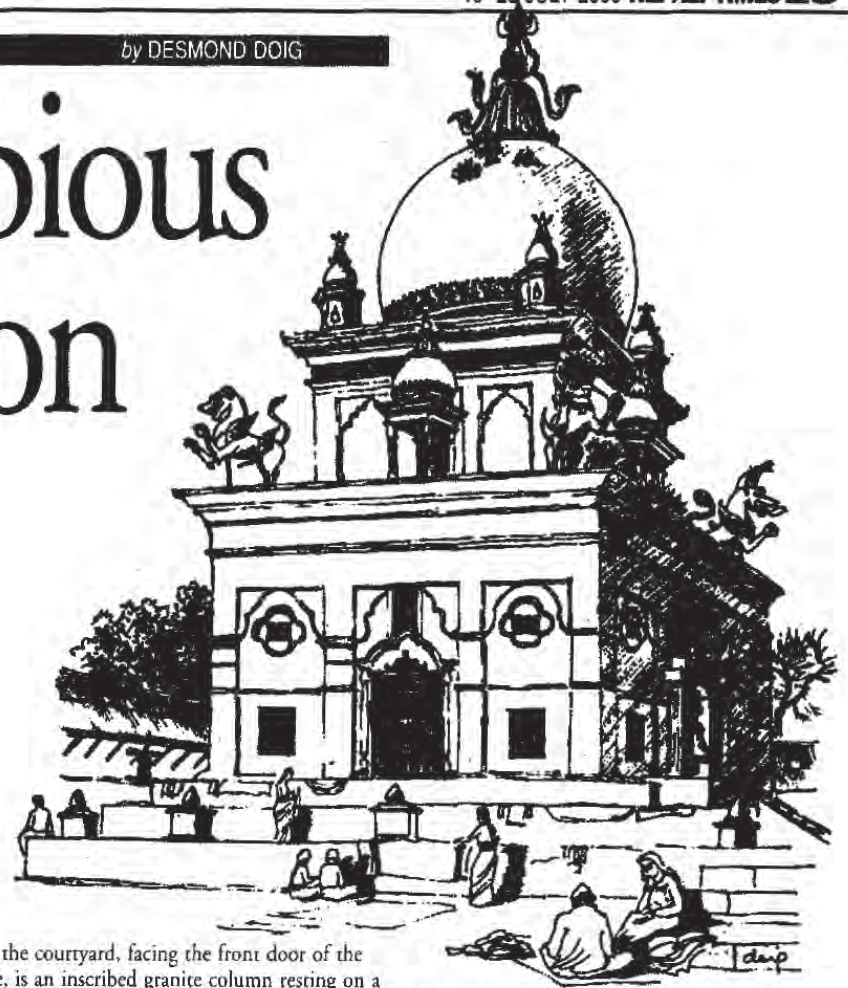
In accordance with popular belief of the time, it was considered inauspicious to complete an undertaking begun by someone who had died, so the temple never should have been completed. That it was owed much to the audacity of Jung Bahadur, the first Rana prime minister, Bhimsen's grandnephew who, disregarding superstition, had the temple completed. It is rumoured that he did this to atone for his part in the murder of his uncle, Mathabar Singh, and the infamous Kot massacre when hundreds of Nepal's elite were cut down at a royal audience in a single day.

Apparently the victims' bodies were cremated en masse at the spot where the temple now stands. True or not, the temple even

Moghul Kathmandu-Gothic temple at Kal Mochan as Desmond Doig saw it in 1978 (right), and today, being given a much-needed facelift by the Tourism Ministry.

to this day is largely shunned except by temple priests, destitutes who gather to receive charity under a bequest of Jung Bahadur, or more likely his senior wife, and those who come to perform the last rites of their deceased relatives.

The temple has been describe by many as ugly—an early Western visitor described it as too vulgar to even describe. True it has an air of being unkempt and deserted, but frankly I find it both powerful and imposing. Its style owes much to



In the courtyard, facing the front door of the temple, is an inscribed granite column resting on a massive stone turtle. It supports a heavily gilded, life-size statue of a man in court dress, plumed and bejewelled and wearing a sword, standing

Bikram Shah, whose power Jung Bahadur usurped, or even his son, King Surendra Bir Bikram Shah. Rajendra was deposed by Jung Bahadur and sent into exile in India. Surendra, when he returned, spent much astonishing ingenuity devising means of ridding himself of Jung Bahadur, who was then but an outstanding courtier.

It was in this temple, called Kal Mochan, dedicated to the deity Satyanarayan, that in 1954 I saw the late King Tribhuvan's sons, with the exception of the eldest, King Mahendra, observe the traditional days of mourning, their heads shaved, dressed in white seamless garments, barefooted and sleeping on pallets of straw.

I remember being affected then by its sense of foreboding and gloom. I still am. Little wonder then that many Nepalis mistake the gentle god of Kal Mochan for Shiva the destroyer. ♦

(Excerpted with permission from *In the Kingdom of the Gods*, HarpersCollins 1999)

point of Kathmandu Gothic thrown in.

His folly on the Tundikhel, Kathmandu's *maidan*, is a Muslim type minaret and his small temple near it could well have been the model for this larger, far more grand construction. Either Jung Bahadur was faithful to Bhimsen's design or had an eye for Moghul architecture himself. The most striking aspect of the temple are four large golden griffins that seem to hurl themselves about into flight from the corners of the first tier of the building. They are believed to have guarded a Vishnu temple that once stood on the Tundikhel and was cleared away to make room for the large *maidan*. Crowning the high dome and giving it a Nepali character are four gilded and plumed serpents under a sacred canopy.

History is confused as to who he is, as the highly stylized likeness makes recognition difficult. Dr Oldfield, who lived and worked in Kathmandu besides being a contemporary and friend of Jung Bahadur, describes how on 15 March 1853, a statue of the prime minister was inaugurated on the Tundikhel with a review of the army, much festivity and a grand show of fireworks.

So we know there was a golden statue of Jung Bahadur extant and that like the temple of the golden griffins it might have been found to clutter up the new *maidan* and was moved elsewhere. Where better than to the temple Jung Bahadur built? Later historians, however, describe the handsome figure variously as King Rajendra Bir

NepaLiterature

by MANJUSHREE THAPA

Scanning the audience at readings and literary events, counting the sales of novels or short story or poetry collections, hearing Kathmandu "intellectuals" admit that they haven't bought a literary book for years, it sometimes seems that the audience for contemporary Nepali literature consists largely of Nepali writers and poets themselves.

Too often, literary works recycle public opinion instead of offering the rare, unique insight that we turn to them for. Simply put, writers and poets don't seem to care much whether anyone is listening to them.

Bimal Nibha is one poet who intentionally reaches out to a living, breathing audience by understanding the everyday language of his readers and allowing them to understand his. In "Slipper", he speaks of the difficulty of living in dignity more than a decade after the establishment of democracy. He neither lectures to his readers nor purports to feel more deeply than they—a fatal flaw in much progressive writing. Instead he finds a voice that is natural but also deeply evocative, quiet, questioning and occasionally fanciful. What results is an expression of Nepal's present politics which is fresh and capable of surprising us with its artfulness.



Bimal Nibha and the reader

SLIPPER

Bimal Nibha

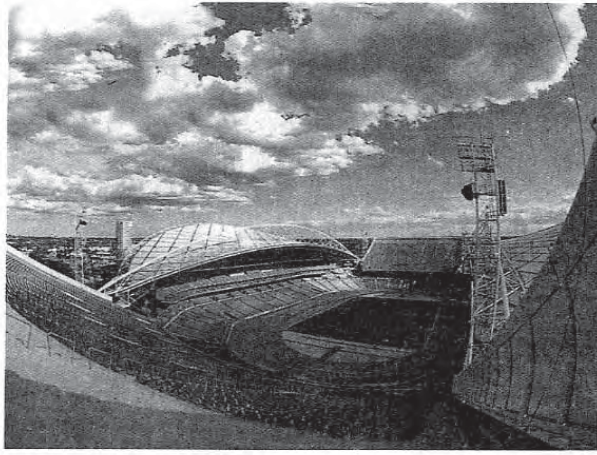
After many days I've
thought of Baburam
Bhattarai
I wonder where he might be as
I try to sew back
the broken strap of my slipper at
this hour
With this slipper on my foot I must
reach my place of work
at the office of the weekly
newspaper
(Today is Thursday, no less)
There's much I need to accomplish
I must finish a write-up
(locked away half-done in my
drawer)
I must hunt for fresh news
in the wilderness of politics
and comment on the increase
in the price of petroleum products
Concluding everything
with a forceful editorial
I must return home at evening time
where I'm being awaited impatiently
(A husband and father are being
awaited there)
Shoving a few of today's papers

and all my weariness into my bag
as I hurry home I know I'll cross
my fellow poets by the ancient Bodhi
tree
They'll ask-What's in the news, Mr.
Editor?
In response I'll say-Everything's fine
The parliament and daily power cuts
are moving on course in the-country
The Congress Party is inside the
government
The communist parties are standing
outside
Aggressive micro-organisms
are burgeoning everywhere in the
flow
The yellow frogs of monarchism are
croaking
The price of potatoes hoarded
in warehouses is doubling
And this morning the strap of my
slipper broke
Hearing my account my fellow poets
will propose-
Well, then, let's have a cup of tea
each!
But I won't want to have tea
as usual in the poet's corner
Today I'll be running late

(This is invariably so: the sun will
descend, night will fall)
because the strap on my slipper
snapped in the middle of the road
(It had gotten quite frayed with
use)
and I've suddenly recalled
Comrade Baburam Bhattarai
busy leading the People's War
I, dragging along in my broken
slippers
am wondering-as are many others
I'm an ordinary person
who writes the news who writes
poems
who drinks tea and rushes off
a worker who delights and weeps
with ardor and with effort
(Nothing exceptional about me)
Am I not also engaged in a
people's war, Comrade?

This poem was taken from
Mulyankan 58.
Nibha's poems are
also found in his
1984 collection
Aagonira Ubhieko
Maanchhe. ♦





Nepal not ready for Sydney

ALOK TUMBAHANGPHEY

After the unprecedented hullabaloo over the South Asian Federation (SAF) Games last year, it seemed competitive sports had a bright future in Nepal. The timing of the SAF Games was quite right since it could have provided just the required momentum for the Olympics due to start in September later this year. But, as things stand now, sports buffs will be dismayed to learn that little has been done in preparation for the Sydney meet.

The Nepal Olympic Committee (NOC) is still undecided about who is going to represent the country. This is because they have yet to choose the events Nepal is going to compete in. The International Olympic Committee (IOC) regulations require that each member country have a minimal participation in at least athletics and swimming.

Chitra Bahadur Gurung and Runa Pradhan are being trained

by coach Yubaraj Sunwar for the 50m freestyle while Gyan Bahadur Bohora and Devi Maya Panera are being prepared by coach Raviraj Karnikar for the 5000m and 200m races respectively. Because IOC regulations grant wild card entries in athletics and swimming to underprivileged countries like Nepal, these four will compete directly in the heats. NOC officials do not have a clue about what to do for the other events. The NOC had hoped similar allowances would be made for events such as judo, taekwondo, weightlifting and shooting. Olympic hopefuls are already in training. But the IOC has yet to rule on the matter and its decision will be known only around early August.

What ails Nepali sports is surely not enthusiasm or lack of talent but indifferent government policies. Take, for example, the Rs 100 million set aside for sports in this year's budget which set up a chorus of protest from the sports fratern-

ity. Coming in a year of the Olympics, it is indeed a blow to the sports sector which had been hoping for a more generous measure after the success of SAF. (For comparison, the sports and related budget for last year was Rs 280 million.)

Rukma S. Rana, the current President of the NOC, however, doesn't make much of the small budgetary allocation. "For a small country like ours we cannot afford 44 national games associations. Most of our budget is spent running them. Of course, we should be preparing for the Olympics and for that we need the full support of the governments. But at present we should be concentrating on Asia. Countries like ours should try to produce at least one super athlete. We should be aiming at quality more than quantity."

The enthusiasm of the Nepali sports fans didn't go unnoticed during the SAF Games. They are in for a shock if the current mess over participation is not sorted out soon. ♦



Win some, lose some

Despite occasional flashes of brilliance, it has now become routine for Nepal to be thrashed in international football tournaments.

Yet, Nepali football fans, long disenchanted with the national team, especially so after the big letdown in the football final of the SAF Games last year, when the much-fancied national team lost out to Bangladesh, may have something to look forward to.

The national under-16 team has made it to the quarterfinals of the 9th Asian Youth Football Championships to be held in Vietnam in September.

This is the first time ever that Nepal has advanced beyond the qualifying rounds of an international tournament.

The last game with Uzbekistan played at Dasrath Stadium on 14 June ended in a goalless draw, but Nepal went on to the quarterfinals because of goal difference. The energetic Nepali team had humiliated a somewhat breathless Maldivian team 7-0, and also clinched a well-deserved 5-3 victory against Turkmenistan.

The euphoria over this achievement soon soured, however, when news from Bangladesh reached home that the under-19 Nepali contingent had lost 7-0 to a much superior Iraqi team in the 32nd Asian U-19 Youth Football Championships qualifiers. The Nepali under-19s also went down 2-0 to Bangladesh and lost their chance to qualify. (Alok Tumbahangphey)

Chinese swimmer barred from Olympics

Lausanne - Wu Yanyan, the Chinese world record holder in the women's 200-metre individual medley, tested positive guilty for a banned substance and will not be allowed to compete at the Sydney Olympics, announced swimming's ruling body FINA last week.

The 22-year-old world champion from Perth 1998 was banned by FINA after it was determined she had taken the anabolic steroid norandrosterone.

The Chinese swimming federation had already suspended the swimmer, who faces a four-year ban from international competition as a first-time abuser of steroids.

Wu set her world record on October 17, 1997 with a time of 2 minutes 9.72 seconds. (dpa)

Italian TV caused Euro 2000 scuffle, court says

The Hague - A Dutch court ruled last week that an Italian television crew caused the scuffle which broke out between journalists and police ahead of the Euro 2000 final in Rotterdam.

Dutch Interior Minister Klaas de Vries said the magistrate determined that charges from Rome that Dutch police were guilty of assault and battery, extra use of force and unlawful imprisonment were unfounded.

A seven-member crew of the Italian state television channel Rai were detained on July 2 after reacting angrily to officers who prevented them from filming police carrying a group of disabled Italians from their wheelchairs to their seats inside De Kuip stadium.

"The reason for this incident rests first of all with the arrival of large group of disabled fans with tickets for seats which were not suited for the disabled," de Vries said.

He added that 50 seats were reserved for disabled fans, eight issued to Italy. Two days before the European championship final, Italy said some 150 disabled fans would be arriving to watch the match.

Italian media sources had said Mario Mattioli, one of Rai's leading sports reporters, was beaten and bleeding. Two more well-known reporters, Donatella Scarnati and Ignazio Scardina, were also detained until after the match.

Maurizio Scelli, one of the organisers who accompanied the group of 140 disabled Italians - 100 of which in wheelchairs, said the group was searched, stripped of its water bottles and carried up eight flights of steps.

De Vries said the stadium stewards and police acted properly and followed the rules at the football tournament. He said the journalists should have heeded the police request not to film their actions.

De Vries added however that one of the stewards was wrong in possessing a nightstick and using it against one of the journalists when he attacked a policeman. (dpa)

Bill to bar hooligans

London - On 14 July, the House of Commons backed emergency legislation to crack down on football hooliganism abroad, despite civil liberties concerns on all sides of parliament's lower house.

Although there remain several stages to go before the Football (Disorder) Bill becomes law, Home Secretary Jack Straw hopes to have the bill passed before the summer recess in two weeks.

Both the Conservative Party opposition and the Liberal Democrats want to see changes made in committee before the bill passes to the House of Lords, where strong reservations on civil liberties grounds are certain to be voiced.

Labour backbenchers are also concerned over the proposal to give police officers the power to stop suspected troublemakers from travelling abroad during key matches.

The bill is a direct response to the rioting by England fans in the Belgian town of Charleroi during the Euro 2000 championships last month. (dpa)

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Nepali Times
NEPAL'S TOP NEWSPAPER

New Gag Act?

The government has proposed a key change in the Press and Publications Act that will give government officials the power to close down publications.

The amendment, introduced by Minister of Information and Communication Jayaprakash Prasad Gupta, contains provisions that countries like Malaysia use to control the press. It seeks to fix the validity of a publication's registration at two years, and require newspapers to renew their license.

If it becomes law, the new regulation will grant the Chief District Officer (CDO) authority to renew registration and also to cancel the licences of publications that do not comply with the rules. The CDO would also have power to annul registrations if publications do not begin publishing within six months of receiving permission.

The government defends the proposed change saying publishers are squatting on registrations without publishing, and also argues that the law would enable proper and updated record-keeping.

But opposition legislator Raghu Pant sees a more sinister design: "The proposed law is draconian but comes masked as a general administrative requirement." The former journalist and CPN (UML) MP has registered amendments seeking to reduce the discretionary authority of the CDO, and to make renewals more flexible.

The Federation of Nepalese Journalists has stated that the proposed changes are objectionable, and that the provisions should instead allow new publications a year to begin publishing and only after five years of non publishing should a paper be considered dead.

Congress vs Congress

There is no sign of an end to the infighting in the Nepali Congress party. Internal squabbles within the ruling continue to paralyse the government. And that is likely to be the case until the party's 10th general convention in November.

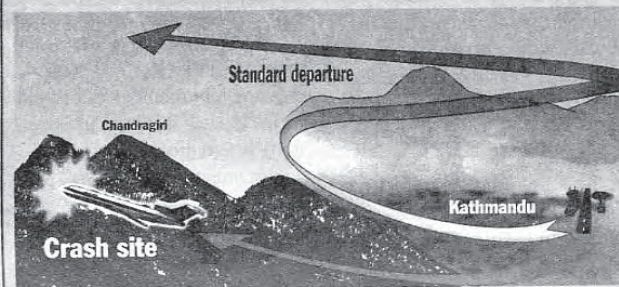
That meeting will elect a new party president and the race for leadership is hotting up. Sher Bahadur Deuba has more or less announced his candidacy against Prime Minister Girija Prasad Koirala, who is also the party president. In March, Koirala had prevailed over Deuba in the race for prime ministership, but Congress sources say that Deuba is likely to consolidate his position as the convention approaches. The last time Koirala was challenged for the post of party president, his only opponent, Chiranjibi Wagle, had secured 18 percent of the votes.

Deuba has the overwhelming support of repre-

sentatives from his region, far-west Nepal, but his mentor, former prime minister Krishna Prasad Bhattarai, has never been a great organiser or a vote-getter. Critical thus would be the support of another key Congress leader from mid-west Nepal, Khum Bahadur Khadka, now a senior minister in Koirala's cabinet. The only problem is that Khadka, along with Deputy Prime Minister Ram Chandra Paudel, is a candidate-in-waiting should Koirala decide not to contest.

Pilots, radar control blamed

The commission investigating last year's Lufthansa accident



has concluded that a series of human errors led to the crash. The Boeing 727, carrying carpets being exported to Germany, slammed onto the Chandragiri range less than three minutes after taking off, killing all five people on board.

The report blames both the aircraft pilots and Tribhuvan International Airport's Air Traffic Control (ATC) for the crash. The commission, consisting of senior legal and aviation officials from Nepal, India and Germany, said the pilots strayed off-course soon after departure. And the air traffic controllers at the radar, who should have warned the pilots, failed to do so.

Narendra Man Shrestha, a senior Nepali government lawyer who headed the commission, said there was simply no one around at the radar screens to warn the pilots. "The shifts were being changed at the time," Shrestha said.

The investigation revealed that the plane was unable to gain height, possibly because of a steeper-than-usual right bank after takeoff, and pilots were busy trying to get the airspeed up after the ground proximity warning came on the cockpit. Eleven seconds later, the plane hit the mountain at 7,235 ft while falling at 250 ft per minute on a 34-degree right-bank turn. The accident was technically a "controlled flight into terrain".

Aviation experts say that although the death toll in the accident was low, the disaster has important lessons for other regular airline flights out of Kathmandu with full passenger loads. "We have to learn to prevent more serious accidents in future," said one Nepali aviation expert. "And the key question here is why were the controllers at the radar not able to warn the pilots that they were straying beyond four miles.

The investigation

also concluded as much: "No advisory alert was given by the Approach Controller to the crew when the aircraft deviated from the standard departure."

Reason for cheer

After the 100 percent or more pension hike announced by the British Government in December 1999, the Gurkhas have yet another reason to celebrate. This time it is an increase of 11.9 percent in their retirement, service and disability pensions, and resettlement grant which will take effect from 1 April 2000.

The new increase was recommended by an indepen-

dent team from the United Kingdom that visited Nepal earlier this year. "The visiting team alone was responsible for this increase," said a British Embassy statement. "This award would be revised annually in line with the cost of living increase in Nepal."

This is in keeping with the December announcement, which said that "...Gurkha pensions and gratuities will continue to be reviewed in the normal way and will benefit from cost of living increases each year."

Under the new arrangements, pensioners below the rank of corporal will receive Rs 7881 per month, while Gurkha majors, the highest rank Gurkhas can reach, will get Rs 26,421.

The two substantial increases in pensions still fail to meet the demands made by former Gurkhas in Nepal. For the past five years, organisations representing ex-Gurkhas have been campaigning for, besides other benefits, parity in pension with their British counterparts. The December 1999 statement had flatly stated that the British Gurkha pension "was not subject to further negotiation."

The only concession so far on the question of equal benefits came in May 1999 when the British government announced equal death-in-service gratuities for Gurkha soldiers and their British counterparts. This came about after intense public pressure in the UK following reports in the British press that the widow of Sergeant Baram Rai, a Gurkha soldier who died on duty in Kosovo, would receive a pittance compared to what the wife of a British soldier of the same rank would get. ♦



FILM REVIEW

Dreams don't die, they keep killing

REFUGEE (Directed by J.P. Dutta)—Hindi-Urdu love story set among opposing sides of Indo-Pakistan border. First film of Abhishek Bachchan, son of Amitabh Bachchan, and Kareena Kapoor, from the first family of Hindi filmdom. Just released. Beautiful landscape, a bit of action and a lot of sentimental nonsense. Rating: ***

Bihari Muslims, who chose to opt for East Pakistan at the time of Partition and later for Pakistan during the Bangladesh liberation war, are cursed to remain refugees forever. Confined to shanties of Dhaka, they remain rejected by Bangladesh and disowned by Pakistan.

Some of those 'Biharis', especially those who can afford it, buy their way into what they believe is their country. They travel overland through the breadth of India and sneak into Pakistan, aided and abetted by human traffickers operating on one of the most closely guarded international borders of the world. The film *Refugee* starts with the dreams of one such family of Biharis making their way across the Rann of Kutch.

The beginning is unusually good—surrealistic landscapes, controlled emotions of characters, and dialogues like bullet points. The film hooks viewers with its first few scenes. But even the best of Hindi film directors seem incapable of holding back. And he end up creating a farce. In comes an officer of the Pakistani Rangers from nowhere, to complete a love triangle. Poor Sunil Shetty, even he cannot save this weak character.

If there are the Rangers, can the Indian Border Security Force be far behind? Apparently, not. In the atmosphere of post-Kargil pop-patriotism, every Indian celluloid hero seems bent on adding his bit to the macho image of the defence forces. Jackie Shroff is there to portray an officer on the look out for those smuggling in explosives from the country that India wants to be declared a terrorist state. There is very little that poor Jackie could do with such a role.

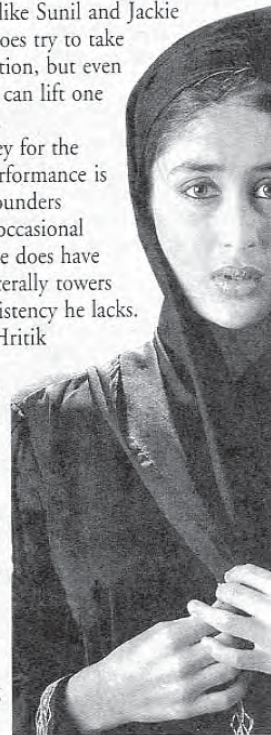
Refugee was to launch Abhishek to stardom,

with established stars like Sunil and Jackie as mere props. Abhi does try to take advantage of the situation, but even the strongest of props can lift one only to a certain level.

It's a lonely journey for the would-be star. His performance is strong enough. He flounders repeatedly, although occasional flashes can be seen. He does have screen presence (he literally towers over it), but it is consistency he lacks. For now, sleep easy, Hritik Roshan.

The pleasant little surprise of the film is damsel in distress Kareena—daughter of 60s screen splash Babita and successful buffoon Randheer Kapoor, and sister of Karishma. She has it all—oodles of oomph, bundles of fuel inside and raging fire outside. Chiseled figure, expressive eyes, controlled emotions, modulated dialogue—she excels on all counts. Except in the last scene, when she is made to deliver a baby in the international no-man's-land between India and Pakistan. But then, it's not her fault—the real culprits are the screenwriter and the director.

For Hindi film buffs, *Refugee* is worth a go. It's entertaining, and being entertaining means, in the case of Hindi movies, taking leave of your senses and immersing yourself in the make-believe world of the silver screen. A warning: if you want the breath-taking scenes and heart-stopping sound to overpower you, you have to make the effort to go to the cinema halls—they look pretty limp on the small screen. ♦



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ABOUT TOWN

Films

- ❖ **Foreign**
Next Friday. Kathmandu Mini Vision (226169/253140, ext 512)
Titanic. Jai Nepal (411014).
 Evenings only.
Thuong ngho dong que—Longing for the Country. A film by Dand Nhat Minh, Vietnam (1996). 6 pm, 22 July, Russian Cultural Centre, Kamalpokhari. Rs 100 for foreigners and Rs 50 for Nepalis.
- ❖ **Nepali**
Jindagani. Bishwo Jyoti (221837)
Nata Ragatko. Heera Ratna, Ranjana (221191)
- ❖ **Hindi**
Bicchoo. Jai Nepal (411014), Manakamana (225284)
Jungle. Guna (520668), (Tara 476092, 491703)
Kya Kehna. Krishna (470090)
Pukar. Nava Durga (610760)
Pyar Kohi Khel Nahin. Kumari (414932)
Refugee. Guna (520668), Gopi (470090)

Health/Meditation/Retreats

- ❖ **Ayurvedic Counseling** on digestive problems, mental depression, loss of memory, back pain, and diabetes mellitus by Dr. Shivmangal Prasad at the Gorkha Ayurvedic Sales Counter at the Feed N Read Restaurant located in the garden of Pilgrims Book House, Thamel. Tel: 424942.
- ❖ **Meditation Class.** Every Saturday, 6:30 - 7:30 pm, Pilgrims Book House, 2nd Floor. Free Classes.

Music

- ❖ **Live Jazz** by Cadenza at Upstairs, Lazimpat. Every Saturday 7:30 - 10:00 pm.
- ❖ **Classical Sitar Concert.** Every Sunday, Tuesday, & Friday, 7:00 - 8:30 pm, Rs.300 per show. Tickets and Venue at Pilgrims Book House, 2nd floor. Tel: 425919

Exhibitions

- ❖ **The Confluence of Times 2000.** An exhibition of paintings by Uttam Nepali and Kiran Manandhar. 16-27 July, everyday from 10:00 am to 7:00 pm at Nepal Association of Fine Arts (NAFA) art gallery, Balmandir Naxal.
- ❖ An exhibition of figurative paintings by Ms. Erina Tamrakar at Radisson Gallery, Radisson Hotel. Open 24 hours. Tel: 411818.

Holiday Makers

- ❖ **Wet and Wild Summer:** Central Godavari Resort offers a package every Saturday that includes swimming with buffet lunch and a bottle of beer/soft drink. Tel: 560675
- ❖ **Swimming Camp for Kids:** At Hotel de l'Annapurna. Coach available between 10-11 am and 4-5 pm.

For inclusion in the listing send information to editors@nepalitimes.com

SALIL SUBEDI

The scene: a narrow Kathmandu street, a bunch of boys are poised to strike a pile of stones stacked one atop the other. A swift, powerful throw of a ball aimed at sends the stones flying in all directions and the game of Seven Stones begins.

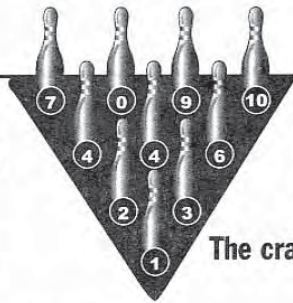
Fast forward to the year 2000: fluorescent backdrops, coloured pins, shiny synthetic floors, digital screens flashing instant scores and state-of-the-art fully automatic equipment - bowling in Nepal has sure come a long way since medieval Kathmandu.

Not since the snooker craze hit Kathmandu Valley some five years ago has there been a fad that is spreading as fast. Bowling has come to Kathmandu, and is giving the city's entertainment-starved citizens a new pastime.

The Pharaohs played it, Sir Walter Raleigh waited till he knocked off the last pin before rushing off to battle the Armada. Now, Nepalis have their turn.

The game is simple: take a round ball, roll it down a long narrow lane and see how many pins you can knock down. That is the basic rule. Technically, the sizes of the balls vary from 8 pounds to 16 pounds. The lane is 60 feet long and 42 inches wide. And there are 10 pins.

There are 20 balls and 10 frames in a game. Two chances for knocking all the pins down is called one frame. (In Kathmandu, the game costs between Rs 200 and 500



Bowled over by Kathmandu

The craze among Valley residents for throwing balls around gave us snooker. Now its bowling.

for an hour.)

It is not as easy as it looks. The challenge is to use your concentration, dexterity, patience and then hope for the best. "It's energetic. The anticipation as the ball hurtles down the lane towards the pins is excruciating," says Pasang Lama, 22, a regular at Super Bowl, the first bowling centre in Kathmandu.

Super Bowl is located in Baudha just to the left before the stupa entrance. There are other bowling alleys in Kathmandu. Walk inside the Fun World at the Soaltee Holiday Inn Crowne Plaza anytime, any day. Or take a short ride to Hotel Shehenshah in Dhapasi.

"Chances are likely that within the next two years, Kathmandu will see more than ten new bowling centres," says Tsering Nepali, manager of Super Bowl.

Financially, Kathmandu's bowling revolution is on a

higher plane than the snooker fad. While a couple of lakhs would buy you a snooker parlour, a single lane in a bowling alley costs anything up to US\$ 32,000.

Says a staffer at Fun World: "So far the crowd are well-to-do. But anyone able to pay for billiards or pool can easily afford bowling as well." But so far Kathmandu's billiard and pool aficionados seem to be oblivious of this alternative pastime.

The newly opened 8-lane bowling alley at the Soaltee has a delightful atmosphere. Indian tourist Sameer Singh is waiting impatiently for the automatic pin-setters to start.

"I am very happy that I am not going to miss my bowling while in Kathmandu. It is a very good alternative for those who are tired of visiting the casinos," he says.

Established in 1999, Super Bowl organised Nepal's first Open Bowling Tournament in March. It will be hosting another tournament soon, and



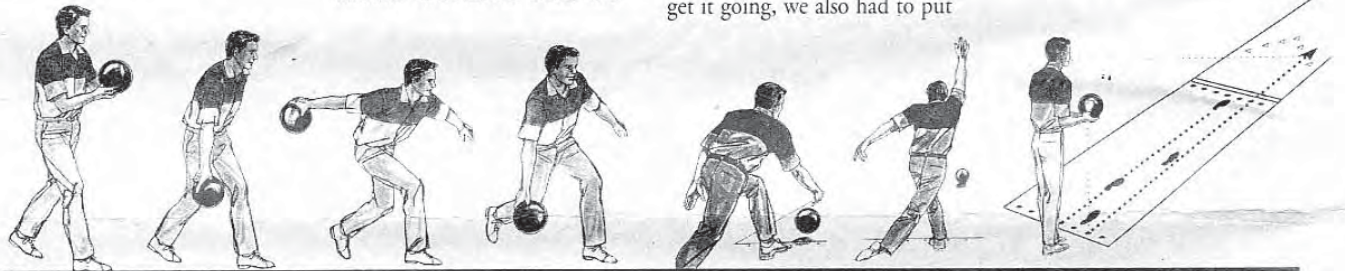
Super Bowl's high-tec interior with electronic score display

winners will go to the SAARC Bowling Tournament to be held in Delhi later this year and the 36th International Bowling Tournament to be held in Brussels.

"We want to make bowling public. The response from the people has been very good, the way it has to be," says Nawang Sherpa, supervisor of Super Bowl. "We did introduce bowling in Nepal but then to get it going, we also had to put

in a lot of effort in teaching people how to play. It is going to be easier for newer bowling centres." ♦

Super Bowl (2-lane)
 Tel 496575, 497312
 Shehenshah (4-lane)
 Tel 355487, 353411
 Fun World (8-lane)
 Tel 271011



HAPPENINGS



Deputy prime minister Ram C. Poudel presents the Toyota Environment Award to Bagmati activist Huta Ram Baidya. Looking on are Japanese ambassador Kojima Mitsuaki, Himalayan Bank chairman Himalaya S. Rana and Gajananda Vaidya of Toyota Nepal.



Radisson Hotel chairman, G.D. Shrestha chats with journalists Ram Pradhan of MSI, Mana Ranjan Josse of Peoples' Review and Devendra Gautam of Naya Current at a party organised to thank its corporate clients for their support.

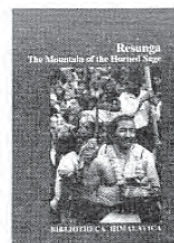


The panel of judges and sponsors of the Miss Nepal contest with the winner, Usha Khadki.

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Resunga: The Mountain of the Horned Sage edited by Philippe Ramirez (2000, pp. x+304)

Everything you wanted to know about the two central Nepal districts of Gulmi and Arghakhanchi. This book is history, geography, ethnography and cultural studies all rolled into one. The result of a nine-year-long research by a team of French social scientists—perhaps the first study of its kind in Nepal.

A Bibliotheca Himalayica book

Tourism as Development: Case Studies from the Himalaya edited by Pitamber Sharma (2000, pp. xiii+179) Rs 275/-

Ever wondered why Pokhara's Phewa Lake area has become such an eyesore? Or, how the opening of Upper Mustang has benefitted the locals there? This book has the answers, and more, as it looks at three other tourist destinations in the Himalaya and highlights the essential interrelationship between tourism and local progress.



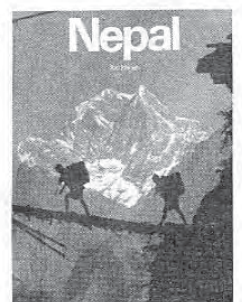
Rs 1945/- (hardback)

Faces of Nepal by Jan Salter and Harka Gurung (1999, pp. vi+99)

The second and completely revised edition of this acclaimed picture book-cum-ethnography study by a British artist and a Nepali scholar. The new edition deals with three additional population groups and comes with more colour plates and sketches, and an additional linguistic map of Nepal.

Toni Hagen's **Nepal: The Kingdom in the Himalaya** revised and updated with Deepak Thapa (1999, pp. xviii+251) Rs 3800/- (hardback)

When Toni Hagen first set foot in Nepal in 1950, he came as a development expert. Over the nine years that he walked 14,000 km across the length and breadth of Nepal, conducting its first reconnaissance survey, he grew to become a valued friend of the country. This is the original book that introduced Nepal, both to Nepalis and outsiders. This fourth edition of this classic includes the original reports and photographs even as it brings the reader up-to-date with the changes Hagen has seen over the course of a half-century.



OFF THE BEATEN TREK

by PADAM GHALEY



I am indeed in a dilemma. How can I write about a beautiful, isolated, out-of-the-way place? I fear that thousands of tourists will swarm up there and spoil it. Remember the idyllic island in the Andaman Sea where Leonardo di Caprio played in *The Beach*. Once it became famous, it sucked in hordes of backpackers and the lagoon lost its virginity. Or, I could follow Eric Valli's example. Long

before he became famous for *Caravan*, Valli wrote a book called *Tsangbou*. In the preface, he says the name of the place was fictitious, and he gave no clue as to where it actually was: all you could tell was that it was in Nepal and inhabited by a Tibeto-Burman people.

But, no, I will tell you about Panch Pokhari, although I am worried that you will grab your gear and head out the door as soon as you finish reading this. I have to share with you its beauty, and I can only hope that the difficulty of getting there will protect it. If there is one place that is in the line-of-sight of my house in Patan and totally remote, this is it.

You start early morning at the northeastern end of the valley at Sundarijal, and make the climb up to Pati Bhanjyang, keeping the oak-covered ridges of Shivapuri on your left. You cross the Melamchi at Talarang and follow it for the whole day until you come up to the monastery town of Tarkeghyang. By now the entire vista to the north has transformed itself: the crags of the Gosainkunda Lekh are so close you feel like you can touch them.

You avoid the trail that takes you up to Ganja La towards Langtang Valley, and take the right fork down to the Larke Khola to Yangri. Thick pine and rhododendron all the way, and a steep ascent of one and a half days will finally take you to your destination--Panch Pokhari, the five divine jewels of Jugul Himal. You feel holy enough to take a dip in the freezing waters.

Up here at 4,100 metres, the air is thin and crisp, and at your feet to the southwest is the haze-shrouded Kathmandu Valley. On a moonlit night Dorje Lakpa glows with an inner radiance above you, and you can sense the peak as you would

sense the presence of a god. Phurbi Ghyachu looks like an albino bat about to take flight. Far off on the eastern horizon, I spot Gauri's shoulder of Gauri Shankhar.

You can continue on north from here and trek up behind Gang Chenpo to cross Tilman Pass into Langtang Valley, but this is a difficult glacier traverse and only for those fit and well-equipped.

The walk down from Panch Pokhari towards Chautara is one of the most spectacular ridge walks in Nepal. Danfes flap and glide parallel to the slopes, and in this vertical world you feel like soaring yourself. Further down, the rhododendron jungles are so thick you have to part the branches to find the path. And then it suddenly it hits you: ever since you left Tarkeghyang, you haven't seen a single trekker.

Still walking along the ridge, under the omnipresent gaze of Dorje Lakpa and Phurbi Ghyachu, you camp at Hile Bhanjyang. Here the first yak herders come into view. You have reached the outer boundary of Langtang. ♦

NEPALI WEATHER



Monsoon progress across the subcontinent has been strong. A large low pressure buildup over the Bay of Bengal will close in on Eastern Nepal by July 24, bringing a fresh pulse of heavy rain. Cloudbursts over Western Nepal last week brought flooding across the western tarai, making it the second time this season that the west has been deluged. In the rest of the midhills, this year's monsoons have been characterised by localised showers with occasional bursts of rain, but nothing sustained.

Kathmandu will remain humid during the day with temperatures 30-32°C and night temperatures dipping to 19-21°C. Pokhara will continue its hot and humid spell at least till July 26, with maximum 33-35°C and minimum 23-25°C. High mountain towns like Namche Bazar will continue to have heavy afternoon showers with maximum of 20°C and minimum 13°C.

YOUR WEEK

by KARUNA MAYA

<p>ARIES 21 March-19 April</p> <p>Listen to family members. Loved ones may wish to clarify recent comments or suggestions. Romantic proposals may be quite intense. Remain open to positive displays of admiration and loyalty. Stay focused on subtle emotions.</p>	<p>LEO 23 July-22 August</p> <p>Expect a renewed interest in romantic liaisons. You find that current happenings in life are not over but may begin to gain momentum. Other personal issues will keep you busy, but expect to get back to a normal work day soon.</p>	<p>SAGITTARIUS 22 Nov-21 Dec</p> <p>Romantic gestures or mild flirtations may now be easily misinterpreted. Expect long-term friends or fellow workers to appear overly familiar or boldly affectionate temporarily. Communications are difficult this week.</p>
<p>TAURUS 20 April-20 May</p> <p>Watch for past transgressions. Brief phase of business confusion will dramatically change your opinion on employment potential and career ambition. Lifestyle decisions or social gatherings may be a key concern. Defend your boundaries.</p>	<p>VIRGO 23 August-22 Sept</p> <p>Outdated business practices and traditional roles will now steadily change. Watch for previously reluctant colleagues to put new policies into action. Don't be surprised by how quickly daily procedures have altered. Past romantic overtures may recur.</p>	<p>CAPRICORN 22 Dec-19 Jan</p> <p>Mental and physical clarity are now on the rise. Monday morning chronic health conditions may improve. Sluggish energy and social disinterest are bound to end. A quick-moving social introduction may also lead to romance.</p>
<p>GEMINI 21 May-21 June</p> <p>Over the next few days loved ones may feel isolated and may demand extra attention. Plan special outdoor activities. Monday through Wednesday romance will be in the air. New ventures may materialise, but move quickly.</p>	<p>LIBRA 23 Sept-23 Oct</p> <p>New social invitations may now be controversial. Expect past differences or interpersonal disputes on finances, promises or domestic arrangements to become problematic. Expect loved ones to be easily upset by small details and delayed expectations.</p>	<p>AQUARIUS 20 Jan-18 Feb</p> <p>A week of energetic change. With a right attitude the changes can very well be for the better. Listen to messages that your dreams are sending you, as they relate closely on your problems and their solutions.</p>
<p>CANCER 22 June-22 July</p> <p>Minor health concerns may be annoying early next week. Get extra rest, if possible. Business colleagues or older friends may now wish to become further involved in your life. Avoid appearing overly optimistic. Close relations may demand special attention and careful timing.</p>	<p>SCORPIO 24 Oct-21 Nov</p> <p>Budgets, financial projects or short-term work proposals will demand special attention. Older relatives or long trusted business colleagues may now admit to surprising mistakes or omissions. Don't be derailed.</p>	<p>PISCES 19 Feb-20 March</p> <p>Your workplace ambition and ability to organise new projects will provide solid rewards. Watch for key officials to search out your expertise and guidance concerning projects, delicate negotiations or team assignments. Share opinions.</p>

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Funny Side Up

by Kunda Dixit

By now we have tried just about everything to stop corruption. First we passed laws against it. That didn't work. We tried sending officials on governance junkets to Singapore, they just came back with electronic consumer items and bribed their way through customs. We doubled their salaries and started five-day weeks so they could moonshine on weekends, but the hanky-panky got worse.

Let's legalise corruption

There is some hope that the Human Genome Project, which has sequenced our chromosomes, will now be able to pinpoint the exact genes for greed. People who are genetically susceptible to pilfering public funds can be detected well in advance if their DNA have versions of the gene responsible for secreting the hormone, corruption-enhancing-receptor-protein (CERP). And if they do, they can be debarred from holding public office.

By splicing the gene for the Madagascar tree hornet (known for its selfless devotion to the welfare of the hive) into the human sequence responsible for CERP, you can actually craft a transgenic, honest human being.

But what do we do while waiting for scientists to develop genetically-modified Nepalis to sit for the Public Service Commission examination? This is the burning question facing the nation today.

There are three industries that show major growth as a country gets poorer: the tobacco industry, the distilleries and the pharmaceutical walla's. Some would even argue that people get poorer because those industries prosper. In any case, since government pays for development by taxing vice, there must be a way to levy a surcharge on graft and bribes.

But first we must legalise corruption. And when we do, every time someone from the Ministry of Poultry and Livestock pilfers from the coffers, or a tycoon passes out a hefty baksheesh they will be slapped 10 percent VAT on the spot. Corruption can then actually contribute to Nepal's GNP. International

investors keen to start joint ventures in Nepal can be given a one-year tax holiday on all bribes they have to pay to lubricate their way through the labyrinths of officialdom. Foreign diplomatic missions and international agencies, will of course have duty-free status, since their presence in our country is governed by the Geneva Protocol.

Legitimising corruption will have other multifarious advantages: there will be no need anymore for frequent seminars and workshops on "Accountability, Integrity and Governance in the Context of the Civil Service." Donors will no longer have to devote a large chunk of their budgets for projects like "The Enabling State", and precious resources will be freed for drinking water schemes.

Because corruption will have been legalised, all transactions will be transparent and above board. By being able to fund development through the Graft Surcharge we can have another round of salary hikes for the civil service. Integrity will then be contagious and unleash the forces of development so that Nepal can achieve the *Asiyali Mapdanda* by December 2000. ♦



CHROMOSOME 5

NEPALI SOCIETY



Portrait of an artist

paintings of Nepali women reflect her concerns about girls being sold to India. "I wish to highlight the issue through my paintings," says Jan, who stayed throughout the exhibition, guiding and explaining the issues to visitors.

The other cause that Jan has taken to heart is the plight of Kathmandu's street dogs. She has campaigned strongly to stop the municipality's poison campaign to get rid of dogs, and favours care and support for the stray animals. No wonder, Jan's home is full of cats and dogs that she has rescued from Kathmandu's the streets over the years.

Jan is one of the rare artists who can capture the humanity, compassion and tolerance that shine on Nepali faces. It is perhaps her understanding of these very characteristics that come through so well in her paintings that she doesn't sell them. She says they are part of Nepal's heritage and that they should not leave the country. Her wish is to donate these paintings to a Nepali institution which will put them up for permanent display. ♦

The British painter has made Nepal her home for the past 20 years, drawing Nepali faces. A collection of these paintings and drawings came out in the book, *Faces of Nepal*, which has gone into a second edition. Recently, Jan put up an exhibition of her "Faces of Nepal" series of paintings along with another called "All Our Daughters".

The latter represents her departure from being a pure artist to an activist. And the exquisitely fine

	In NPR	Dal-Lentil 1 kg	Bhat-Rice 1 kg	Petrol 1 Litre	Diesel 1 Litre	Kerosene 1 Litre	Electricity 1 Unit
Bangladesh		0.78	0.39	0.43	0.23	0.39	0.04
Bhutan		0.65	0.31	0.56	0.33	0.18	0.02
India		0.67	0.38	0.59	0.29	0.14	0.06
Nepal		0.68	0.40	0.57	0.34	0.18	0.08
Pakistan		0.44	0.45	0.54	0.24	0.13	0.04
Maldives		0.25	0.28	0.40	0.30	0.42	0.21
Sri Lanka		0.76	0.38	0.63	0.25	0.20	0.03

All prices are in US dollars, collected from informal sources, and are only indicative. BDT1:\$51; BTN1:\$44.65; INR1:\$44.65; MLR1:\$11.82; NPR1:70.75; PKR1:\$55.15; SLR 1:\$78.75

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