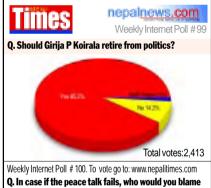
**Rs 25** #159 22 - 28 August 2003 16 pages

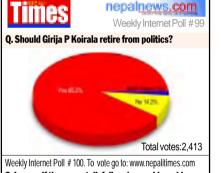
## **West Seti off**

Nepal's first-ever project designed specifically to export hydropower has been abandoned by its Australian promoter, Snowy Mountain Engineering Corp (SMEC), after seven years of fruitless negotiations with India. "The chapter is closed, the Australians have withdrawn," SMEC's local agent, Himalaya Pande, told us. The \$2 billion dam on the West Seti River in far-western Nepal would have sold 750 MW of energy to the powerhungry north Indian grid.

The disclosure came as Nepali and Indian officials met in Kathmandu this week to discuss an agreement to export surplus power from Nepal to India. So far, the two countries have exchanged electricity where needed. The state-run Indian Power Trading Corporation and the Nepal Electricity Authority are negotiating to buy Nepal's 80 MW of surplus power in the wet season.

But there is haggling over tariff: the Indians are offering Rs 2.4 per unit, while NEA wants more. Nepal and India have been paying Rs 4 per unit for electricity they currently exchange along the border. If all goes well, the two countries will build a 132KVa transmission line from Butwal to Anandinagar in India.







# Children are declared a zone of peace.

#### **NARESH NEWAR**

hildren bear the brunt of war, but they don't even figure in peace talks. Worried about the neglect shown by the government and the Maoists to the plight of children in conflict, more than 24 child rights groups in Nepal have united for their protection and welfare.

Children as Zones of Peace National Coalition will lobby to restore Nepali children their basic rights, and work on immediate rescue, relief, protection and rehabilitation of children most affected. Groups such as CARE Nepal, Save the Children, UNICEF, Maiti Nepal, INSEC, HURON, CWIN, PLAN Nepal are part of the coalition. The International Committee of the Red Cross and the National Human Rights Commission are included as observers.

"We will lobby with the government and the Maoist leaders to sign an accord and incorporate child protection into the code of conduct. We want a joint statemer that guarantees our children will be kept out of conflict," Gauri Pradhan of Child Workers in Nepal (CWIN), told us.

Of the 226 children killed in the conflict since 1996, more than half were under 15. According to the rights group, INSEC, the Maoists were respon 75 killed while security forces kil the third round of peace talks i Nepalganj this week, neither si thought it important to regret, or even mention this fact.

It is unique
 It is backed by best securities and world

"It is really distressing that cl figure nowhere in the peace talks much more suffering do Nepali c have to undergo before the gover the Maoists acknowledge their p Sharad Sharma of the group, Chi Development Society. Children forcibly recruited, abducted, arre displaced. Many hundreds have b



#### WELCOME

Most famous Barbecue Dinner in Kathmandu Valley at our Illuminated Courtyard and Garden

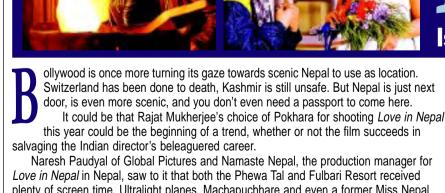
For Vegetarians

Special Sish Kebabs and many more.

Tel: 4 375 280 pvh@wlink.com.np

For Reservation: 5521810





Naresh Paudyal of Global Pictures and Namaste Nepal, the production manager for Love in Nepal in Nepal, saw to it that both the Phewa Tal and Fulbari Resort received plenty of screen time. Ultralight planes, Machapuchhare and even a former Miss Nepal make appearances. Jharana Bajracharya (pic above, holding bouquet) has a bit part as massage girl and also has an "item song" to her credit—the time-honoured way of getting a foot into the Bollywood door.

While her song is already playing on Indian music channels, Jharana wasn't invited to Delhi to promote the movie along with the headliners Sonu Nigam, Fllora Saini, Sweta Keswani and Rajpal Yadav. Mukherjee is promoting his creation as "a mazedaar film", with humour as its baseline and action sequences and thrills thrown in.

The script meanders through a love-hate scenario between two advertising profession-

Is Bollywood redis

als, Nigam and Saini (pic together Mukherjee says he is on differer certainly not something that I ha action-humour generesque films perhaps that's what the Bollywoo

For Nigam, Love in Nepal wi Anokhi Kahani and Kaash... Aap Nepal is a new-age film. My lool Mukherjee," says Nigam. He doe acting. "What does a journalist k analytical reports. In fact, they en

We will watch the fight to th office, we hope our neighbours f boost. Perhaps Nepal Tourism Bo Love in Nepal leaves off. ♦ Love in Nepal is slated for a Se it the government and the xtent each side is willing ectations accordingly. hat have been presently listic our hopes will be. The possibility of winning their esilience of the state as well t they needed was a gesture e to convince their battle-

aking departure is y the legislative process t in turn makes it y think of them, it is the enting the Nepali people

, Kamal Thapa and Prakash the monarchy and army. But they could not respond factors even more an unrepresentative the exercise nt assembly is a good and d in the 1950s, then came du Spring of 1990. The main ecided then to draft a ssembly. In those heady

assembly as demanded by tement made by the revising the constitution a democratic system, ne 1990 constitution is a n the polity over the last ed the stricture which keeps er civilian control, but which

ent, should the larger

nainly because the

itic, when those

racy (the two

f, and when, the Maoist insurgency peters out, Purandara in Dang will probably develop as an attractive destination for domestic tourism. In course of time, Shivaram Khatri's house at the centre of Hapure village may even evolve into a guesthouse that is a tourist attraction in its own right. 'Here is where the Abortive Third Round of Peace Talks Were Held', a brass plaque on the wall may say. The bed-and-breakfast Failed Negotiations Pension at Purandhara will serve kheer, made with rich milk straight from the udders of local water buffaloes.

The Dang excursion was a symbolic sideshow. Everyone knew the talks weren't going anywhere even before the negotiators helicoptered off. There was nothing in the position paper of the government that could open the door for a face-saving entry of the insurgents into the national mainstream. In the entire exasperatinglylong document there is nothing about curtailing the role of the monarchy, and the name of Royal Nepali Army doesn't even get a mention. Did the government think that the Maoist leadership was so eager to surrender that it would unilaterally offer to disarm?

It's clear that the government is in no mood to resolve the Maoist insurgency. It has no reason to do so. No sooner is the rebellion over, Messers Thapa, Lohani and their company of former Panchas will be out on the streets, desperately looking for roles. The military isn't in any tearing hurry to usher peace either. The day negotiators and facilitators were helicoptering around, C-in-C Pyar Jung Thapa was busy confabulating with his Division Commanders and fellow generals in Kathmandu. Gen Thapa believes that it is the army's arm-twisting that has brought the Maoists to the negotiating table. This smugness is understandable, the longer the insurgency lasts, the more his organisation is ensured centrality in the public life.

On the other side in Libang, the rebels were equally unconcerned about the outcome of talks in Dang. No Maoist insurgent anywhere wishes for peace, otherwise why would they go for armed struggle? It would be futile to expect Nepali Maobadis to be any different.

Elaborating on Sun Zi, Mao Zedong wrote: "The enemy advances, we retreat; the enemy camps, we harass; the enemy fires we attack; the enemy retreats, we pursue." To that proposition, Maoist commander Nanda Kishore Pun could probably add with some justifiable pride, "The enemy begins diplomatic offensive, we carry out a media blitz; the enemy invites foreign intervention, we unleash civil society; the enemy holds talks, we let loose elite intellectuals." Let's face it, Maoists have outsmarted the establishment on all fronts. And perhaps it will be the resulting hubris that will be their

After all, guns may help get instant attention, but it can't confer legitimacy. As even Mao found out in the end, coercive

power play inevitably breeds sabotage and internecine purges. The rise of Gang of Four and the resulting backlash decimated Maoism from within, it wasn't anything brilliant that the reactionaries did. If politics isn't allowed to assert its centrality, the Maoist leadership will not be able to contain the demon of warlordism in their ranks for long.

An ambitious military is seldom an asset for any regime. Baburam Bhattarai's allegation that Royal Nepali Army is in the process of transforming itself into Royal American Army is knee-jerk rhetoric, but foreign advisers aren't desirable anywhere.

Popular Nepali poet Bhupi Sherchan writes that we Nepalis are said to be brave precisely because we all are so naive. Mainstream political parties are the only representatives of peace, not for any altruistic reason, but because their very existence depends on a return to peace. As long as the peoples' representatives don't get a say, enduring peace will continue to

By incessantly running down political parties for their sins of omissions and commissions—of which there has been many over last 12 years—our 'opinionmakers' unwittingly end up propagating the case for the continuity of conflict. As Baburam Bhattarai admitted in another rhetorical flourish: if the Maoists are guilty for the excesses of the last seven years, the monarchy too must own to up its past 234 years of injustice.

After the declaration of a state of emergency and mobilisation of the army, the Maoists 40-point list of demands receded into the background. Now their cadre are unlikely to settle for anything less than the capture of the state, something that's not likely in the present geopolitical environment. Perhaps only a reassertion of the people's sovereignty can bring about reconciliation between the

forces of the extreme right and the leftist ultras. For that to happen, the 18-point demand of the agitating parliamentary parties has also become the national agenda of progressive change. The sooner we all realise that, the better for all of us. Competitive politics may be inherently dirty, but other extreme options are far more dangerous.

r s there finally a golden sunrise in the land of the Buddha? Has the veteran prime minister pulled out yet another rabbit out of his hat? The government has gone

further than most previous governments to present a political proposal to the Maoists that is more inclusive and representational, suggesting a path for farreaching future reforms. The only problem was that it came from a nonelected government, and had to be rejected by the political parties who were. And it didn't go far enough to meet the Maoists' own demands.

Given the current state of the state, let's not dismiss the proposal outright. It does cover a wide range of desirable reforms with strong implica-tions. Even the initial disappointment expressed by the Maoists and the political parties is partly justified since it omits a set of crucial points all related to the royal duties, powers, privileges, and responsibilities. As for the rest of the issues contained in the proposal, the only fault we can find with it is that it

should have come 10 years ago. Despite these omissions, the proposed position paper by the government outlining changes in the political landscape of the country is a good start and encompasses some of the ideas we have suggested in these pages in the past year. Civil society interested in seeing liberal democracy foster in the country should find its provisions refreshing. And many of the ideas do encompass demands of the Maoists, the parties, and the

civil society:

- Regional level devolutionary governments to devolve the decision making power to the grassroots.
- Proportional representation system of election to help diminish marginalisation of the political and ethnic minorities.
- Setting aside 20 percent seats in both houses for women and other disadvantaged groups, land reforms, and an affirmative action program in the government jobs to ensure social justice and fairness.
- Provision of an interim government, three months prior to the election, to ensure a free and fair election.
- A referendum mechanism to give people sole power to practice direct democracy on issues of national importance.
- Transparency in party activities, financial dealings and internal democracy to reduce conflict of interests and to mitigate incentive for corruption.

• Strengthening the prime minister's executive power by allowing him or her to form a cabinet with experts from outside the parliament, and opening up other measures to lessen frequent dissolutions and enhance

If implemented properly, the above main institutional reforms will make our infant democracy more liberal and responsible, and we should welcome these amendments. Whether it is a part of a negotiating strategy in the current peace talks, or an indication of a deliberate and rigid bottom line, there are four

stability.

Even if it doesn't go all the way, the government's

political agenda is a good start.

 Protecting parliament from royal intervention

important items missing from the

- The army under civilian rule
- Limiting royal perks
- Secularism

proposal.

The success of the talks will depend on the approach that the government will take in handling

these issues. Much of the acrimony between the monarch and the political parties stems from the use and misuse of Article 127. The probability of a successful negotiation is very low if this issue is not settled. Without going into much detail, a good compromise could be to bring Article 127 under the Parliament Act (see 'Ambiguity to Trust', #144).

In recent interviews, the king has reaffirmed his commitment to constitutional monarchy and the multiparty system, but does cknowledge some technical flaws and ambiguity in both. The voice of the opposition forces in the country is quite firm and unified on Article 127, and it cannot be ignored. A mutually agreeable solution and a modified Article 127 must be worked out to ensure the sovereignty of the people's representatives.

Similarly, taking the commander-in-chief out of the current three-person National Security Council, or making him a non-voting member, and broadening the membership to include others will democratise its functioning. The king himself has said in a recent interview that the army is under the command of the civilian government—the prime minister and the defence minister. From his remarks it appears that he would be quite open to such forward-looking democratic reforms.

A mutual understanding in bigger political issues will make it easier for everyone to sit down and deal with the royal perks. A sensible proposal, without demeaning the throne and the crown, should not be difficult to prepare. King Gyanendra in recent interviews has shown extraordinary flexibility on these issues.

It is secularism that is more touchy. Do 80 percent of the people who call themselves Hindu, really need the country

ant corruption rency and w will the major ic benefits not t of the poor uch a hasty

t a meagre d revenue as es it, but the le) livelihoods oor people

be better for the government to focus its efforts on transparent, accountable mechanisms and devolving decision making, including economic ones, to local users themselves. The government should focus on ensuring the equitable distribution of benefits through better monitoring and evaluation mechanisms when the CFUGs

says, "But Baker's theory of the fear of the peace movement has to be taken seriously when the American Information Centre in Kathmandu provides reproduction rights to local newspapers" Let me clarify: we had received a number of inquiries over the past several months from Nepali publications as to how they could obtain reprint rights for articles from

action as one having been prompted by a fear of the peace movement seems to me guite ridiculous and I sincerely fail to see the connection! Quite to the contrary: the US Department of State and the US Embassy in Kathmandu have repeatedly, consistently, and openly supported the peace talks and expressed our sincere hopes for a peaceful and prosperous

To misread this

residents and contribute to their sustainable development, apart from addressing the chronic water shortage in the Kathmandu Valley. Projectaffected people will receive substantial benefits and have access to opportunities to improve their livelihoods. The project will give priority to locals from Melamchi in skills training and employment in the project construction works. The project cannot provide employment to a large number of local people. All

Uplift Program (SUP) specifically to improve the socio-economic condition of residents in the 14 VDCs affected in the Melamchi Valley. The SUP pursues a holistic and participatory development approach, including buffer zone development, education, health, income generation and community development, and rural electrification. The local residents, community organisations, and/or have been consulted during the SUP design.

project has also duly considered riparian flow requirements for existing uses and will maintain minimum required flow in the

Melamchi river at any time of the

uncommon for a venture on this

year. Details are available at www.melamchiwater.org Most of the anticipated benefits will be realised only

LETTERS

**Deputy Executive Director** Melamchi Water Supply after the project enters full-**Development Board** scale implementation. The INDIA-NEPAL project has required a long planning period, which is not

Rabindra Mishra deserves thanks for his thought-provoking opinion on Indian influence in

and hope it will help to build

confidence. It is not true, as

stated in the article, that the

construction of the roads in

M S Shrestha.

army has taken over

willingness to resolve the refugee problem. Will our own leaders be ready to sacrifice the post of prime minister to that of chief minister? Are we ready to be India's trans-Himalayan watchdog to serve her security? Bigyan Niva, Bishalnagar

#### **TEACH**

As I went through 'Cry, education' by Augustine Thomas SJ (Letters, # 157), for a moment I was dumbfounded. It was surprising to find a mind that can think from

remains: does t have the execu a set of these co solutions to th the Maoists ac reaching demo Or, do they ha in mind they w accomplish thr constituent ass is it? If they ar A foreign-c in tech A complete ran

enclosures,

to be called a 'I

to protect our

religious herita

debate and eve

referendum ca

once and for al

should guard a

volatile vat whe

religion are mix

But the larg



laxal Opp. Po



nal budget. revived in the month, and with which the pa government as raised

f Forest and MFSC), ty experts and ıps responded ncing that it

was going ahead with the plan. Many are now speculating that the real motive behind the move is to parcel out choice parks like Shivapuri and Rara to private

Except Royal Chitwan National Park, Royal Bardia National Park, Sagarmatha National Park, Langtang National Park and Royal Suklaphanta Wildlife Reserve, all other parks appear to be up for grabs. In total, Nepal has eight national

parks, four wildlife reserves, three conservation areas, one hunting reserve and five buffer zones around national parks, covering 18 percent of the country.

Conservationists say the decision was made without consulting experts, and are concerned about the kind of organisations that will be allowed to run the national parks, whether they have any former experience, and who is going to choose them. "In-depth planning

# The government is in a hurry to parcel out the management of national parks like Rara (left). What's the rush?

and utmost care is needed because we are talking about national parks not just forest conservation. Once we lose endangered species, it is irreversible. I wonder what the hurry is," says noted Nepali naturalist, Tirtha Bahadur Shrestha.

The government could have been inspired by the work of NGOs that have made their mark in conservation. The most notable among them is the Annapurna Conservation Area Project (ACAP), a world class eco-tourism model initiated by the King Mahendra Trust for Nature Conservation (KMTNC) and World Wildlife fund for Nature (WWF) to manage the Annapurna region. A similar model is being applied in Manaslu and Kanchenjunga.

Shrestha says national parks are not the same as conservation areas. A major difference is the involvement and active participation of locals in conservation areas. In national parks, income generation and preserving biodiversity would make for conflicting interests. "How many NGOs would be willing to invest money and dedicate themselves for the sake of conserving just three rare fish

species in the 165m deep Rara Lake?" asks Shrestha.

One of the main concerns raised by conservationists is unclear phrasing in the new budget. Section 50 reads: "...interested Non-Governmental or other institutions will be provided the conservation areas." The phrase "other institutions" has raised eyebrows. Does it mean private businesses or multinational companies from India and abroad? There is special concern about the Shivapuri watershed north of Kathmandu which was declared a national park two years ago. "It is too confusing. The government has to clearly spell out what kind of agencies will be involved, and to what extent," says Keshar Man Bajracharya, president of Nepal Foresters Association.

There is dissension within the government ranks, too. Sources say that the ministry is interfering in the work of the Department of National Parks and Wildlife Conservation (DNPWC) and undermining expertise of the biodiversity experts by making quick decisions. They say most of the rangers and junior officers were never called for consultations. "They didn't share any information with a single

# aw when the lights went out

prices keep workers out of downtown, business districts lost its ability

Food shops that depend on refrigeration and vast tracts of lighting



s went out? ericans are f 2003 has on of a ost untable

ing around/ something outh Asian,

ere. Further liceman stood t traffic, just

to transport labour to market. tion that was had to close. Petrol pumps immediately went dry with no electricity to

# As an honrary South Asian, I wasn't at first unduly worried about a power cut.

the morning after. We'd all shown pluck and spirit and enjoyed our moment of surfing disaster successfully. But then we had to face a new day with no coffee, no cooked food. That's when the immensity of the thing began to hit. So too did journalists start uncovering stories of the

A clamour arose from the ranks of the general populace. Fix this! Rumours flew of sabotage, the terrorist strike story was resurrected. Panic returned, albeit of a lesser variety than the fright of the first few had failed miserably. First of all, they clearly didn't have a plan for such a vast failure although as in New York on 9/11 the emergency services



local poor, the elderly, the gravely ill, and how they were hit. Hard.

moments. What was strongest was a growing sense that the ruling classes



forester or biodiversity expert. This is reason enough to suspect the government's intentions," says forester Bishnu Acharya.

Others are convinced this move is tailored to benefit Big Business. "The policy must have been influenced by some business groups who do not value the dignity of national parks and intend to manage these for commercial interest," says Surya Bahadur Pandey, former warden of Royal Bardia National Park. With over 28 years of experience in biodiversity conservation, Pandey, who now works at the DNPWC, says he has been reprimanded by superiors for voicing personal views contrary to government policy.

His cautious senior colleagues were unwilling to make any comments to us. "We just take orders from the ministry," one DNPWC officer said. "Talk to the ministry spokesperson," advised another. They have declined invitations to attend a series of seminars and workshops organised by other foresters and conservationists to pressurise the government both at national and international levels. "We are not getting emotional here. All we want is transparency and a clear explanation from the government

in hard copy on

**PEPC** 

as to how and where it intends to shift its huge responsibility," says Biswanath Upreti, founder warden of Royal Chitwan National Park.

Annoyed with allegations by former employees of the DNPWC, the ministry says it is tired of being made the scapegoat. "We are not handing over anything to any private sector, but to NGOs only. The so-called conservationists should stop making this a big issue," Chandi Shrestha, Secretary of MFSC, said testily. The government would not defer managerial responsibilities to an NGO unless they had experience in wildlife conservation, he said. Our national parks are not just Nepal's property but a world heritage.

"How much more transparent do they want us to be? The plan is right there, in the open, in the budget speech. We also have a working paper and anybody is welcome to come and study it," says Shrestha. The ministry contends that the controversial "other institutions" in the budget speech simply refers to international environmental

"We have to be sure that the government is just a policy maker and it has no intention of jeopardising decades of conservation work done by our nation," says 84-year-old TJ Thapa, a hunter-turned conservationist.

But critics are not placated, and in the current unrepresentative political environment, they suspect the government of trying to sneak out the management of nature reserves to its favourite entities. When ACAP and the national zoo were handed over to NGOs, it was neither publicly announced, nor were there lengthy consultations with government officials or conservationists. The only thing that seems certain is that the government may find it more difficult than it anticipated to find an NGO or INGO capable of taking over management of our national parks.

KMTNC, WWF Nepal and IUCN are about the only bodies with any experience in the field. Chandra Gurung of WWF Nepal, who used to run ACAP, told us: "This could be a big challenge even for organisations with experience in biodiversity since they may not possess enough managerial expertise to run the national parks on their own." ♦

Banadur Knatri briefed participants on the difficulties faced in human rights monitoring as an important confidence building measure towards strengthening the peace process as well as adherence by the parties to the Code of

Khatri said: "It is yet to be seen whether any tangible agreement will be reached by the negotiating parties regarding human rights issues and particularly the Human Rights Accord, which was drafted and submitted by the Commission to the negotiating parties." But he added there was now a consensus in Nepali civil society about the need to step up confidence building measures for the peace

Outgoing UNDP representative, Henning Karcher, stressed the need to implement the Human Rights Accord by the negotiating parties to strengthen the peace process and improve the human rights situation in Nepal. The National Human Rights Commission has decided to take the initiative and start monitoring the overall human rights situation in the country, along with the human rights issues stated in the Code of Conduct through a Monitoring Consultative

### **Erratic electricity**

With the recent blackout in the US and Canada. officials here have been encouraged to slack off even more than usual. The Nepal Electricity Authority (NEA) seems to say: "When it can happen even in the US, so what if we get a few power cuts here?"

Not that the NEA doesn't have a good excuse for erratic electricity: this year's monsoons have damaged the Marsyangdi power plant and transmission lines. "The windy



Looking for sometl

In the wonderful ambier like **Darjee**l



Budha

#### Serves : -

- Cocktail Drink in 40 ft high
- Candle-lit Dinner at Earthwa
- \* "Dine under stars" at Alfres
- Bar-b-que dinner by the poo
- \* Banquet in Banyan Ballroor
- \* Closed reception at Sakura



#### The World Bank's new vice president for South Asia muses Forum in February 2002, Nepal's development partners pledged to on the choices and challenges ahead for the kingdom.

rated the outcomes as 'unsatisfactory' and sustainability as 'uncertain'. In other words, something was seriously flawed in our partnership.

We took these findings into account in preparing a Country Assistance Strategy for the period beginning 1999. Unless there were substantial improvements in governance and public service delivery, more financial assistance from the Bank would not be a solution to Nepal's problems. This is a theme that has since remained central to our policy dialogue in In late 2001, a multi-donor

team carried out a review of development partnerships, with the objective of helping the wider community of Nepal's external partners reflect on past assistance efforts. The overriding message of the review was that the relationship between donors and Nepal was far from ideal. While aid had provided important contributions in isolated pockets, the review noted that without strong collaboration with national institutions, the sustainability of many programs remained uncertain.

The review also noted a strong sense among Nepali civil society (including people previously in positions of authority) that Nepal's own national institutional capacity for development had eroded in large part due to increased donor activism. The review suggested that national actors need to take charge of their programs in order to reverse the situation. These findings were broadly consistent with issues raised by the government's own Foreign Aid Policy.

Nepal recently finalised a

which, among other things, seeks to correct the issues outlined above. The process of framing the Poverty Reduction Strategy and the Tenth

Poverty Reduction Strategy (PRS)

Five Year Plan on which it is anchored, were highly participatory. The fact that the Nepali reform leaders could maintain this momentum in the face of political instability is in itself an impressive feat in consensus building.

Beyond the four sound 'pillars' on which the Poverty Reduction Strategy is built, what I also find remarkable is the coherence and strategic thinking that is embedded in the building blocks, designed to overcome constraints to implementation.

- First, in order to address the issue of fiscal constraint, the Poverty Reduction Strategy is underpinned by a Medium Term Expenditure Framework (MTEF). The MTEF prioritises spending programs and resource allocations, protects pro-poor spending, and ensures funding predictability for deserving programs.
- Second, to address the issue of capacity constraint, the Poverty Reduction Strategy institutionalises the concept of an annual Immediate Action Plan (IAP), a set of top priority reform actions to be undertaken in a particular year.
- Third, in order to address the uncertainties associated with the political and economic realities that face Nepal at this particular point in time, the Poverty Reduction Strategy articulates a 'normal case' as well as a 'low case' scenario. Plans are also afoot to institutionalize communication and participatory monitoring and

reporting mechanisms.

These building blocks are not mere statements of intent, but most are already in various stages of implementation. For example, the MTEF is in its second year with the effort now focused on capturing all public expenditures. IAP 2002 included a set of 19 reform actions, all of which are today in various stages of implementation. This is clearly a departure from past practice. IAP 2003 includes 24 actions. Two consecutive exercises in IAP formulation and implementation have visibly enlarged the core group of reform champions. Expanding the development discourse beyond the traditional realm of the National Planning Commission and the Ministry of Finance, the IAPs have demonstrated the ability of line ministries to rise above sectoral interests to pursue broader national development outcomes in a holistic, collective manner.

Moreover, they confirm HMG's ability to think through and implement innovative and inclusive service delivery mechanisms. The ongoing transfer of public schools and sub-health posts to community management, decentralisation, and the effort at delineating the roles and responsibilities of political leaders and the civil service are all testament to this. While one would hope that the impact of these reforms are felt more immediately and more widely at the grassroots level, to my mind, these examples serve to enhance the credibility of Nepal's reform efforts and help overcome skepticism about their durability.

At the last Nepal Development

support the Poverty Reduction Strategy and to adhere to the Foreign Aid Policy. For our part, we are currently in the process of developing a new Country

Assistance Strategy, aligning our assistance along the lines of Nepal's Poverty Reduction Strategy priorities and principles enshrined in the Foreign Aid Policy. We are also working with the government in firming up a possible budget support operation which would enlarge the availability of resources to expand pro-poor spending in line with Poverty Reduction Strategy priorities as well as to pick up the fiscal costs of reforms. We hope these should all be in place by

The path to structural reforms that Nepal has chosen is a truly homegrown one. But this is not to say it is free from challenges. In Nepal, I see a nation shaken out of complacency by a tumultuous phase in its history. A nation deep in introspection, waking up to the consequences of deep-rooted inequalities and long-standing injustices. And I see a nation seriously trying to make a clean break from the past.

October this year.

To my mind the reform path that Nepal has chosen is about discovering good governance and regaining people's trust in the state. It is about emerging from conflict and embarking on a path of national renewal and lasting peace. If development is all about social transformation, in my reading, Nepal is indeed at a special moment in its history. Nepal is at a crossroads between challenge and choice. ♦

Praful Patel is a Ugandan national and was appointed World Bank Vice President for South Asia. He wrote this commentary after visiting Nepal

by **RAJENDRA K KHETAN** 

# Nepal in the WTO

e challenge will be to protect the interest of present producers without jeopardising future potential.

identify products that will nargin of critical potential put bound rate (at around 40 at can be traded off with on products that are

ith the tariff special duties

nas been made

so in several

nanagement, fight against

ernance

ith strong

pendent

financial sector,

or coordination.

have begun in

orted that these

merit the fullest

d Bank Group.

e of our mutual

d the verdict

n, carried out

nd Evaluation

World Bank,

Country



The crucial consideration for our country is the protection of the livelihood of service operators and protecting employment in an under employed country. Unlike goods, it is not possible to protect services by tariffs. While opening services may lead to greater efficiency and productivity of resources

Nepal has been negotiating under tremendous pressure to adhere to other non-compulsory, often called plurilateral, agreements. Although it is left to the contracting custom territory, for a small economy like ours, the pressure to join such is immense. This is not to say we need to isolate ourselves from such agreements, but we must locate where our interests and benefits lie.

In order to become more

application for an international license, which is why I'm trying to get Necon," he admitted to us in a candid interview. The former minister and leader of the Samata Party is now planning on bringing in at least two medium haul Boeing 767s with an eye to the future: "Later, we will go for long-haul flights," he added optimistically. It looks like no one wants to do Necon's unprofitable domestic routes

### Leverage

It hasn't been a bad year for Nepal Lever Limited. The company reported a turnover of Rs 1,245 million with profits after taxes sitting at Rs 93.2 million for the fiscal year ending on 17 August 2003 (32 Asad 2060 BS). Although exports registered a slump due to adverse changes in the Indian budget of 2001, total company sales grew by one percent. However, domestic sales more than made up for that shortfall. The board has recommended a dividend of Rs 90 per share.

#### **Excellence rewarded**

For 11 years, students who excel in the SLC examination have received Tuborg Excellence Awards, established by the Gorkha Brewery as an incentive to boost morale. Eligible recipients are those who make the top ten in the annual government exam. They are formally felicitated and given a medal, certificate and a cash prize ranging from Rs 50,000 for the top spot, awarded this year to Bishal Gyawali of Butwal, to Rs 4,000 for students from fourth place through till 10th.

#### Vrooom

Karizma, the latest model from Hero Honda, is already winning plaudits. The 233cc machine can accelerate from 0-60km in 3.8 seconds, has unique five-spoke mag alloy wheels, a kick and self start system and a sporty body. Recently launched in the Valley, the bike is aimed at bike lovers who can shell out Rs 192,000 for this calibre of speed and style.



#### Thai to India

Thai Airways will now fly to two new Indian destinations beginning October. Chennai and Bangalore will join Delhi, Mumbai and Calcutta on the list of Indian cities that Thai caters to. The additional flights will be effective from 26 October to 29 March next year. In a bid to promote economic ties between the two countries, Thai Airways International, together with the Tourism Authority of Thailand, hosted "Thai Night" on the Thai roadshow in India between 5 and 10 August.

get to the Indian states that do not border Nepal. When one travels to cities like Bangalore, one wonders why the Indian identity in Nepal is a problem and vice-versa. No one talks about the excess export of vegetable *ghiu* or how tea exports are ruining their local market. Neither do they dwell upon issues of dams and downstream benefits. For the South Indians, Nepal is a wonderful country that, apart from Mt Everest, has the revered shrine of Pashupatinath.

The market for Nepali tourism may lie here. Although the flight to Bangalore is non-stop, we need to increase the frequency. There is already enough flow between Nepalis flying for darshan to Sai Baba's ashram at Puttaparthi and devout Hindus flying to Pashupati to warrant it.

Nepal could also be sold afresh in this part of India as being a destination for the youth who want value for money. If the private sector tourism industry feels the government has not done its part, perhaps they could take this on as a pilot project to prove a point instead of leaving it to the Nepal Tourism

Perhaps the best part of the South Indians is their drive and dedication towards building a good future for their children. This has created an economic growth surge in the southern states that surpasses national averages—which

by the likes states, Biha South In

power but e over extravaş demand is fi products. M necessity, no prop, but as modern life. internet cafe in almost all

> The nev mobile Sout still believes They feel co: national eth careers in te It is a trait sa young Nepa keen to take

> > The Bee difference it states like A

# "An untouched market for is

Nepali Times: How robust is the insurance business in Nepal? SK Sakhuja: It is virtually a virgin market, but there is a lot of potential for life insurance in Nepal. According to the 2001 census, the insurable population in Nepal is more than 12 million: these are people in the earning 15-59 age group. Considering Nepal's 2.2 percent population growth rate, there is an insurable population of 15 million. This means there is a large group who are not covered by insurance schemes.

#### What are the drawbacks then to serve this market? Most people are not aware about the needs and benefits of life

insurance. The upper segment have a better understanding, but the middle class and the lower strata are unaware about insurance, especially in rural areas.

We have a mixed clientele: businessmen, service holders, even a few outside major towns and cities. The average size of our insurance policy is Rs 170,000 and that includes some policies between five to 10 million. Our minimum sum is Rs 10,000 under a policy, and the endowment plan of Rs 20,000 under the money-back plan. This ensures that even the poor can take out an insurance policy. Another thing I am happy to report is that last year we sold 24 percent of our policies to

#### Is the business getting competitive?

In a competitive market, all players have to compete, that is not a

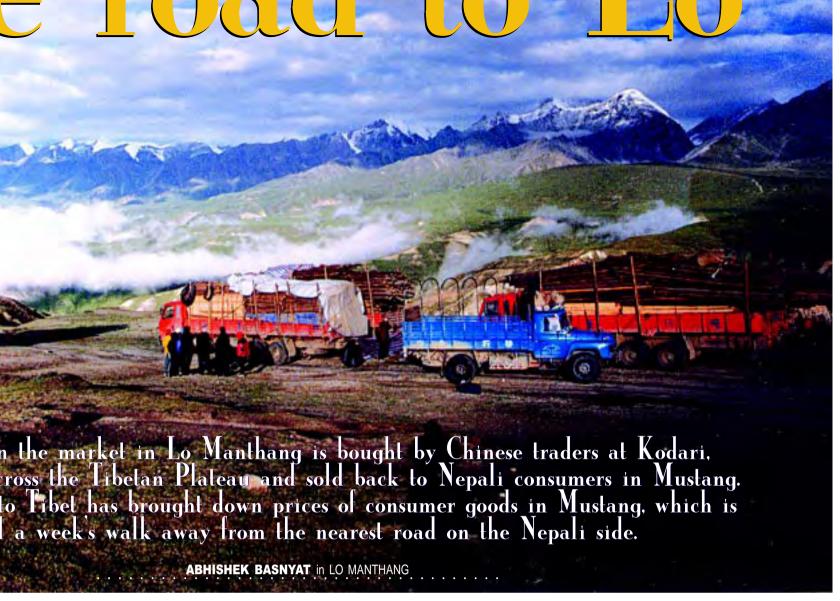
We follow sound financial practices, ethics, ground rules, corporate governance rules and the law of the land. Our vision is to be an organisation of social and economic significance to the country. This financial year, we did 9,177 policies over the first premium income of Rs

**Insurance in Nepal is still in its** infancy, but it has huge potential for growth. Among the big players in this **fledgling sector is Life Insurance Corporation Nepal that began as a** joint venture two years ago with an **Indian public sector insurance** company. SK Sakhuja, CEO and managing director at LIC Nepal, spoke to *Nepali Times* about the lack of investment opportunities, future direction and other prospects.

have introduced innovative products and offered better returns to policy and stakeholders. Today, most of the money goes into bank deposits for a few years because there are almost no investments that span a 10year period. This is very awkward when the average term of our policy is 15 years. Bank rates are falling and depositing funds in short-term bank deposits makes for an unprofitable mismatch. It doesn't help that certain banks refuse to accept deposits. Where can we put the money?

this practice stop the pra that it's not Indian curre the governr

How can I



s ago, only yak lied this trail, er essentials. m the *Aaafno* initiative of the a motorable inks Lo : Mustang to the inese trucks are ying this dirt nour—a

determined only by the weather, but in the past two years the Chinese authorities opens the borders for a week biannually, once in March-April and again in October-November. Lo-Manthang suffered another setback in the spring trading session because of the SARS outbreak, and had to wait till mid-July to make up for it. This year, as always, Jigme

on foot. In the old days, trade was

Parwar Bista, the king of Mustang,

travelled to Tibet for trade negotiations, and the marketplace of his capital is awash with Chinese goods. They are found all over the district of Mustang, even as far down as Jomsom, a three-day walk to the south. There is a buzz in the thin mountain air as people examine new products, bargain, haggle and walk away with household appliances like cooking gas, stoves and solar panels, and construction material, besides



Lo is located between the Himalayas and the Tibetan plateau. It is a Tibetan-Buddhist kingdom ruled by a monarch granted with a degree of independence within Nepal. Lo was the base of the Tibetan Khampa guerrillas during their covert war against China in the 1960s, and was classified a 'politically fragile' area and closed to foreigners till 1992. Today it is labelled a 'restricted area', and only about a 1,000 foreign visitors are allowed in annually. They have to pay \$700 each for a 10-day permit, plus Rs 2,000 to the Annapurna Area Conservation Project who use the money to

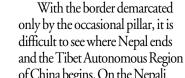
food and clothing.

Staples such as uwa (wild wheat) and rice, salt, cooking oil are sold alongside instant noodles, sausages, biscuits and candy. Thirst quenchers include a variety of fruit juices, tea, beer and alcohol purportedly fortified with tiger bone extract. The clothes on display are similar to Khasa apparel: cheap polyester tracksuits, splashy dresses, canvas shoes. The most popular items, not surprisingly, are the ubiquitous Chinese blanket and thermos flasks—both available in garish red and pink. Truckloads of timber are feeding the construction boom in Mustang, and much of it is actually derived from Nepali trees logged and smuggled out of the Larkya area north of Manaslu.

İndian or Nepali goods are exorbitantly priced because they have to be flown into Jomsom and taken on mule trains to Lo Manthang. They don't stand a chance against cheaper Chinese imports. Chinese rice costs at least Rs 4 per kg less, and the irony is that much of it is actually Nepali rice that Chinese traders have bought at Tatopani and hauled all the way here to resell in Nepal

for a profit.

of China begins. On the Nepali side, it is completely the opposite: there is no army or police



And even as consumers we

hand. Gyanendra Bista, the VDC

secretary, says goods well past their

because there is no one to monitor

quality. There is an HMG customs

house, but it lies deserted. The

officers prefer to stay in Jomsom,

government supervision, and the

burgeoning trade generates no

member, tells us: "The Chinese

revenue for Kathmandu.

and so Lo Manthang runs without

Amgyal Bista, a former DDC

businessmen basically dictate terms

to us." On the Chinese side of the

border, security is unfailingly

watchful and merciless towards

trespassers. We are told about

separate incidents of an allegedly

innocent VDC secretary and a

couple of policemen who were

because they had unwittingly

crossed the border. They were

released after four days when the

king of Mustang intervened on

their behalf.

caught and imprisoned blindfolded

don't seem to have the upper

expiry dates are often found



The Kingdom of Lo (Mustang): A Historical Study Ramesh K Dhungel Tashi Gephel Foundation, 2003

The writing of 'high Himalayan' cultures in English has been mostly dominated by Western scholars, and it is in this terrain that Tribhuban University cultural historian Ramesh K Dhungel has come out with a historical study titled The Kingdom of Lo. The work, drawing on ancient Nepali and Tibetan sources and based largely on

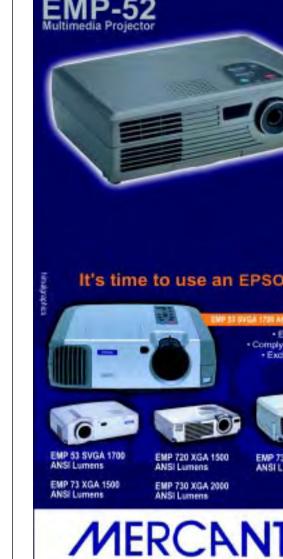
documents unearthed by the author in Upper Mustang, is published by the Tashi Gephel Foundation. It was launched Thursday at the Dwarika Hotel by Cho-gye Thi-chen Rinpoche, abbot of the Sakya Tshar-pa tradition. Dhungel visited Mustang in 1982-84 and 1995 to complete this work. Launching the book, the rinpoche said, "In these fearful times, when the inestimably precious cultural tradition established by the ancestral rulers of the Dharma kingdom of Mustang is in danger of being lost altogether, this book will help in the continuity and restoration of the traditions of Mustang." In the dust jacket, scholar Prayag Raj Sharma lauds the author's attempt to link the history of Lo not only with greater Tibet but also with the history of the Khasa kingdoms in the south and west, including Semja (Sinja), and subsequently Parbat and Jumla.

real figure is anyone's guess.

Back in Kathmandu, customs officials are surprised to learn of the volume of imports and variety of goods now available in Mustang. It seems they continue to view Mustang as a minor, informal trading post. Although compared to the Rs 5.3 billion import through the Tatopani border (and Rs 371 million worth of Nepali exports), Mustang's volume may seem meagre, it's probably time for the centre's indifference to change.

The new road was meant to run from this border through all three towns of Lo. Only a third of this road, from the border to Lo Manthang has been completed. The Lobas, despite their enthusiasm to complete a motorable road all the way to Ghemi, have been stopped in their tracks because there is no money from the government. Meanwhile, another road is being built by the Royal Nepali Army connecting Jomsom to Beni and Pokhara.

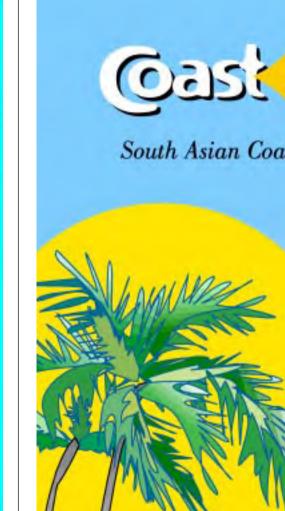
A new Nepal-China highway link through Mustang down to Pokhara can have an impact in districts beyond Mustang and perhaps also boost Nepali exports to the Tibetan plateau as it has at Kodari. Now what we need is something concrete to come out of talks of opening new land routes, easing visa regulations, and increasing air linkages. •

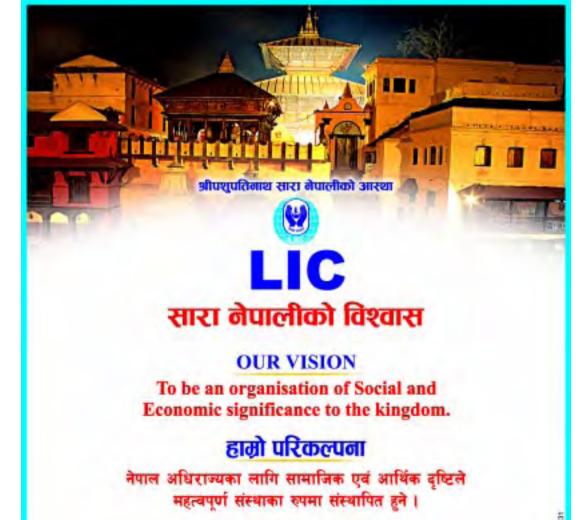


OFFICE SYSTI

Mercantile Building, Durbar Marg, H

Tel: 4220773, 4243566 Fax: 977-1-





लाइफ इन्स्योरेन्स कवीरेशन (नेवाल) लिमिटेड







e are partners with the Iraqi people in this exercise," United Nations special representative for Iraq Sergio de Vierira de Mello had said just last week in his spacious and comfortable office at the Canal Hotel, the UN headquarters in Iraq. He was talking about restoring the country to the Iraqi people and working on rebuilding it together with them.

On Tuesday night De Mello died in the rubble of his office in the most serious attack ever on the UN. At least another 16 people, Iraqi and international staff, died with De Mello. The UN decided in response to evacuate its entire international staff to neighbouring Jordan. This is expected to seriously affect the international organisation's operations in Iraq. It is also a blow to US efforts to normalise the situation in Iraq. The attack, a likely suicide bombing using a cement truck, fits in a pattern that has emerged lately where attackers are increasingly picking non-military targets.

Just ten days ago the Jordanian embassy was hit. Sixteen people died in that attack. In the meantime water mains and oil pipelines have been targeted. Earlier this week even a prison holding opponents of the occupation was

attacked. Six people died. Such attacks seem intended to create chaos and instability, and increase dissatisfaction among the population.

A member of the governing Council had squarely blamed supporters of the former regime and the Baath party for much of the violence, saying, "They are like Nazis." Some Iraqis agree. Outside the partly collapsed UN headquarters, a distraught Iraqi woman whose niece was still trapped in the building after nightfall screamed her rage. "The Baathists are dogs", she kept repeating.

But no one immediately claimed responsibility. Suspects are legion. Another Iraqi woman with family members inside the building said that the attackers picked that building because "they knew there would be a lot of foreigners there." The comment indicates an inclination to identify foreigners and international organisations with the coalition occupation. Even the Red Cross has not been spared. Last month two employees of the International Committee of the Red Cross were killed.

But the UN is identified in the minds of many with international sanctions and the weapons inspections of the past. Neither measure was popular inside the country. Ahead of the war earlier this year, UN international staff, like that of

other NGO s, was evacuated from Iraq The organisations set up office in the Jordanian capital Amman to keep operations running long distance. The UN waited several weeks after the war before giving its people the green light to re-enter Iraq. But Sergio Vieira de Mello himself, in a speech to the UN in June, spoke of the continuing danger to UN personnel in the country. De Mello had hoped to create a new

bond between the UN and the Iraqi people. While the Coalition Provisional Administration (CPA) is supposed to govern and run Iraq, the UN has had to take on more and more responsibilities. UNICEF the children's fund, has for example taken on garbage collection. This intensive involvement came despite US wariness of an increased role for the UN in Iraq.

On the morning of the bombing CPA administrator Paul Bremer dismissed talk of a UN Security Council resolution to give the UN a more active role. Such a resolution would have opened the door to participation of more countries in the coalition forces that maintain security in Iraq. The CPA may now be hard pressed to provide the services that will suffer when the UN international staffleaves. It has still not been able to restore utilities and other essentials to the pre-war level. ♦ (IPS)



MARIO OSAVA in RIO DE JANEIRO He was a man accustomed difficult and dangerous situations, and that is partly why United Nations Secretary-General Kofi Annan laments his death as a personal loss and one that will be felt deeply throughout the UN system. Brazilian Sergio Vieira de Mello, 55, died Tuesday in Baghdad, where he had served since May 27 as Annan's specia representative to aid in the rebuilding in Iraq. The envoy was the victim of a bomb blast at the UN headquarters in the

Iraqi capital.

Vieira de Mello held the post of UN Under-Secretary-General as well as the UN High Commissioner for Human Rights. Brazilian President Luiz Inácio Lula da Silva declared an official three-day mourning period when he received confirmation in Brasilia of the UN official's death, and described it as "the insanity of terrorism".

Vieira de Mello was born in Rio de Janeiro in 1948. He was not a Brazilian diplomat but rather an employee of the United Nations since 1969,

based in Geneva. Since that time he served in official missions around the world, often in the middle of conflict. He worked to help refugees the displaced, victims of ethnic, religious and political conflicts—in Bangladesh, Sudan, Cyprus, Mozambique, Pakistan, Peru, Lebanon, Cambodia, Rwanda, Kosovo and Bosnia-Herzegovina.

In 1999 he accepted a position that marked a major step in his career within the UN system. He became the interim administrator of East Timor during its transition period to independence, achieved last year after four centuries as a Portuguese colony and 26 years under iron-fisted Indonesian rule.

Vieira de Mello's 33 years of experience made him an ideal choice to take on the thorny responsibility of representing the United Nations in the reconstruction of Iraq, occupied by a US-led coalition. Sunday, the Brazilian agency Estado published what was his last interview with his native country's media. In the interview he

people; I know I wouldn't want to see foreign tanks in Copacabana [Rio de Janeiro's most famous beach districts]," he said The envoy expressed hope that in 2004 it would be possible to hold parliamentary elections in Iraq in order to pave the way for a new government and ar end to the mandate of the occupying forces. "I think I have experienced more dangerous situations. Here in Baghdad I don't feel as much in danger as in other places where I worked for the United Nations," Vieira de Mello said in the interview, parts of which Estado did not release until Tuesday. When asked if he though the UN offices in Iraq could be a target for terrorists he responded, "I don't think so The UN is highly respected by the local population. The Iragis see the UN as an independent organisation, a friend, in contrast to what

most humiliating periods in

the history of the Iraqi

they feel towards the

occupying forces." •

operations i government in southern

recommend

Council of S

Research (0

promised le

will be made

these cases

death of a p

the use of a

it is made ou

The inadequ

Drugs and (

is another p

the word 'co

the WHO, co

that which is to identity ar

branded and

include prod

active ingre

**Bottle** 

THIRUVANA

One of t

laden sludg of the Kerala an immedia farmers, wh in a vast are Thachil said For Coc worse time.

Pepsi-Cola Centre for S their bevera used pestici Greenpeace should be cl also accuse area and de

# Clean

KARACHI – to control ma disaster-th Spirit that ra flowing to th thousands of neighbourho and burning Law of the S of oil produc

tarballs, and Asif Shujja Ł Protection A Pakistan but Environmen out a plan to coordinate in "underway, I

**COMMENT** 

aced with uncertain prospects

national parliament to ban the

# Milking the holy cow

in elections to five state slaughtering millions of cows and legislatures due within three buffaloes for domestic consumption, India also exports months, India's pro-Hindu over \$200 million worth of meat, coalition is bringing in a bill in the

the world's buffaloes. Apart from

mainly beef.

killing of cows and win the Bringing in a national law on sympathies and votes of Hindus, but a subject that falls within the this is likely to stir a hornet's nest. domain of India's 32 states and territories is itself a highly To start with, it means pandering to a particular religious questionable move. More than a group—many but by no means quarter of these states, including all, groups of Hindus consider the Kerala in the south, West Bengal cow a sacred animal—in India's in the east, and some Christianmajority states of the north-east, multicultural, multireligious and Jammu and Kashmir permit society. This can only strengthen majoritarianism and promote the cows to be killed for their meat. Some of the states have registered fundamentalist agenda, with an angry protest against the dangerous consequences for Indian society and politics. proposed bill. For instance, the Indeed, the preamble to the bill deputy chief minister of northexhibits a strong religious bias eastern Meghalaya says: "A unprecedented for parliamentary particular diet may be poison to legislation in India. It says that one community, but food for "the cow is the embodiment of another, as in the case of hill divine virtues like love, people in the north-east whose main diet is beef." Neighbouring compassion, benevolence,

India's ruling party beefs up for elections.



beef. They include 72 Hindu communities, besides Muslim, Christian and indigenous people. Even more undemocratic is the

government's crude attempt to regulate, dictate and censor the dietary habits of Indians. Banning cow slaughter involves preventing people from choosing what they eat. Permitting it would not

meat consumed. Some 80 percent

of Kerala's people regularly eat

impose a particular diet upon an individual or group.

A blanket ban upon the

killing of cows, bulls and calves, irrespective of age, utility or health status is a draconian measure which will inflict a heavy burden upon the peasant-owners of such animals, besides increasing the proportion of unhealthy bovines in the total population. Animal husbandry experts have often warned against the overpopulation of cattle in India and the emaciated state of a

constitute a majority of India's population. The absence of beef will raise the food bill for the underprivileged. Even more important, surveys of butchers in different states show that threefourths of all beef is consumed by non-Muslims, largely Hindus. A higher proportion of the sellers of cattle are Hindus. Abstinence from beef-eating is largely a caste or class question among Hindus. The low castes prefer beef to other meat for reasons of taste and habit too.

Yet, to impose this authoritarian ban upon cow slaughter, the government, led by the Hindu-chauvinist Bharatiya Janata Party, has conjured up, of all things, an ecological and animal rights argument. The bill seeks to shift the constitutional subject matter from the purview of the states to items common to both national and state legislatures under measures for 'Prevention of

forage through garbage. They end up consuming rotten vegetables, meat, and above all, an enormous amount of plastic bags. India is notorious for its overconsumption and unsafe disposal of recycled, ugly plastic carry-bags, which are not required to be separated from biodegradable matter. Autopsies on cows turn up literally hundreds of plastic bags in the stomach. Indian cows suffer from a range of ailments, including foot-and-mouth disease. The bill is hypocritical in evading issues at the centre of the professed concern for the welfare of the cow.

the capital. Most are left to

The proposed law is open to objection on two other grounds too. It originates in the mistaken belief that cow slaughter was "brought" to India by "invading" Muslims in the Middle Ages, and that Hindu scriptures unanimously proscribe cow

the Vedas, the Upanishads, the Dharmashastras and other Hindu scriptures. For Vedic Aryans, cows were an important form of wealth. They were gifted to the priestly class of Brahmins as fees. Cows were defined as "food" in these texts. There is evidence that in a later period, many Brahmins stopped eating beef. But they formed less than five percent of the population. In no major scripture, says Professor DN Jha of Delhi University and author of *The Myth of the Holy Cow*, "is killing a cow described as a grave sin, unlike drinking liquor or

Rich evidence of this found in

killing a Brahmin". "It is only in the 19th century that the demand for banning cow slaughter emerged as a tool of mass political mobilisation by right-wing Hindu communalists, out to isolate Muslims by aggressively challenging their dietary practices as 'alien'," says

**Cataly**:

CANBERRA Thailand die could not ha debate on th trafficked to Australian fe from commu

dumped eve The coa

esbians to

courts in io and British nbia have

ex marriage

ay couples

een flocking

vernment is

t in parts of

vorld" power

nany analysts a to and rolling

ling debtors ed States

e evident

at Lakes

province.

rstEnergy,

nitially failed.

d in. No one

irged though

York City

ening 24,000

US-

that samearriage is In both nces, city

diately began

st century. ou can, within the country should sions, rustration, and y are forced to

possible. But, it is not cutive powers onal monarch ernment to

d use belongs oyal palace rnment is fully ersonally and , belongs to that way in the

n tourism," says Prasad Gurung. the area will help rds of the locals ming produces or three months

sidering an

cine ain in

t of the world's re produced in pharmaceutical ce more than timated 20 ndard and fake n drug mafia use like Brufin, l over-thenmon cold, tics. They are ut in some cases, emicals. The

r to the genuine

- On constitutional monarchy

security and management.

"We all believe there is no alternative to constitutional monarchy and multi-party democracy. But some problems have arisen in this regard, and they are technical ones. That could be because some theories do not match our traditions and ground realities."

- On Maoist demands for a constituent

#### assembly "We should be clear about the reasons why we

raise certain issues. We must also examine how it will impact Nepal and Nepalis. It should be clear (the proposals) can lead to the development of Nepal and the prosperity of Nepalis."

#### - On the king's authority "The monarchy is exercising powers enshrined in the constitution

prepared by the leaders of the change in 1990. We have never crossed the limit. The monarchy has not acted against the people's wishes, royal tradition or constitutional boundaries, and it will never do so."

एक्टिम

कन्स्टक्टिस

हन चाहन्ध्

होइन

#### - On the royal move of 4 October

"I did not deny the invocation of Article 127 as recommended by the prime minister together with the agreement of political parties. That was my compulsion. The parties did not disagree even during the formation of the ministers' council. Why they raised their voices only after the expansion of the cabinet is something I don't understand."

nobody can mobilise the army. Nor can it be managed or run without a budget endorsed by the parliament. As far as the position of supreme commander that the king has in the army, it is something that has been provisioned by the constitution. The head of the state in other countries too bear this responsibility. The reason for such an arrangement could be to keep a majority in parliament from using the army to suppress the minority. On the national priority

mas une minie minister and defende minister

#### There is no debate that the people want

peace, security and development. The peace process is moving ahead with the government's efforts. Thereafter, we need to prepare a priority agenda

for development and a main policy on the basis of national consensus. That policy has to be implemented by whichever government even if there are differences on procedural matters. There is nothing wrong about debating these issues, but it is not right to get entangled in unnecessary sparring all the time. Time is running out, moreover, such an opportunity is quite rare. With today's fast pace of change, every second counts. Understanding this reality, why can't we have a roundtable conference for development just when we are talking about such a meeting in politics?

#### - On the health check-up

There are no complications. However, the doctors have suggested that I get checked up from time to time. There is nothing to worry about.

article and can easily fool untrained consumers. Despite India's efforts at controlling this illegal practice,

creating havoc in far-flung countries like Uzbekistan, South Africa, Bangladesh and Myanmar. With such a porous border between us, it won't be long before we too are completely flooded with bad medicine. The Indian parliament will soon debate a proposal for the death penalty to those found guilty of producing fake

medicines.

criminals have been let off the hook

Fake drugs from India are already

because of badly designed laws.

A recent lab investigation discovered that Gujarat-based Pharma Laboratories was producing medicines that were missing key chemicals. 'Ampicilin 250 milogram', produced by Mumbai-based Economic Pharma, had only white powder in the pill case, while Sinclair Pharma's 'Paracetamol' tonic for children, batch SP 001, didn't contain even a trace of paracetamol.

# Peace concept



Nepal Samacharpatra, 18 August Excerpts from the government's political proposals at the peace talks. नेपाल समाचारपञ

Indispensable foundations for state management People's sovereignty, constitutional monarchy, multiparty democracy and the protection of the national unity.

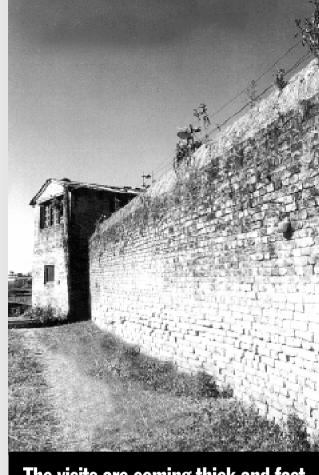
Policies and principles for progressive reforms

- Keep national unity intact, protect national identity, discourage separatism.
- Establish Nepal as an able and prosperous nation through modernisation and social development.
- End discrimination based on caste, gender,
- religion and ethnicity.
- Administration to provide justice, equality and a pro-people state.

- Agreement with rebels on aim of reform policies and implementation.
- Convert such agreement into a national consensus document through a roundtable conference including all political parties.
- An interim government will be formed that includes the rebels.
- Parliamentary elections to be held.
- Amendment of the constitution in keeping with the national consensus.

#### The constitution

The government feels the Maoists' goals can be achieved through amendments and the rewriting the constitution. However, the government is ready to discuss all issues with an open heart and reach a compromise.



The visits are coming thick and fast for BP Koirala in solitary at Sundarijal Prison. A day after his wife was allowed to visit, a police team arrives to interrogate him on tape. BP's lawyer, Ganesh Raj Sharma, is not allowed to speak privately to him. BP is appalled by the illegality of the exercise, concludes that absolute power corrupts absolutely and despairs for the Nepali people. He thinks years of authoritarianism have reduced Nepalis to "a mass of characterless men". He adds: "The regeneration of this fallen people may be an impossible task, after some time they may just disintegrate, and disappear from history."

#### Saturday, 16 April, 1977 [Contains entry from 20 April.]

## **Sunday, 17 April 1977**

At long last my name is occurring in Nepali papers. The ploy of the govt to imprison me hasn't succeeded thanks to the publicity in the Indian press re my detention and JP's active championship of my case. The criticism of the Indian press and Indian leaders in the mass media of Nepal is amazingly very mild this time. Otherwise the usual practice used to be to let loose floodgates of hostile propaganda against India, accompanied with stage managed public demonstration against Indians all over Nepal. They are not doing anything of this kind this time. It appears they have developed a healthy respect for Indian opinion. This change in the attitude can be attributed to 3 things: 1. The present Indian govt have elements which are deeply interested in the democratic cause in Nepal and have personal association with me. 2. The attitude of the Chinese in view of the new Indian

was converted into some kind of an office with the chairs around the table. DSP took the chair at the head of the table. 1st of all I said that I want to consult my legal adviser Ganeshraj in private, they refused. Ganeshrajji said that private consultation between the prisoner + his legal adviser was a legal privilege—which they again overruled. Ganeshrajji argued that privacy of consultation was preliminery to a fair trial, this too was rejected by the team that had come to record my statement. Thereafter Ganeshrajji inquired of me as to whether I was informed of the purpose of the interrogation or whether I was a prisoner held by the order of the police. I said I had received only one order and that had been issued under Security Act by Ass. Anchaladhish. I wanted to show the detention order served on me on the next day of our arrival here, Ass. Anchaladhish said that I couldn't do it. He said that Ganeshrajji could advise me only on today's business, ie interrogation + that too before actual interrogation starts. I said how can I ask him for legal advice on the matter of interrogation before actual interrogation starts? They wouldn't budge an inch + Ganeshrajji had to go out of the room as long as the interrogation lasted. They had assured me that as to the interrogation, I could consult my legal adviser, but they didn't permit me to meet him after the interrogation. They gave me the impression of a bunch of thugs, and at night I really shuddered with apprehension that I was in the hands of a set of thugs. The interrogation lasted for more than five hours. They left after 7:30 PM. I told them as they were dispersing that they were behaving like a jali phataha. I have a feeling now that they can go to any extent to achieve their purpose—any, absolutely any limit, and they are criminals. I used to think that dictatorship corrupts men, that was my intellectual apprehension. I am now experiencing personally in the raw the truth of my intellectual conviction. At least those who assume dictatorship become gradually degraded morally + and in every way. The young chap, a govt pleader, who was included in the team of interrogation shows signs of degradation unmistakably. The corruption of youth by dictatorship. He appeared every inch a brat—and his big hefty body covered many an inch. I am in for a tough time—an ordeal. God

come as my legal adviser. I said all right. My dining room

# Monday, 19 April

Sundariial

I am very disturbed today remembering yesterday's interrogation. Feeling helplessness in the face of such grave illegality, chicanery and deception has gripped me with apprehension. People outside didn't know what they are doing with us. I hope I will get over this feeling soon. When I got up in the morning I felt very weak. With difficulty I prepared my bed tea. Yesterday at dinner time they brought a mosquito net for me. I had no energy to tie it on the bed posts. At night I had two attacks of cramp in my right leg, necessitating a massage for ½ an hour with mustard oil which disturbed my sleep. I am expecting a doctor today, because I had asked the major to send for a doctor yesterday in the evening. In the evening Dr Basnet came + has prescribed some medicine. He had seen my x-ray photos of chest—a small patch on the right side confirming the pathological finds of pneumococci. He feels that my present weakness is due to heavy doses of Roscillin for which some energy nutritional should have been prescribed simultaneously. Dr Basnet feels that I should have taken Erythrocin rather than Roscillin. Anyway, he wants me to take 5 days course of Erythrocin and some vitamin + tonic. His visit is very reassuring. He added that he would report suggesting a checkup by throat and eye specialists. He has also prescribed valium 5 which is to calm my nerves. He says that I shouldn't worry. After he was gone I became very much reassured and the nervous tension which I was subjected to the whole day disappeared. I went to bed early. I used the mosquito net tonight. This time Dr Basnet didn't detect ESB. After Basnet was gone I gratefully remembered mother, who seemed to be hovering around protecting me, I wanted to see her.

I have been thinking of yesterday's interrogation which has shaken me by the realisation that even high officials in Nepal resort to illegal practices, chicanery and other methods not sanctioned either by law or ethics. I was disturbed by the thought that the evil of personal dictatorial

a planet's soggy tail. The rain goes ticktocl a thousand tocks, a sleig or an ample b of dark petals in the night, suddenly intense, riddling the leaves with needles stormy cloak drifting in silence. Rain, sea of the up fresh. naked rose,

or out of the

it came straig

Night split op

rattled, the ra

swept every

the rain came

rain returning

and then

first

gust,

a raging

voice of the s black violin, sheer beauty I have loved since childho not for your but your bear I trudged alor in my ruined: while threads of streaming unraveled ov my head, bringing from on high to me and to humid oxygei freedom of th I know how mischiev the hole in the roof

dripping mea on poor peop That's when of beauty, when you're heavenly armor

or a dagger o

I really came

But I was

and photographs by well known local and gh Sunday at Gallery 9, Lazimpat. 4436944 Sovinda Prasad Shah 'Azad' at the British Council.

Hotel Yak & Yeti. Tickets, inclusive of dinner and

ir Das. 6PM onwards, 29 August at the Regency ing welcome cocktail and dinner): Rs 1,400 single, 4218048 and Hyatt Regency, 4491234 el 2, Sunday evening and Monday. Everest Books,

00 entry. Upstairs Jazz Bar, Lazimpat

Cafe, Thamel. 4256738 s Café, Thamel. 4427311 y Kathmandu. am Injuns Rs 699 per person.

igust. 5528703

Marg. 4248999 rill from 5:30-7PM. Radisson Hotel, Kathmandu.

esia and South India from 22-31 August for dinner

coffee. Near British School, Sanepa. 552326

hobighat. 5520692 afé, Hyatt Regency.

turday. Thamel. 4259015 ant and Bar, Kamaladi.

s. Radisson Hotel,

fé inside Patan Museum. 5526271 School. 5521755

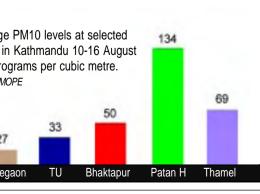
n at Godavari Village Resort. 5560675

kot. 4226799 andu, at the edge of the Shivapuri Reserve. pe2nepal.com

on at Jomsom Mountain Resort. 4496110 rooms at Shivapuri Dadagaon.

has special deals for expats! 061-32112

ill clean up Kathmandu's air, so go and enjoy the fresh is graph shows, measurements of PM10 (particles r the human body) levels in busy commercial areas Patan Hospital last week were above national ntial areas like Thamel was fairly good. The National at 120 micrograms per cubic metre.



quite foresee the strength of that monsoon pulse. And

by MAUSAM BEED

In the land of Mustang: East of Lo Manthang Peter Matthiessen, Photographs Thomas Laird Rs 2,400

In the spring of 1992, Matthiessen and Laird travelled deep in the secret valley of Sao Khola, tucked in the northernmost reaches of the Himalaya. From the central city of Lo Manthang, known as "Mustang", along with their entourage of government chaperones, attendants and horsemen, the two began a horseback adventure across arid plateaus and narrow river chasms that is captured through expansive narrative and poignant photographs.





Mustang Bhot in Fragments Manjushree Thapa Himal Books, 1992 (Second ed)

The writer made the first of her two trips to this remote corner of Nepal in 1990. This book, the first by the novelist of *The Tutor of History*, is an account of her travels and also the story of a Nepali woman confronting the schisms in the communities she meets, in her country, and in her own identity. This acclaimed work provides first time visitors with a reference point and an insight into a region that once followed a strict policy of isolation.

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

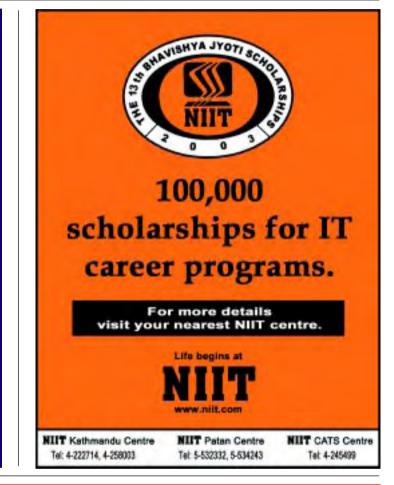


the desi version of ET meets X-Files. Rakesh Roshan's mega production aims at changing our comprehension of this genre in Indian cinema. The movie, starring his son Hrithik Roshan Preity Zinta and Rekha, uses the expertise of international production teams who worked on Independence Day and Godzilla. As always, we'll have to suspend our disbelief (a spaceship that responds to the sound of "Aum"!) but at least we can look forward to a new experience and perhaps the slickest Bollywood sci-fi thriller

Coming soon - Boom

JAINEPAL CINEMA

12.30, 3.30, 6.30 Call 4442220 for bookings. www.jainepal.com



#### **CLASSIFIED**

Visit Ground Zero Fine wines, designer candles, cards, gifts, stationery, wooden items, perfumes and more. Darbar Marg, opposite Hotel de l'Annapurna

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

Flowerlovers: Flowerlovers, it's FUCHSIA time again!! See 60 beautiful varieties in bloom! Our lovely CYCLAMEN are also flowering. Only at THE BISHALNAGAR NURSERY, tel. 4431797; 5 min. from Bhatbateni Supermarket, 2min. from Bishalnagar Chowk (turn right and downhill)

To Let: Rabibhawan area two storey house 4 bedrooms 2 bathrooms large kitchen dining living terrace lobby and porch and telephone. Contact: Roshani 4275180

To Let: In Jawalakhel near zoo, fully furnished apartment 3 bedrooms, 2 bathrooms, spacious living / dining, modern kitchen, individual telephone, terrace, overlooking English garden with tall trees in quiet surrounding. Available immediately Contact:

House on rent: 6 ropanis: Large Drawing room: Master bedrooms with walk-in closet: Attached bathroom with jacuzzi: 4 bedrooms with attached bathrooms: living room, huge garden with servant quarters & garage.Contact:4482614.

### St. Augustine's School, Kalimpong

School Day Celebrations Date: 28th August 2003, Time: 6.30 pm onwards Venue: Dechenling Garden Restaurant, Thamel For details, call Raian @ 981022090 or Umesh @ 981026743

LIVE IN STYLE! Arcadia Apartments in the heart of Thamel. Centrally located, fully furnished apartments at unbelievable rates. For details: 981026903, 44260187

For insertions ring NT Marketing at 5543333-36.





#### riaditiviidi ildii parcis adjust to modern times.

#### **SRADDHA BASNYAT**

ndira dips a *nangini*, a thin sliver of iron used to cut, shape and clean toenails, into a delicate silver water bowl. She is a nangini too, defined by the tool that she wields. Displaced by the steel nail clipper, there are fewer and

fewer nanginis around. However, their services are still essential before many religious ceremonies. Especially in Newari homes, nanginis are required for death anniversaries (sarada), weddings, sacred thread ceremonies (bartaman), the first time a girl wears a sari (gunyu cholo), the naming ceremony (nuaran) and death rites (kiriya). Other communities also need a nangini's services when nails are cut as part of purification rituals.

With deft precision, Indira handles the razor sharpness—one wrong move and a client could be a missing toe. Luckily, her mother taught her well. Although her nieces are being trained by their mothers, many other young girls refuse to learn this trade probably because being a *nangini* boxes them into a caste system that treats them as impure. Indira knows better than to enter the kitchen of higher caste homes.



"I continue doing this because I am not educated," she says as she trims the cuticles of a customer. After each nail is shaped, she uses the pointed end of the tool to clean. The nails are then buffed to a high shine by rubbing brick dust over them.

The result is astonishing—as good as an overpriced foot spa at a parlour, only all natural and much, much cheaper. Even today nanginis charge only about Rs 30 when clients visit their homes and roughly Rs 100 for every housecall. In addition, they may receive a few extra rupees for tea or transport and an annual salary averaging Rs 200 per client.

Her business is strictly word-of-mouth, and though Indira keeps busy with 6-10 clients visiting weekly and 50-60 homes to cover regularly, she cannot survive on her earning as a *nangini* alone. She has a day job, which is why she is reluctant to have a photograph taken. "I don't want my name and picture in the paper, everyone will recognise me...l feel shy," she pleads.

The final touch is the traditional *alta*, a red liquid said to have cooling antiseptic properties. Indira paints a ring around the outside of each foot and over each nail. In 10 minutes she has finished her work, using only her *nangini*, water, sprinkles of brick dust and a splash of alta. Everything fits neatly into a small pouch she tucks into her handbag.

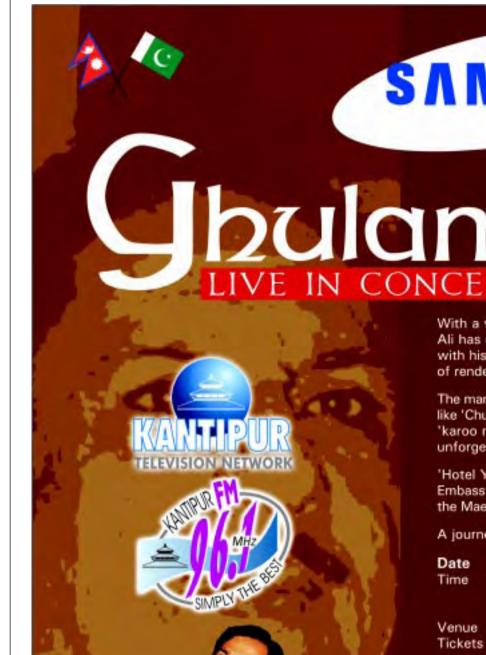
As Indira turns to leave, so many questions remain unanswered. These are queries that she herself cannot answer: like whether one day there would be no more *nanginis* left. To that she smiles and says, "No matter how small our numbers become, whatever happens, as long as the rituals survive, we will too." •



Travel inbound on THRI to Thailand and you could win one of 16,000 free round-trip t If you don't win, your ticket will be entered into a second draw, with 4,000 domestic The second draw is also open to passengers on domestic routes and passengers flying Come relax in the natural beauty of Thailand with THRI, smooth as silk.

Inbound to Thailand. At least one winner will be drawn and announced anboard every inbo Winner will receive by post a ticket for the same route and class of travel as his/her winning Domestic and Outbound from Thailand. Prizes will be drawn weekly and winners notified by Winner will receive round-trip domestic Thailand tickets which routing will be specified by Th For full details or contact your travel agent or THAI at Durbar Marg.

Tel.: 4223565, 4221247; Fax: 4221130; E-mail: ktmsd@thaiairways.com.np



the mend is ntry's pecause this ls (Tagline: n: "Nothing

B hagawan Koirala is between operations at the Shahid Gangalal National Heart Centre in Bansbari. That was the only time he had for an interview. Between his daily surgeries, meetings with his medical team and administration of the hospital, the 40-year-old doctor has little time to spare.

Bhagawan didn't exactly choose a career in medicine: as a young boy growing up in Palpa he was no different from his friends who only had hazy ideas about the future. But unlike his peers, Bhagawan had an extraordinarily sharp mind. By age 13 he had passed the SLC exam, and his parents enrolled him into a health assistant program at the Institute of Medicine in Maharajgunj. "They fudged my

medicine," Bhagawan admits with a grin.

It was the first step towards

It was the first step towards becoming one of Nepal's leading heart surgeons. Encouraged by GP Sharma, a lecturer at the institute, Bhagawan got fired up about cardiothoracic surgery. Years later, Sharma would again encourage Bhagawan, this time to begin open heart surgery on a regular basis at Teaching Hospital. "I turned down several offers to stay abroad, I had a clear mission to return to Nepal," he says. So, two years ago, Bhagawan came home for good.

It wasn't long before he was

offered the position of executive director at the heart centre. "I hate administration, but I thought it was the only way to create a platform that would enable me to give my fullest," he recalls. Today he juggles running the impeccably clean and efficient hospital with surgery. He is also on the expert committe of Princess Jayanti Memorial Trust where the good doctor waves bed, food, heart valve (costing Rs 75,000) and operation charges for needy heart patients. Despite his



name and his accomplishments, Bhagawan does not suffer from a 'god complex'.

"Working with heart patients in Nepal can go two ways," he says.
"They can make you feel like a god over a routine procedure, but their unwillingness and, at times, inability to understand can also prove a formidable challenge." His team is well trained and on a good day, everything in the operation theatre goes smoothly. On a not-so-good

day they pull off 12-hour sessions of intense concentration battling to save a patient's life.

It's a high stress job, and after observing Bhagawan, we have to ask how he does it. Early morning badminton sessions obviously help. But what else? "When you're working at the edge of life and death every day, your focus is on getting things right," says Bhagawan. Now, here is a doctor whose heart is in the right place. • (Sraddha Basnyat)



ect nt role in the ks right up f comedy to are moving entence was Got

nt is another ract the cry desire, rawn unkfood Horse

e innovative ners. c's column d this piece print: Lots n firstnts without to get eading on so



r two."

'll Take a

oss xune and -in-one ned kilos

day on face pearls and



TS TO

Ш

sday