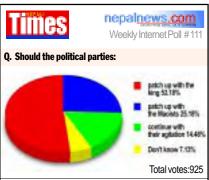
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## Last chance

Nepal has wangled a \$70 million World Bank budget support. But only just.



**KUNDA DIXIT** 

s he wings his way back from the World Bank meeting in Washington, Finance Minister Prakash Chandra Lohani must be heaving a sigh of relief. He managed to persuade bank directors that Nepal should get the first tranche of crucial budget support worth \$70 million. But it wasn't easy.

Donor governments led by the

Europeans raised serious doubts about the country's ability to address poverty and development goals in the absence of electoral representation or a genuine move towards a negotiated solution to the insurgency.

In the end, donors agreed to go along with the Country Assistance Strategy (CAS) and approved the soft credit package to implement Nepal's Poverty Reduction

people living below the poverty line from 40 to 30 percent by 2007.

In a toughly-worded statement issued simultaneously with the Bank announcement from Washington on Wednesday afternoon, Kathmandu-based donor missions from Canada, Britain, France, Germany, Denmark, Norway, Switzerland and the Netherlands said they had approved the package reluctantly, and laid out strict conditions for the next slice of the multi-year program support.

"We want to emphasise that our approval of the loan does not signify an endorsement of the current absence of representative democracy in Nepal," the donor communique clarified pointedly. And they listed their main concerns:

- Lack of democratic representation at the national and local levels.
- The threat to reforms caused by this democratic vacuum and constitutional crisis.
- The resumption of violence.
- A rapidly deteriorating human rights

**⊕** 0 E > ⊻

could be on the verge of splitting. The Rastriya Prajatantra Party (RPP) gave him an ultimatum to resign by 10AM on Friday,

Relations between party president Pashupati SJB Rana and Thapa have not been good since the king appointed him prime

minister five months ago. The RPP blamed Thapa for failing to form an allparty government as per its directive in May.

The statemen did not specify any action, but the RPP is expected to expel him. "If he does not resign, the party will take very strict action," RPP's spokesperson Roshan Karki told us. Without a party, Thapa will lose some of his legitimacy and moral authority to stay in office. But Thapa may exercise a few fallback options after his India visit next week where he is to meet Atal Behari Vajpayee. Thapa is shoring up support to table a vote of no confidence against party president Pashupati SJB Rana in the party's central council. On Thursday, some 30 members of the central working committee voted against Thapa, while six loyalists abstained.

Meanwhile, Rana is having hectic consultations with top leaders of other political parties. "Our party is taking an initiative to form an all-party government," Karki said. "We are also waiting for the king to call an-all party meeting with him at the palace.'

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#### situation. continued □ p6 Strategy which aims to reduce the number of This land is mined land

#### Landmines have emerged as a major threat to civilians.

#### **NAVIN SINGH KHADKA**

epal's Maoist insurgency is turning into a landmine war, worrying peace activists who say this is going to put many more non-combatants at risk. Like 11-year-old Min Bahadur Lama who was walking home from school during tiffin-break last week when a roadside pressure cooker bomb planted by Maoists went off, ripping his tiny body apart.

Both the Royal Nepali Army and the Maoists are using mines or improvised explosive devices: the army to protect the perimeter of its garrisons and installations, while the Maoists use wire-detonated pressure cookers packed with explosives to target passing military vehicles with devastating effect like they did in the attack on a truck carrying Brig-Gen Sagar Bahadur Pande near Bhaise last week.

Tighter security around bases has meant that the Maoists are now using Iraq-style tactics to blow up military vehicles on lonely roads and attack vulnerable personnel at security checkpoints. Many mountain roads to remote parts of Kabhre, Sindhupalchok and Dhading are blocked by Maoist landmines to limit the army's mobility. "Hidden

> the safety of civilians in the districts," says Purna Shova Chitrakar of the Nepal chapter of the International Campaign

Of the 202 people who died in explosions last year, 52 were civilians and a quarter of the non-combatants killed were children. From January-September this year, anti-landmine activists have recorded 55 deaths due to different types of explosions. Of them, 28 were security

personnel and eight were children. "The decrease in fatalities this year does not mean there has been a decline in the use of mines, in fact there has been an increase,"

Chitrakar told us. Because most Maoist boobytraps are wire-controlled, they can be aimed specifically at a military target, while the army's pressure bombs can kill anyone who steps on it.

The military admits villagers have been killed by its mines when they strayed too close to the perimeter of a base, but says it takes precautions to prevent civilian casualties. Army spokesman Deepak Gurung defends the use of mines: "In a war like this where hundreds of guerrillas try to storm a base manned by a few soldiers, mines are the only defence."

The army at present uses anti-personnel and antivehicle mines made in China, India and Russia. The Maoist explosive devices are mostly homemade, but the army says it has captured piped gelatin 'Superdyne' explosives manufactured at Rourkela, India.

Both the government and Maoists have assured anti-landmine activists that they will limit the use of these indiscriminate explosives. "But neither have really done anything about it," says Chitrakar. Nepal is not among the 134 countries that have ratified the Ottawa Protocol which requires governments not to use landmines. •





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by CK LAL

OE>Y

**EDITORIAL** 



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STATE OF THE STATE

## The enigma of proximity

In relations between 'distant neighbours', nearness becomes just a measure of distance.



be left alone by the Maoists, and increasingly, they want to be left alone by the force that was supposed to protect them from the Maoists. To make matters worse, armed gangs pretending to be guerrillas roam undeterred through the countryside preying on the innocent. Lawlessness rules, the killings have intensified, large areas of the country are out of bounds because of curfews and counter-curfews. Extortion and robberies have peaked, schools are being forced to close, teachers are abducted and children are still being taken away. Travel has become such a torture that most people don't unless they have to.

In the capital, there is a sense of a creeping militarisation and not just because there are guns bristling on every street corner. The past year has been one of regime change in slow motion: from a messy democracy to a future that is faceless and nameless. It is hard to say which is worse, but we'd rather stick with a faulty system that we know how to fix rather than with a drift back to an autocratic model that didn't work.

The people have been gradually stripped of genuine representation, the only longterm hope of development. They have not just been deprived of a proper mechanism for governance, they no longer have the ability to question decisions that are going to have longterm repercussions on their lives and livelihoods.

It should now be increasingly clear to the shadowy architects of this policy that we can't have peace now and democracy later. Despite an overwhelming peace constituency in this country, it is being sucked into an unwinnable and ruinous war waged by people who couldn't care less what the nation wants.

A return to the democratic process, therefore, should be a part of the solution. The answer to the violence is not less democracy, but more (and more genuine) democracy. Only then will we get out of this winner-takes-all power grab. In the end that is what it is: a fight to the finish between two power blocs that are not willing to give an inch. Neither realises that no one will win. They will both lose, and because of that we will all lose.

It has been a wasted year. Whatever it was that we were experimenting with, it didn't work. It's the palace's turn to seize the initiative and exercise statesmanship to bring the parties into the fold and work towards a restoration of the democratic process so that a constitutional collective can unitedly negotiate a resolution to the conflict.



NEW DELHI - Officially, minister Kamal Thapa was in the Indian capital last week to take part in SAARC-related activities. But he kept himself busy doing the spadework for a visit by prime minister Surya Bahadur Thapa

Interesting that our former ambassador in Delhi and titular head of the foreign ministry, Bekh Bahadur Thapa, has not been entrusted with the job. Could it be that he doesn't seem to be a terribly popular figure among 'Nepal experts' that mill about at the India International Centre who consider

here next week.

Kamal Thapa as the Thapa to watch?

In the time-honoured tradition of every Nepali leader paying his respects at the Dilli Durbar, septuagenarian Surya Bahadur Thapa is going to be a guest of the government of India. It will be New Delhi's defacto recognition of a Narayanhitiappointed apartchik whom most other political parties in Nepal consider 'unconstitutional'. The SAARC alibi will come in handy. Thapa can rush off from Delhi to other subcontinental capitals and not have to worry about balancing the Delhi visit with a symmetrical jump over the hump to Beijing.

Despite Sino-Indian convergence on global geostrategic matters, our premier may find that vis-à-vis Nepal, South Blockwallahs are still obsessed with the Cold War shibboleth of the 'China Card'. Ties between Beijing and New Delhi haven't been warmer since the mushy days of 'Hindi Chini Bhai Bhai of the 1950s. This week, Indian and Chinese naval vessels engaged in a joint exercise off Shanghai and an Indian military delegation was in Tibet for confidencebuilding. Unfortunately, all this doesn't seem to have any impact on a kingdom squeezed between the two giants. Like Lee Kuan Yew said: when two elephants fight the grass is crushed and when they make love the mess is

South Block's Nepal policy is framed with a reference that has ceased to exist—the supposed competition for influence in a buffer zone. With only one hyper-power, it has become the manifest destiny of small states to live in the sphere of influence of regional satraps. Thucidydes' right-is-might maxim has never been truer: "Right is only in question between equals in power, while the strong do what they can and the weak suffer what they must."

The obsessive concern for the foreign policy nababs here are still ISI, Pakistan and the supposed profusion of madarasas in the tarai. The acronym 'ISI' comes up so often at a seminar on 'Indo-Nepal Relationship 2020' that it makes fellow-delegate Hari Sharma quip: "It probably stands for Indian Security Initiative."

Had the assertion been based on ground realities, it would have been possible to discuss details. The fact that IC-813 took off

from Tribhuban International Airport four years ago is still cited as clinching proof that Nepal is an ISI hotbed. Some of this hype is repeated so often that Indian officialdom actually believes its own propaganda. Like: "Pakistan has the second-biggest diplomatic mission in Kathmandu after India". Wrong.

The problem with Indo-Nepal relationship is that it isn't interest-based anymore, it is position-based. So, when we meet, we no longer talk to each other, we talk at each other. This is what psychologists call the "enigma of proximity" in international relations between "distant neighbours". Nearness becomes just a measure of distance.

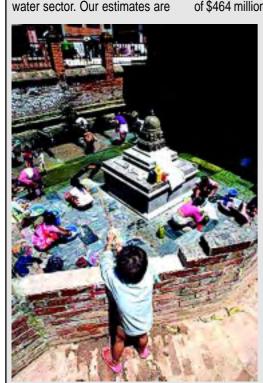
The paradox of "antagonistic cooperation" between neighbours as close as India and Nepal can't hold indefinitely. When India and Pakistan fought in Kargil, more coffins arrived in Nepali villages than in the Indian states of Gujarat or Tamil Nadu. The priority in India-Nepal relationship isn't to come up with some grand security doctrine or even harnessing hydropower for mutual benefit. The overriding concern is to rebuild trust that has been squandered away by our short-sighted decision-makers.

The Gujral Doctrine is now dead and buried. In hindsight, it is easy to recognise that the advantages of that bold experiment far outweighed its costs even to its main actor: the Indian Republic. If India is to claim its rightful place in world affairs, it has to grow out of its pettiness in dealing with smaller neighbours. Benefits that accrue to the bigger player in bilateral bargaining are marginal while there is disproportionate impact on the smaller partner. The resentment of heavy-handedness is etched hard in the memory. The bigger brother may get subservience, but he will not gain respect.

Monetary theory states that in conditions of assymetrical bargaining it is sometimes necessary to find ways to enhance the contractual strength of the weaker bargaining agent. Unfortunately, premier Thapa lacks legitimacy to raise this legitimate concern. That is one of the tragedies of India: none of its neighbours have evolved into stable democracies. •

#### LETTERS

#### **SINKHOLE** Your editorial 'National sinkhole' (#168) raises the issue of Kathmandu's bias in the drinking



that the total cost of reforms to the Valley water supply are even higher than the \$200 million you suggest. We estimate a total cost of \$464 million, or Rs 34,000 per

person in the Valley's urban areas. This represents 68 percent of the investment that is likely to be made in the sector over the next 12 years for the benefit of the 6 percent of the nation's population that live in the Valley. We agree that water supply in Kathmandu needs improvement, especially for the poorest families living in slums and squatter communities, the daily wage renters and all low-income

households.

Our concern is that the government and donor focus on Kathmandu diverts atention away the rest of the country where this morning five million Nepalis drank water from unsafe sources and 15 million Nepalis defecated in the open. On many occasions the government has committed to addressing these issues: only last month it signed the Dhaka Declaration on Sanitation. For Nepal to meet its commitment to the Millennium Development Target of halving the proportion of people without access to water and sanitation, an additional 13,000 toilets need to be constructed and 12,000 families need access to improved water every month for the next 12 years. Will this really happen when so much is being lavished on Kathmandu?

Roshan Raj Shrestha, NGO Forum for Urban Water and Sanitation, Kathmandu

#### SAGARMATHA

Luis Paulo M Ferraz in 'Save Sagarmatha' (#169) raises serious questions about Sagarmatha National Park. With the declaration of the park's buffer zone in 2002, nearly half of the park revenue including the entry fee will be used for community development programs. A buffer zone council for the park has already been set up to prepare for this. The Department of National Parks and Wildlife Conservation should investigate and take necessary action in case there are any discrepancies.

Nima Sherpa, email

#### THE THIRD WAR

Ken Ohashi's portrayal ('The third war in Nepal', #170) of Nepal's victory in the third war is reassuring but it seems more like a self-serving statement. I truly hope his assessment is indeed true and that this is also an assessment of all those

concerned with Nepal's development. It is interesting that most, if not all, of the reforms described are 'driven' by the World Bank. The piece completely ignores the reforms initiated by the government on its own or supported by other development partners over the years. This sounds more like the World Bank tooting its own horn rather than making a realistic assessment of the development challenges facing Nepal. Further, what striking change has the World Bank seen in the last two years or so in Nepal that it now considers the reform process so praiseworthy as compared to its own earlier, very negative assessment? This is clearly a stage-managed assessment to justify the World Bank's recent decision to suddenly and sharply increase its lending volume to Nepal.

> Sabita Thapa, Baneswor

#### SINKING NEPAL

I was astonished to be misquoted in Under my hat ('Timeless news', #170). Firstly, our paper is The Sinking Nepal, not The Uprising Nepal as mentioned. Let's face it, Nepal has never risen up (and one wonders why we even have a paper called The Rising Nepal). If by 'Uprising' you mean 'revolting' then that too is controversial. Also, in The Sinking Nepal we had clearly quoted 'security forces' as the source of the news item which read: "As a matter of interest, we want to ask you if it is also the usual practice in your country to make messages of felicitations such as these headlines in your stateowned media? Because it is over here. Ciao."

> M Thapa Editor-in-Chief The Sinking Nepal





**INTERVIEW** 

# "The cost of trying to force the Maoists back to the negotiating table through military means is too high."



Nepali Times: We detect a certain frostiness in relations between Britain and the Nepal government, especially the army, vis-à-vis your position on the conduct of the counter-insurgency operation. Keith Bloomfield: There has been certain amount of misunderstanding of our position, particularly in relation to development activities and human rights. We have had a policy for some years of not supplying lethal weaponry and we are continuing with that policy. We are very attached to the observation of human rights, partly because we believe that is the way to win the battle against the Maoists for the hearts and minds of the Nepali people. We genuinely believe that human rights must be respected.

#### The military's take on this is that this is a very messy war in difficult terrain and things like this will happen.

Things like that will happen. We accept that. What we are saying is when they do happen then there must be steps to make sure that they don't happen again. The people concerned, if they are found guilty, should be punished. I think as for understanding how wars of this nature can be successfully won, as far as the United Kingdom is concerned, we do have a lot of experience around the world which we would like to share.

#### Your government till recently backed an aggressive military stance against the Maoists. Now, the stress seems to be on restoration of democracy and negotiations. Has there been a policy shift?

I think the fundamental objective here is a democratic and stable country that is prosperous, development-friendly, human-rights respecting. But, in order to ensure that, our priority number one is that the Maoists must not be allowed to win through violence. And therefore, we believe that the state has a duty to defend itself against the threat to the constitution and that's the number one objective. Of course, democracy and human rights are essential part of a longterm stable future for Nepal. So, there is no contradiction there.

#### On the government side, there is a feeling that the Maoists bought time during the last two negotiations, and it seems uncomfortable with pressure from outside to go for talks again.

What I was hearing in this country back in February almost unanimously was that the Maoists were forced to negotiations because they believed that they would not win militarily, and by August this had all changed. I continue to believe that there is no victory for either side through military means alone. The cost of trying to achieve a military victory or even forcing the Maoists back to the negotiating table and rejecting overtures meanwhile is too high for this country to pay in terms of human lives and the economy.

#### Is this feeling shared by other donors? And if there are differences, are they just nuances or is it fundamental?

All my diplomatic colleagues are very keen to see a peace process restored as soon as possible. I think there are slight nuances about whether and how far the Maoists need to be weakened before one goes back into the peace process but, as far as we are concerned, humanitarian arguments for an early as possible ceasefire are overwhelming.

#### What is your assessment of the strategy of the security forces to bring the Maoists back to the negotiating table through force?

The Royal Nepali Army has improved its defensive capabilities during the ceasefire in the same way as the Maoists have strengthened their political position in certain parts of the country. As I said, I don't think a military solution is possible. It follows, I think, that we do not accept that the Maoists can be forced to the negotiating table through military means. Although it may be possible to weaken them somewhat, we don't think that should be the end. We should not wait for the weakening before going into a new ceasefire.

The international community also seems to be divided over whether there should be a coordinated effort from their side to restore peace, while others stress it should be left to the Nepalis to decide.

Any friend of Nepal would not be a very good friend if they wanted this conflict to continue. We all want peace as early as possible. We share an interest in a stable and peaceful Nepal.

O E > X

British ambassador to Nepal, **Keith Bloomfield, spoke to** *Nepali Times* this week on the conduct of the counterinsurgency operations and the role of the international community in getting the palace and the parties to patch up.

#### So, you are OK with international mediation?

We believe there are lots of lessons that can be learnt. We believe there is a role for the international community in this process. What type of role depends on the willingness of both sides of the conflict to accept advice and

#### Before Dasai, Kathmandu-based envoys, including you, were quite active in getting the palace and the parties to unite. Where is that process now?

We believe that a united body politic is essential to provide and find a longlasting solution to the conflict. Such a body politic can tackle the underlying causes and negotiate in a constructive and comprehensive way forward with the Maoists. For that reason we have been urging the king and the parties for many months now to find a way to overcome their differences.

#### With what degree of success would you say?

I think there is a will on both sides to form a multiparty government. The differences are about how and on what conditions this can be achieved. We have had some success on the basic principle but very little success, as is

apparent, in terms how this should be achieved.

#### There was sharp criticism about foreign intereference from across the political spectrum after your reconciliation efforts.

You have to draw distinctions between basic principles. We can say as friends to you in Nepal, we believe that the political constitutional forces need to be reconciled. What we cannot, and should not do, is who should be the prime minister or how the difficulties should be overcome. I don't regard that as a sinister example of a foreign hand. It's more of a question of friends wanting the best for Nepal, and giving its people the benefit of their own experience and advice.

#### Did the diplomats take the initiative to give advice or did the parties seek them?

We as ambassadors meet regularly with the political leaders. Sometimes it is our initiatives and sometimes it is theirs. Sometimes we just bump into each other at a cocktail party. I don't think that you should read any significance at all in to who asked for the meeting.

#### Information Minister Kamal Thapa publicly said that diplomats should follow diplomatic norms.

The information minister told me that he welcomed our efforts. So, I don't think you should read too much into those sorts of statements.

#### Will there be any immediate British aid to the Royal Nepali Army?

It's an ongoing process. As I said, the UK does not supply lethal weaponry. We do have a program of ongoing assistance, mostly in the field of training, which will continue because we believe the state has the right to protect itself against a violent threat of the type posed by the Maoists.



**NATION** 21 - 27 NOVEMBER 2003 NEPALI TIMES #171

## Fighting trafficking without trespassing

## Overzealous anti-trafficking interception work may have actually curtailed the new-found mobility of Nepali women.

#### **NATALIE TOMS**

asanti and Rabi were new faces in the hotel at Trisuli Bazar, Rasuwa. A few years ago they wouldn't have raised any eyebrows, but this time there was a group of people attending a safe migration awareness course. They asked themselves why an innocent-looking 19-year-old girl was staying with a much older man. A few of the guests casually questioned the pair. Basanti said she was going to marry Rabi who had courted her for two years. But from Rabi they received several different answers saying Basanti and he were visiting relatives, shopping and looking for work.

Sensing something amiss, the police were called. By the time they arrived, Rabi had disappeared and Basanti was starting to come to terms that she had almost certainly escaped being trafficked, possibly for sex work.

Once Basanti may have ended

up as another statistic in Mumbai's numbers range between 5,000 Kamathipura. Thanks to the vigilance of locals, many of whom had participated in awareness and sensitivity programs with various anti-trafficking groups, Basanti returned home safely to her village.

There has been an impressive increase in the number and sophistication of such programs since the problem of girl trafficking started being openly talked about in 1992, following the rescue and repatriation of 200 women from Mumbai. Local charities have successfully publicised the problem of trafficking for sex work, both nationally and abroad. Over the past decade many hundreds of girls have been rescued from potential traffickers and many more repatriated and retrained by such agencies.

But from all indications, the problem of trafficking is not decreasing. It is difficult to estimate without reliable figures, but

and 20,000 Nepali women trafficked every year. On average, 100 legal cases are brought against traffickers with a 25 percent level of conviction. Gobinda Thapa, the Assistant Inspector General of Police, researched his doctoral thesis on girl trafficking, and was responsible for setting up the first Women's Cell in 1996, allowing women a specialist environment in which to report crimes.

He explains policing trafficking metaphorically: "Migration is a stream running down and traffickers are fishing in that stream. The traffickers are waiting for the easy prey, fishing out of the stream." He adds, "It is a general principle in the world of crime and criminals that the criminals are always one step ahead of the police."

Armina of the group Maiti Nepal agrees that the problem is widening, possibly even in response to the success of awareness programs in some areas. "There are so many ways to go and they are very cunning people. There are places we have not been to yet."

Criminal networks have widened: women and girls are not only being trafficked from villages but from the capital. They are taken to Mumbai, the Gulf states and South-east Asia, besides servicing the domestic market.

Two separate issues are often

confused when it comes to trafficking. It does not refer only to exploitation through sex work, but any form of labour exploitation, and occurs indigenously as well as across national borders. The flow of migration, exacerbated by the Maoist conflict, means that it is very hard for potential rescuers to spot women

who are being trafficked for

migrating of their own free will.

exploitation as opposed to

Thapa explains, "It is very complicated and difficult to demarcate. I am pretty sure that all the women who are intercepted are not being taken for prostitution or exploitation. You can't stop every girl, as that will also violate their human rights."

The issue of rights and interception is one that has created a divide in the NGO community. Many claim that a majority of women who are prevented from

crossing the border into India are not being trafficked for exploitation, and that their interception is therefore an illegal violation of their right to migrate. Renu Raj Bhandari, a former Human Rights Rapporteur, is concerned that interception programs may also have a negative impact on how women view migration. "I am really concerned that the right to mobility for women, which took years to

by DANIEL LAK



**HERE AND THERE** 

## \$3,200,000,000,000



ere's a number to make your day. I suggest sitting by a window so you can read in the daylight. Then stare out at the world and wonder at the depths of human folly. Are you ready for the number? Here it comes. 3,200,000,000. Oops, I forgot. There should be a dollar sign in front of that. \$3,200,000,000,000. Doesn't that make it easier to read?

Now how about a quiz? No, two quizzes. The first one: how do you say a number like that? My guess is three trillion, two hundred billion. Those other zeros? Millions, hundred thousands and so on? Small change, so we disregard them. Second quiz: what does that figure represent? It wasn't conjured out of thin air, although I wish I had. Here's a hint. Much of what that sum of money buys is bad for you.

Although depending on your point of view, it can also be good for you, especially if you get a piece of the action, some of the spending it represents. Sorry, almost gave the game away. Give up? Well by now, you won't be surprised to know that this number (let's write it again, counting the zeros carefully because I've never typed anything like this before) \$3,200,000,000,000 is an official estimate from the US government of defence spending by the Bush administration up to the end of fiscal year 2008. If anyone wants to check, the Office of Management and Budget will be glad to verify.



It's an astounding and unprecedented figure, a lot of bucks for, presumably, a lot of bang. It's the defence budget of a country at war, with terror, with tyranny, with drugs, with various other, admittedly evil

> forces that so far, show themselves almost impossible to defeat. Anyone seen Osama or Saddam lately?

So far, the US military operation in Iraq, including the occupation of the country, has cost the American taxpayer just under \$100 billion with much more to come. In fact, no one can actually say how much more it's going to cost because many expensive items won't appear on the books. They won't even signal that they're coming over the accountant's horizon.

Terrorism, fanaticism and self perceived righteous anger is like that. It comes to town, wreaks havoc and even if it's fended off or devastated, lives to fight another day. And to lay claim to money that you'd rather spend on yourself or your needy neighbours. A lot of people would shrug and say "Well, somebody's got to do it, and what better society than the most free and wealthy among us, the most innovative, creative and generous." America has been prosperous and at peace for a long

time, and it's people generated wealth like no others in the world.

Hard work, innovation and refusal to give in to failure are the hallmarks of American civilisation, what the rest of us admire most about the place. All this is true. But never before have such sums of money been involved. Nor—crucially—have so many of beneficiaries of military spending been large private firms that wage war for profit.

Not the huge mercenary armies, but the legions of private contractors who receive up to one-third of much of modern military spending. Let's see, one-third of all those trillions above is \$1,066,666.666,666. Not bad, a cool trillion for the private sector with a few dozens of millions left as spare change, to buy a yacht or two. Pin money they used to call it. Money for old rope. And for commando training, firing range services, runway construction, repairing places (like Iraq) that US bombers have blasted to smithereens, canteen operation, catering to huge occupation forces and just about every other service short of actually fighting and laying down one's life for one's country. In the first Gulf war in 1991, one in one hundred US personnel in the Middle East worked for a private contractor. Now it's one in ten.

Along with that figure up above, get to know these names by heart because they matter: Halliburton, Kellogg, Brown and Root, Bechtel. So far, these are the firms benefiting from the largest chunks of that trillion and change mentioned earlier. Many other companies are too, often run by ex-servicemen and women in what the American media are just beginning to uncover as potential conflicts of interest. You can worry, or you can get on the gravy train. Because it's coming around the bend. And it's unstoppable. ♦



## on women's rights

establish, is now being taken away in the name of welfare. Women are being forced to migrate clandestinely," she says.

This theory is borne out by the case of Shweta, 14, who spent four days in a Maiti Nepal transit home after attempting to travel from Birganj to India in order to visit her sister. Upon return, she told her friends, "If you go with a boy to India, they will catch you and take you to the transit home." When such an impression is widely held, it could act as a disincentive for other women to leave their villages at all.

Another misconception amongst many women is that trafficking is associated purely with prostitution. One woman who was intercepted and then repatriated told Save the Children researchers: "People in my village believe that if a girl goes to India, she will be sold in the red light area." No large-scale surveys have been carried out on the subject, but anecdotal evidence suggests that in many areas there is currently an overarching association of all migration with trafficking and of trafficking with prostitution. This means that migration and interception may themselves carry the same social stigma as prostitution.

This is a problem that voluntary organisations are aware of and attempting to face. The focus in most awareness programs



Clockwise from bottom I-r: Maiti Nepal border guards question a girl and her companion. A commercial sex worker in an alley and another one looks down from a brothel window, both in Kamathipura, Mumbai.

is now on 'safe migration', emphasising that women should have precise details as to where they will be working and should always discuss their plans before leaving.

There is a slow trend towards a reduction in interception programs at the Indian border and a focussing of resources on prevention and rehabilitation measures instead.

Even within Maiti Nepal, previously the biggest exponent of the interception method, there has been a subtle shift in attitude. Says Armina: "When we intervene, the traffickers are not always with them. So it is very difficult to tell...Our awareness programs focus on safe migration." She denies the suggestion, however,

that Maiti is scaling back its border operation as a result.

There has been a gradual shift towards a more 'rights-based' approach to the problem of girl trafficking. With 'safe migration' the current philosophy, border interception and surveillance programs are being cut back by many organisations.

There remain many conflicts, however, over issues such as the level of voluntary sex work and whether this should be discouraged. As the root causes of trafficking are investigated, issues become complicated and blurred, as there is very little that is not related to the wider social discrimination faced by Nepali women.

DOMESTIC BRIEFS

#### **School building**

The charity group Kathmandu Roundtable 4 handed over a school building with four classroom blocks to the Sahayogi Higher Secondary School in Gokarna this week. The project cost Rs 1.5 million and was supported by various fundraising activities. More than 1,000 students will benefit from the new school building. Roundtable is an international charity working in developing countries and hopes to make Rs 8.5 million next year for similar grants in the education sector.

#### Gobinda Mainali maintains he is innocent

Gobinda Mainali, the Nepali accused of murdering a Tokyo woman in 1997, has started his life sentence and has reiterated his innocence during a visit by his wife. Radha Mainali had travelled to Tokyo to see her husband before he is transferred to another jail, and reportedly told his wife: "Can you imagine how it feels for an innocent man to be kept in prison for years?" Although acquitted by the Tokyo District Court, Mainali was sentenced to life by the Tokyo High Court in 2001 —a sentence upheld by the Supreme Court last month.

"If prison is a place where those who committed crimes learn to be better, how can an

innocent man like me spend my time there?" Radha Mainali quoted her husband as saying. Gobinda's fight for justice is being supported by Japanese judicial reform activists, who say there has been a serious miscarriage of justice. During Friday's meeting with Radha, Mainali expressed concern about how she and their two daughters would get by during his imprisonment, which could last at least a decade. "I cried every day since hearing the Supreme Court rejection, until I saw him," Radha told the *Japan Times*. "But I no longer do so, after seeing him standing firm and worrying about our family more than himself."

Mainali's lawyers said they plan to file an official request with the Tokyo High Court for a retrial, hopefully sometime early next year. The Criminal Procedure Law allows convicts to pursue a retrial in the event of potentially exonerating evidence.

The high court convicted Mainali based on circumstantial evidence: he admitted engaging in sex with the woman and had a key to the vacant apartment where her corpse was found, and a used condom found in the apartment's toilet contained sperm that matched his DNA. His lawyers have and will again argue that Mainali had no reason to kill the woman, who by day worked at Tokyo Electric Power Co and moonlighted as a prostitute. They will also argue that the condom had been left 10 days before the slaying.



#### COMMUNICATION SPECIALIST BASED IN KATHMANDU

DFID is a major bilateral development agency in Nepal. Our commitment is to support the Government of Nepal and others to eliminate poverty in line with the Millennium Development Goals.

DFID has recently agreed a new Country Assistance Plan (CAP). This is designed to support the Government of Nepal's plans to address the root causes of poverty and conflict. It also commits us to delivering development assistance transparently and with full accountability to local communities.

DFID is committed to improving our communications, both internally and with our beneficiaries and partners. This is because we believe that this is essential for the successful implementation of our CAP. We have recently developed a Communication Strategy and Action Plan, and we want to recruit a Communication Specialist to help us take this work forward.

We are interested in applicants who can demonstrate that they have this expertise, and who have a successful record of achievement. An understanding of development issues or experience in this area is preferable. Applicants will be required to provide examples of their work, and will be required to demonstrate relevant communication skills if invited to interview.

Practical experience and personal competencies are equally important. The successful applicant will be able to demonstrate: working with others, communicating and influencing, analytical thinking and judgement, managing knowledge and information, and delivering and improving.

Applicants need to be fluent in Nepali and English - we would especially welcome applicants who have knowledge of local languages. Applicants must possess a relevant graduate degree or equivalent.

There will be an attractive local salary and benefits package for this post. The successful applicants will be contracted on 3 year fixed term appointment.

DFID is an Equal Opportunities employer and appointments are on merit by open competition. For an application form and more information, including Terms of Reference, please collect these from DFID Main Gate, Jawalakhel, Telephone No (9771 1) 5542980, Fax No (977 1) 5542979.

Closing date for applications is 5<sup>th</sup> December 2003

Rural Finance Nepal (RUFIN)
Partner for Sustainable Financial Services in the Countryside



#### VACANCY

Rural Finance Nepal (RUFIN) is a joint Nepali-German project, implemented by the Agricultural Development Bank of Nepal (ADBN) and other partners with technical assistance from the German Agency for Technical Co-operation (GTZ). Our vision is the emergence of grassroots organisations to sustainably provide the countryside with financial and non-financial services.

RUFIN invites qualified professionals to apply for the following post:

#### Professional for Microfinance Institution Building

Major responsibilities of the position

- Capacity building of GTZ supported rural cooperatives and microfinance institutions (MFIs)
- Institutional analysis of cooperatives and MFIs
- Development of business plans
- Conduct of trainings and workshops
- Networking with other cooperative and MFI support organizations

#### Minimum qualifications and experience required

- Master's degree in Economics or equivalent
- Several years of rural banking experience in a financial institution
- Profound knowledge of the principles of microfinance and financial systems development
- Ability to successfully interact with a small team of professionals
- Very good knowledge of standard computer software such as MS Word, Excel and Powerpoint;
- Very good command of oral and written English.

Salary and conditions will correspond to GTZ standard rules for locally employed staff.

We would like to encourage women to apply.

Send complete application with CV (including a passport –sized photograph) to:

#### RUFIN, c/o GTZ-Office, P.O. Box 1457, Kathmandu (marked "MF Professional")

Deadline for application is 03 December 2003. Only short listed candidates will be contacted for interview. No phone calls will be entertained.





#### 6 NATION

## "We are very worried...things are sliding."



O E > Y

from  $\square$  p1

"We felt that we had to come out strongly before the meeting to say what had to be said," one Kathmandu-based donor representative told us. "We are very worried about the situation here, things are sliding."

Wednesday's statement by the World Bank, which is not allowed to be as blunt as the bilaterals, praised the government's financial sector reforms, the transfer of education and health care to communities and the anticorruption drive. However, the World Bank's representative in Nepal, Ken Ohashi, did refer to the concerns of his Kathmandu-based development partners and admitted: "Failure to achieve a negotiated resolution to the conflict, restore democratic institutions based on participation and accountability, and strengthen protection of human rights will pose serious risks to economic development efforts and severely limit the ability to achieve poverty reduction."

The Bank says Nepal's poverty reduction strategy is a homegrown program that recognises the structural problems of social exclusion and governance. It believes that addressing these challenges demand transparency and devolution of decision-making to the local level. While acknowledging these priorities, the other donors have been much more categorical .

"I think the government knows that unless the concerns of democratic restoration, steps towards a negotiated solution and human rights are addressed, there will be no more budget support in future," said another development aid official in Kathmandu.

When asked for their reaction, one government

official told us the message from the donors has come through loud and clear and has gone "to the highest levels". However, he said the government and security forces have decided that peace is a prerequisite for poverty reduction. After two previous ceasefires, which the Maoists used to extract concessions from the government and buy time, the security forces seem to want to turn the screws and force the Maoists to return to the negotiating table. "We are not going to fall into that trap again," the official added.

In a statement this week, the United States embassy in Kathmandu acknowledged there is "overwhelming support within Nepal and the international community" for a negotiated settlement. "The United States continues to believe that the conflict can only be settled by peaceful means," the statement added. "We urge the Maoists to restore the ceasefire and resume the negotiation process."

The Americans say their position is not that divergent from the rest of the donors, adding that they think it would be naive to believe that the Maoists are going to return to the negotiating table without considerable military pressure. However, other Kathmandu-based donor groups strongly disagree. "The Americans think an Iraq approach will work here, it hasn't worked in Iraq, it won't work here," said one donor official. "The Maoists have time on their side, they will only talk from a position of strength. It is a fallacy to believe that they will talk when they are weak."

This divergence appears to be the reason that the Maoists have singled out 'American imperialism' for special vitriol in statements, online postings and graffiti

all over the country. "The Maoists know it is only the Americans who stand in their way," said another government official. Ironically, India, which equipped the Royal Nepali Army with more military hardware in the past two years than the Americans, is not even mentioned in the Maoist communiques.

The renewed polarisation between the palace the and parties has worried Kathmandu-based diplomats, most of whom firmly believe that the first order of business is for the constitutional forces to unite so that a negotiated resolution to the conflict can start. "We believe that a united body politic is essential to provide and find a long lasting solution to the conflict," said British ambassador Keith Bloomfield in an interview (see page 3 for full text). "Such a body politic can tackle the underlying causes and negotiate a constructive and comprehensive way forward with the Maoists."

Other diplomats who were interviewed for this article but did not want to be named, were worried by the political stalemate and especially with the prospect of an alliance between the parties and the Maoists against the monarchy. Maoist leader Prachanda had sent out a feeler to the political parties in a statement last week in which he asked them not to doubt his group's commitment to multiparty democracy. Reports of UML leader Madhab Nepal meeting Maoist leaders have raised eyebrows here, not least because of the venue being Lucknow. One diplomat summed up that scenario: "An alliance between the parties and the Maoists would be a disaster."





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# 'An expression of lifestyle."



The German carmaker BMW launched its operations in Nepal in partnership with Cosmic Automobiles last week. BMW's latest models have Siemens microelectric components that are manufactured in Nepal. Senior Vice-president for Sales, Luder Paysen, told *Nepali Times* in this interview that although the Nepal market is small, the company wants to serve BMW buffs here too.

Nepali Times: Somehow one doesn't associate a luxury car like BMW with Nepali economic and road conditions.

**Luder Paysen:** Of course, Nepal will never be a major market. Selling the car is quite easy, but it is the after sales service, and we have found a very good partner in Nepal with a lot of experience who understands the BMW. It will not be a big market, but they will establish a showroom and after sales service.

With a BMW you are not just selling a car, your are not just selling transportation equipment to take you from point A to point B. You are selling the expression of a lifestyle. That expression could be that they want to be seen as young at heart, or someone who enjoys driving. So we have a very agile and dynamic car, a sporty car, but it doesn't mean that our customers are young necessarily. In Germany many of our customers are 40-50 years or older. In Nepal we may sell 10-20 cars a year. But that is not the issue, the issue is if there are people who can afford a BMW who have a BMW, we want to serve them.

#### How come you sold off Landrover?

We have divested from Landrover, and decided to concentrate on premium cars. But we do have off-road cars, the X5 and these off-road vehicles are extremely successful. There are just a few manufacturers of premium cars in the world and we really wanted to concentrate on that. Last year we sold about one million cars and this number is growing every year, and the growth will be in Asia, not in Europe or the US. The growth of premium cars like Mercedes, Jaguar, BMWs is also much faster in Asia.



Within Asia, how does the Chinese market compare with India?

In Asia at present we sell about seven percent of our cars, with the rest in Europe and the US. In the medium term, we want to sell 20 percent of our products in Asia and for that reason we started a presence in all major markets with subsidiaries in Asia. We just established a joint venture in China, where we produce and sell our cars. We expect to produce about 30,000 cars per year in China.

With regards with India, for us it has always been a very important market and six years ago we tried to set up an assembly plant and a sales subsidiary joint venture with a local partner, Hero. We even have a company, BMW India. But this didn't go through because of the policy in India at that time that foreign partners to invest at lest \$50 million and then they also asked that local content be 80 percent, which was impossible for us. They also had foreign currency repatriation restrictions. But now the policy has been changed, and therefore we are studying a re-entry into the Indian market with an assembly and sales subsidiary.

The Indian and the Chinese markets are completely different for us. In China, we find that when an individual is successful he wants to show off his success, a car is used to express his lifestyle. India is different, our target group is not necessarily interested in expressing their lifestyle through their vehicle. So, therefore I think it will take some time to establish a BMW market. In India, as in Nepal, you don't have the best road conditions but we test our cars on Indian roads so they are adjusted to perform well on the roads here.

#### How are you responding to ecological worries about fossil fuels?

Our solution for the longterm is hydrogen cars, and we will introduce our top model with hydrogen fuel engines in the next five years. The point is the whole infrastructure. In Europe, manufacturers are concentrating on the ecological advantages of going diesel, the Japanese are concentrating on hybrid cars, and we have decided to concentrate on hydro-fuels. But it will take another 20-30 years before these advanced concepts are implemented in the market.

## **Branding Nepal**



#### If we don't do it, we'll get saddled with somebody else's image.

pon meeting the first Nepali he ever encountered, a grade seven student in India asked the Beed why he didn't sound anything like Aamir Khan's 'bahadur' character in the new Coca-Cola television commercial. The child's grasp of all things Nepali has been filtered through the oily lens of advertisement jingles on pickles and colas.

The question of how an Indian generally see a Nepali may be a question worth pondering on the eve of Prime Minister Surya Bahadur Thapa's official visit to New Delhi next week. A well known Bharpali (Bharitiya Nepali read: Indian of Nepali origin) leader said it to boiled down to the ABCDs of Indian life: Ayah (maid), Bearer (waiters), Chowkidar (guard) and Durwan (doorman). Which is exactly how Aamir Khan ends up playing a bumbling Nepali for the Indian audience—it's a stereotype they recognise.

In the United States, Nepal is synonymous with Mt Everest and consequently they believe Nepal is all mountains and no flatlands. "And how many mountains have you climbed?" one is constantly asked. It's as if geographically challenged Americans think I have to strap on my crampons just to get to work.

Is branding a perception that is

created, or a reality that you sell? In his latest essay, marketing guru Philip Kotler talks about national branding developing a competitive edge. With more than 200 countries producing similar goods and services, he asks why a few are perceived better than the others. Why is Bhutan now a brand for pristine tourism when Nepal and even parts of India that offer the same unspolit natural settings are not recognised?

It is becoming increasingly important to better brand Nepal as well as Nepalis—a theme the Beed feels strongly about ('Made in Nepal', #127). Surely we deserve better than a distillation of a black-Nepali cap wearing, 5 feet tall man in green with a khukuri dangling from his belt. Unfortunately this is exactly what will turn up if a survey were to be done in India about the Nepali brand icon. It is a disturbing thought that India is our biggest market for goods and services and they see us ABCDs.

Many countries, helped by 'parachute consultants', are rebranding their image and strategy. India had a big 'do' last week showcasing the best advertising brains in Asia to finetune its international unique selling point. Singapore is already

ahead of the game with its clear planning and execution that is continuously reviewed. Malaysia and Thailand have followed suit, and even Vietnam is ready to burst into the market.

The time is right for us to create our own image and icon. If we don't hurry, there are others out there who are quite happy to do so for us.







# Merchall Ragara

Now popular all over the world.





#### NARESH NEWAR

In the digital revolution has yet to dawn there. All official documents still have to be handwritten on Nepali kagaj.

Meanwhile, in swish lifestyle boutiques from Nagoya to New York, rainbow hued *lokta* paper is all the rage—appearing as desk accessories, wallpaper, notebooks, cards, lamps and even clothing.

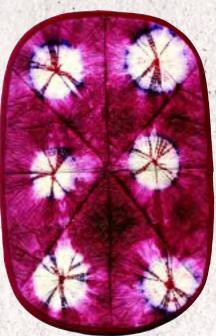
It's a triumph for an art that had several close shaves with extinction. *Lokta* paper dates back several centuries, the earliest accounts from the 8th century record that Nepali traders along the northern passes on the Tibet

border manufactured and sold it to Buddhist monks to write their scriptures in. But when the trade with Tibet diminished, the craftsmen scattered around the country. In isolated pockets around the Himalaya, they kept alive the art of making paper from the fibrous inner bark of the daphne shrub, locally called *lokta*.

By the 1950s, *lokta* paper was restricted to a limited supply for government invitation cards, deeds, files and citizenship certificates. The paper made from the pulp of the lokta bark is supposed to be durable and insect-resistant. But when Nepal imported machinemade papers from India, it

pushed more papermakers out of business. In 1969 Bibendra Shrestha decided to revive the ancient papermaking tradition and started Nepal Kagaz Udhyog. "I knew that there was no competition for lokta's rare quality," says Shrestha. It took him almost a year to find skilled paper craftsmen who lived in remote areas of Kabhre. With just Rs 24,000 in start-up capital, Shrestha employed 25 papermakers and other 50 lokta collectors in Chalte village. Within a year, he was able to export about a ton of handmade paper to the US and Japan, and managed to find a niche local market among trade houses and government offices.

Things took a bad turn when, a few years later, he was diagnosed with cardiac problems and his paper plant was completely destroyed in a storm. "Even after I lost all I had, I kept on going since this was the most sustainable income generation activity for a lot of people," says Shrestha, who now runs a mini paper factory at his own residence in Kuleswor. He has earned a reputation for being one of the best designers for handmade paper projects like *lokta* jackets,



### No worries

With everyone jumping on the *lokta* paper bandwagon, some are worried about loss in quality and even that the plant will be unsustainably harvested. They are also afraid that small companies will flood the market with cheap

products at low prices. "Exports might go down if this trend continues," says Dinesh Shrestha of Bagmati Paper Industry, an exporter. He adds that raw materials are smuggled across the open border to India and products are already being sold at very cheap prices.

Others think that worries about lokta going the way of pashmina are overblown. "There is already a good market for high quality products and price will not matter," says

Stephen Biggs at ICIMOD. *Lokta* entrepreneurs have a strong network and make a collective endeavor to improve the industry. Although thousands of collectors in rural areas are involved in harvesting. There is no need to worry about the plant dying out, experts say. The plant is conserved and managed well by community forest users groups. "In fact there is under-harvesting, not even 20 percent of the plants have been harvested," says Nepal Paper Products' Bishnu Shrestha.

bags, shoes and wallpaper.

Almost around the same time, Bishnu Shrestha had just returned from London with a degree in printing technology. Instead of rejoining Gorkhapatra, he started working with Unicef to revamp Bhaktapur Craft Printers (BCP), a partially government owned company. This not only helped to revitalise papermaking but also promoted another traditional Nepali art block printing. The combination of the two produced high quality *lokta* paper products for the international market.

Unicef guaranteed BCP a permanent market through its Geneva-based international greeting cards operation. With help from Japan, which has its own tradition of handmade paper, JICA sponsored the training of Nepali entrepreneurs in the Japanese technology of using recycled lokta paper trimmings and scraps.

For a visionary and ambitious entrepreneur like Bishnu Shrestha, working in an NGO was stifling. So, in 1991 he started his own Nepal Paper Products, and today his company is a top Nepali paper exporter with a total revenue of Rs 27 million. Inspired by his success, more entrepreneurs invested in the lokta business. In the last few years about 170 companies have



opened up around the country, providing employment to more than 20,000 people with 80 percent of them women. This also helped establish thousands of outlets around the country to display lokta products, spinning off extra income from retail outlets that cater to tourists.

With even more companies entering the sector, there is little danger of the bottom falling out of the business as it did with carpets and pashmina. To prevent

cut-throat competition and a subsequent loss of quality, lokta paper entrepreneurs follow a code of strict business ethics and conduct. The establishment of Nepal Hand Paper Association (HANDPASS) has helped to build an atmosphere of fraternity and mutual understanding. Companies do not steal or compete for international clients. Top priority is given to rural communities who are guaranteed that paper products will be

manufactured in their own villages. Only finishing and polishing up the end product is done in the city.

Villages in remote Baglung, Sindhupalchok, Myagdi, Parbat, Sankhuwasabha, Ilam, Taplejung, Ramechhap, Kabhre, Jajarkot, Dolkha and others are reaping benefits from lokta paper. Rabi Lama is a local hero in his remote village near Panauti. After working for 15 years in a factory in Kathmandu, he returned and



Clockwise from bottom I-r: Lokta paper sheets dying in the sun at Panauti, a diverse display of all things lokta from notebooks to imaginative light fixtures at Paper Moon in Baber Mahal Revisted, products being finished at Nepal Paper Products and a lokta placemat from Nepali Kagaz Udhyog.

started his own small manufacturing unit. He works shoulder to shoulder with his employees, all 25 of them recruited from the village. "Now they don't have to go to India or elsewhere to work," says Lama.

Most companies discourage child labour, provide fair employment practices, clean working conditions and offer health and education benefits. "What also makes them unique is the socially responsible behaviour of many companies," says Stephen Biggs, a visiting scientist at ICIMOD. These basic practices are also an advantage for the company who is able to

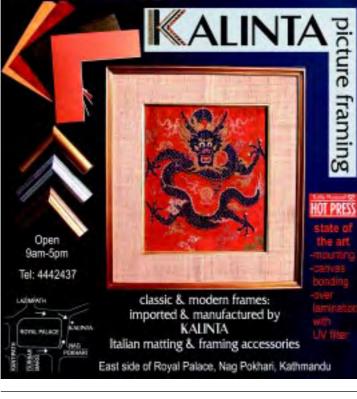
truthfully represent themselves in the exacting international market as socially and environmentally proactive.

Today, handmade craft paper produced solely through indigenous technology ranks as one of Nepal's top handicraft exports. After the paper found its way into the international market in Europe and the US during the early 1990s, business has boomed. While other handicrafts like pashmina and jewellery nosedived, handmade paper sales grew by over 300 percent. Annual earnings catapulted from just Rs 67 million in 1997 to Rs 275 million in 2002. ♦



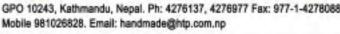
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Political Paralysis in Nepal - by Hari Roka

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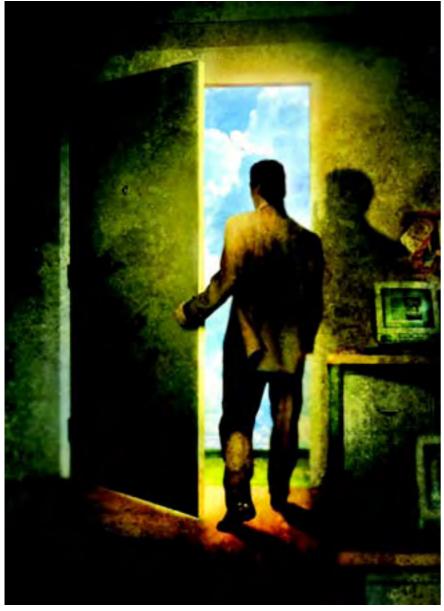
Sri Lankan intrigue





L. FOWAR BRACAR VENNETUROSCE

#### ANALYSIS by ESWAR PRASAD, KENNETH ROGOFF



ecent financial crises in the emerging markets have stoked a heated debate about the benefits and costs of financial globalisation. Many countries that have participated actively in the process experienced rapid growth for some years. But subsequent financial crises have been cited as evidence that the deck is stacked against the globalisers.

Too much of the debate about financial globalisation has been based on passion rather than evidence. So, together with Shang-Jin Wei and M. Ayhan Kose, we undertook a study of its effects on developing countries\*. The conclusions are rather sobering, suggesting that many

developing countries have been unable to get the full benefits although they have borne the full weight of the risks. Since the International Monetary Fund has often been regarded as a cheerleader for financial globalisation, this study attracted considerable attention.

However, our results are more evolutionary than revolutionary. A number of earlier IMF reports and research papers had warned of the problems of moral hazard and the build-up of excessive debt in emerging markets, long before the topic became fashionable. They had also highlighted the dangers of trying to maintain fixed exchange rate regimes not

## Going global

Countries enjoy the benefits of financial integration once they cross a threshold in the soundness of their domestic monetary and fiscal policies, and the quality of social and economic institutions

supported by appropriate policies, particularly when accompanied by rampant capital account liberalisation. Our recent paper builds on this research and our main message is far more nuanced than some polemicists seem to realise.

The study focused on two questions. First, does financial integration by itself help a developing country to achieve higher living standards through faster growth? Interestingly, the more financially integrated developing economies do seem to have achieved higher per capita incomes than others. However, it becomes difficult to make a convincing connection between financial integration and economic growth once other factors, such as trade flows and political stability, are taken into account.

The second question was whether financial integration helps a country to avoid macroeconomic instability. We found that financially integrated developing economies have, in some respects, been subject to greater instability than other developing countries. This result may not seem surprising, in view of recent financial crises. But it is still interesting that it is precisely those countries that made the effort to become financially integrated that, in general, faced more instability.

So, if financial globalisation has not directly resulted in higher growth but has contributed to greater instability, is it something that developing countries would do better to avoid?

While the study's findings do not seem encouraging at first glance, there are

important positive policy implications. We found that countries do enjoy the benefits of financial integration, in terms of both higher growth and lower instability, once they have crossed a certain threshold in terms of the soundness of their domestic monetary and fiscal policies and the quality of their social and economic institutions. Countries with strong supervisory structures for the financial sector and little domestic corruption tend to be less susceptible to crises.

One of the main messages of the paper is, thus, quite consistent with the IMF's traditional mantra: that sound macroeconomic policies are important for robust and sustainable growth. But more attention to domestic institutions and financial markets is warranted. Financial globalisation, sooner or later, exposes weaknesses in these areas: countries with pegged exchange rate regimes, unsound domestic macroeconomic policies and poorly supervised financial markets are more likely to suffer costly financial crises when they expose themselves to international capital flows.

Economic theory leaves a number of unanswered. For instance, in order too control the risks associated with opening up to capital inflows, it seems unnecessary for countries to have strong institutions. On the other hand, inflows of capital, especially foreign direct investment, may bring technological know-how and knowledge of best

practices in other countries that can improve domestic institutions. So should a country postpone opening its capital markets till it has good institutions? Or should it use financial integration as a toll to improve its institutions? Unfortunately, there are no definitive answers to these issues, which are best approached by each country based on its own circumstances.

Our reading of the evidence hardly suggests that developing countries should be hastening to carry out rapid capital account liberalisation, and certainly not before trade liberalisation. Yet these countries should also recognise that are limits to the usefulness of capital controls, which cannot protect a country from the effects of reckless policies. Many recent financial crises have been sparked by excessive government borrowing rather than private borrowing. Slapping on capital controls—which too often are heavy-handed, growth-stifling and corruption-inducing—is hardly likely to solve this problem. Indeed, the effectiveness of capital controls has usually tended to erode with time: as financial globalisation continues, it is likely to diminish further.  $\blacklozenge$  (© FT)

> \*The Effects of Financial Globalization on Developing Countries: Some Empirical Evidence, www.imj.org research

Eswor Prasod is division chief in the IMFs Asia and Pacific department and Kenneth Rogojf is chief economist of the fund.



#### 11

## Playing at democracy

topia STOP

#### **KAUSHIK BASU**

**ASIA** 

rganisations that are officially committed to involving all nations in their decision making are often controlled by small groups of powerful nations, while others merely go through the motions of participation. The World Trade Organisation (WTO), supposedly run on the principle of one country one vote, actually has its agenda selected behind the stage by a small group of nations.

It is now standard practice for international organisations publishing a report to involve all the "stakeholders" and to reflect their opinions. So the evolving report is usually put up on a website and suggestions are invited from one and all—NGOs, trade unions and other organisations of civil society. This promotes a sense of participation, but as a friend, seasoned in such matters, informed me, the key is to ignore all comments and write up the report as if there were no website.

Increasingly, free expression of opinion does not influence or restrain how government behaves. Consider the United States. People expressed their opinion freely—in newspapers, on television, in Internet chat rooms—

concerning George Bush's planned war on Iraq. Never before was there so much opposition to a war *before* it occurred. Yet the invasion went ahead. The same holds true for Britain and Australia, where public opposition to war counted for naught. The world's great democracies—the US, India, the UK and others—are increasingly adept at not allowing freely expressed opinions to constrain what the government does. The current war in Iraq is perhaps the strongest proof of this.

Leaving aside the immorality of this war, I wish to draw attention to this increasing ability and inclination of democracies to "deal" with (meaning neutralise) public opinion. They let people *believe* that their opinion counts, that

they are participating in their nation's decision making, while keeping them out of the real game.

As democracies mature, they become ever more practiced at managing opinion, and in many cases, at shaping opinion. Every time Hans Blix commented on the UN inspections of Iraq that he was conducting, members of the Bush administration would paraphrase what Blix said to subtly change Blix's

comments to suit America's case for war. They hoped that would shift mass opinion in favour of the war.

Overthrowing a totalitarian regime and organising elections may be hard, but it is harder to establish a true democracy. For people accustomed to living in a totalitarian state, participation is not easy. Hence the popular belief that democracies, like wine, improve with age.

While this may be true, there is a downside to maturity. Just as citizens in a democracy continuously learn to participate, democratic governments continuously learn how to get their way despite the participation. It is no use denying that civic participation too often serves

only to legitimise a sham. We must recognise and confront this problem to prevent established democracies from atrophying and to help new democracies become more effective. For it is not only morally wrong to leave nations and communities feeling marginalised and without voice; it is a recipe for frustration, rage and terrorism. • (@ Project Syndicate)

Kaushik Basu is Professor of Economics and Director of the Program on Comparative Economic Development at Cornell University.



#### **Bhutan goes mobile**

Bhutan last week launched the first phase of its mobile telephony network covering the capital, Thimpu, the airport town of Paro, Chukha, Gedu and Phuentsholing. One fourth of the cost of the project was Indian grant aid through equipment from Telecommunications Consultants of India Limited.

A total of 13 base stations in the Thimpu and Paro valley and five along the Thimpu-Phuentsholing highway ensures connectivity along the road. Call rates average Nu 4-5 a minute for local and domestic calls. Calls to India will cost Nu 20 a minute, and Nu 55 a minute for other countries. SMS messaging services will cost about Nu 2 a message, while all incoming calls will be free of charge.

#### **Another one bites the dust**

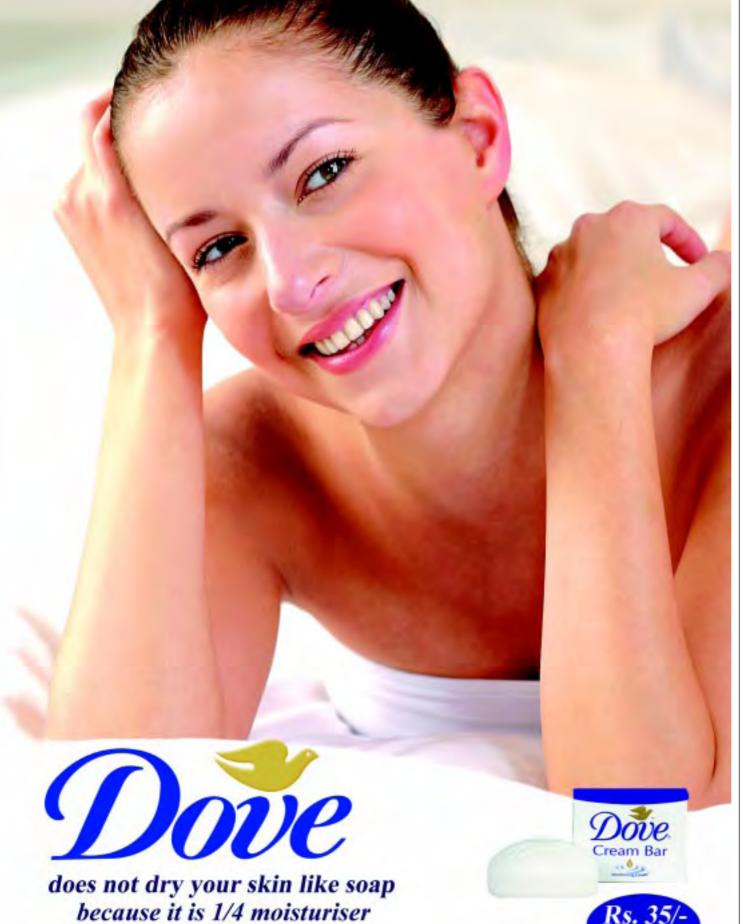
NEW DELHI - Indian Prime Minister Atal Bihari Vajpayee's Bharatiya Janata Party (BJP) suffered a setback amid heated campaigning for state elections after a party leader, filmed allegedly receiving bribes to facilitate mining rights, was forced to resign as junior environment minister on Monday. Dilip Singh Judeo said his political rival Ajit Jogi, incumbent chief minister of Chattisgarh and top leader of the Congress party, had fabricated the video. Jogi and the Congress party have denied the charges.

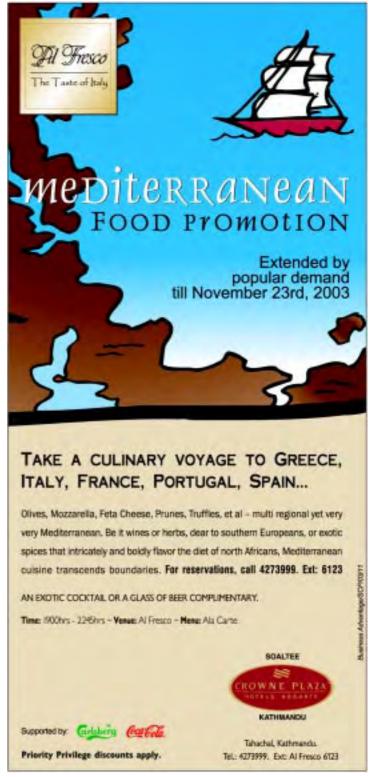
On Monday, Vajpayee convened a meeting of top-ranking members of his cabinet, attended by Deputy Prime Minister Lal Krishna Advani, Finance Minister Jaswant Singh and BJP general secretary Venkiah Naidu. Judeo's resignation was announced at the end of that meeting. Judeo will, however, continue to lead the BJP's election campaign in Chattisgarh in spite of allegations that he had accepted bribe money from the agents of an Australian mining company. (IPS)

#### **Power strain**

BEIJING – Experts are worried that power shortages could become one of the main constraining factors on China's economic growth. After nearly a decade of bickering, last year the government restructured the integrated state-owned \$120 billion State Power Corp (SPC) into five power generators and two distribution companies. A new regulatory body, the State Electricity Supervision Commission assigned with the task of overseeing the reform, was created this spring.

In May, the State Council or China's Cabinet approved the construction of 12 power stations of total investment value of \$6.18 billion. The new projects are expected to add generation capacity of 25 million kilowatts a year. The added capacity comes on top of power generated by the giant \$22 billion Three Gorges Dam, due to be completed in 2009. (IPS)



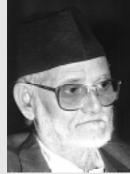




## "When it comes to saving democracy, we are all united."

Himal Khabarpatrika, 17 November - 1 December Sushil Koirala, general secretary of the Nepali Congress and Madhab Kumar Nepal, general secretary of the CPN (UML) explain their party stands on various subjects. Extracts:

हिमाल



On the ineffectiveness of parties' movement Sushil Koirala: We planned to gather nearly 700,000 people in the capital but had to call it off. If we had no support from the people, the government would not have banned public protest and kept people from travelling to Kathmandu. Later, there was no point carrying on with the protest programs during Dasai, Tihar and Chhath. But now the movement will go ahead. Our party president's visit to villages is an indication towards that end.



**Madhab Kumar Nepal:** There has been some delay in preparing the protest programs. We need to discuss the effectiveness of the movement and are trying to discuss how we can generate more support from the people, see what needs to be added and done away with in our agitation. We are also considering involving other parties in the movement.

#### On party unity

**SK:** There may be some competition among parties but when it comes to saving democracy, we are all united. There is no difference on that front.

**MKN:** We have no such vested interests now. I was unilaterally nominated for the post of prime minister of an all-party government. At present we have not made any claims that the position of prime minister should come to our party. All we want is the political reins to be in the hands of the political parties.

#### On the state of democracy

**SK:** Regression has advanced by dangling tags of democracy and constitutional monarchy. The two terms have become an eyewash. But, in this age of democracy, freedom and rule of law, the conspiracy to impose a dictatorship will not be accepted by the people and the parties. **MKN:** Certainly, the fight for democracy seems long and difficult. The government's stress on militarisation has really complicated matters. We see clearly that the idea is to add more soldiers and rule the country with the help of military force. This is why we have no alternative but a serious fight for democracy.

#### On the role of the king

**SK:** The king may have based himself on the army. Some other forces may also have assured him of their support but there is a fundamental difference in the army of yesterday and today. Now they are educated and understand society and the world. I don't believe that the king has international support. India, the US, the UK and the EU all back Nepal's parliamentary democracy and the role of political parties in a constitutional monarchy.

MKN: Fourth October last year was the genesis of this regression. The king's claim that state power lies within him challenged the notion that it actually resides in the people. Hence, the move was unconstitutional. The royal interference that began with the appointment of a prime minister has spread its tentacles to simple issues like transferring bureaucrats. And now, we see the Raj Parishad being used against political parties. This makes it clear that the campaign to weaken multiparty democracy is already on.



United Command Placard: Citizen-rule

Robin Sayami in *Himal Khabarpatrika*, 17 November –1 December

#### QUOTE OF THE WEEK

"The Royal Council should not be involved in politics."

– Keshar Jung Rayamajhi, former chairman of the Royal Privy Council in *Kantipur*, 19 November

#### **Righting wrongs**

Samacharpatra, 13 November

Extracts of an interview with Sushil Pyakurel.

#### Shouldn't the NHRC talk about human rights violations by the Maoist side also?

We should be clear about the concept of rights before talking about human rights. The constitution, international treaties and contracts directs the activities of the government. If these obligations are not adhered to then the issue of violation of human rights comes up. People have the right to live in peace. Human rights are violated if these rights are encroached upon. Those who commit crimes are naturally violating human rights. The state should punish them in accordance with the law. The Maoists came with armed rebellion and should be viewed differently. It is the duty of the government to make the Maoists incapable violating human rights.

#### How come the NHRC raises counterattacks by security forces, but not when armed groups do

so.

We only question whether such actions are taking place in accordance with the law. We have said that the Maoists violated the Geneva Convention in many places. So, we shouldn't be rapped everytime we draw attention to violations by the government. This is not a competition. Instead, the authorities should carry out self-assessments and find out why their actions are being criticised. The RNA should not view itself as a 'people's army'. It is the army that has the right to carry and purchase arms with taxpayers' money and so it has a moral duty to uphold the law and protect the public. But the Maoist army is not the same, it has deliberately put itself outside the purview of the law. So it may be a sign of inferior complexity to view rights violations by both sides from the same angle. In other words, the Maoists are anti-constitutional and illegal but the state security forces are legal. So, their all activities should be in accordance with the law. If the state goes for illegal actions, it will make the illegal

activities of the Maoists look legal too. The NHRC asks legal institutions not to carry out illegal activities.

#### **Opportunists**

*Taja Khabar*, 17 November

KALAIYA - Nightly curfews in Bara district have led to a rise in robberies and Maoist activities. The district administration office has imposed a curfew in 40 VDCs from 8PM-4AM and the lack of security force patrols has made midnight looting and Maoist extortion easy. Everyone keeps mum while neighbours are beaten and looted. There is no sign of the police doing anything. Last month, a large group of armed robbers looted Rs 1.7 million worth of jewellery, clothes and appliances from Rameswor Prasad Yadab in Batara. Then the Maoists bombed and completely destroyed a dharamshala at the heart of Kalaiya municipality because it was attached to the tax revenue office.

#### **Five hours**

Rajdhani, 28 November

राजध

Rain or shine, nine-year old Dipesh Rai has to set out for his schools by seven in the morning everyday. If he doesn't he'll miss the first class that begins at 10AM. After a long uphill climb, he reaches his school where he spends six hours and comes back home, another two-hour walk. This has been his way of life for three years: a five hour roundtrip every day to go to school. Dipesh is now in grade four. His story is not unique in this part of Ilam. Even tiny tots in primary schools walk for hours to reach their school and back.

Compared to their elder siblings, they are lucky. As students reach higher classes, their parents expect them to help them out with household chores and in the fields. As a result, many of them end up dropping out of school. "That is how many students in these areas never get to see the inside of a school in their lifetime," says villager Mani Kumar Rai.

It is a pattern shared by more than 50 students from 20 families at Ranbhede. Many parents don't even send their small children to schools, saying the distances are far too great. When the children are finally old enough to go to school on their own, they are embarrassed to attend junior classes with much younger students. Dal Bahadur Rai's youngest daughter is already seven but her parents have not yet thought about sending her to school. Maita Singh Rai wishes the villagers had a primary school in the same village. "That would lessen the burden on our children," he says.

#### **Monkey business**

Rajdhani, 20 November

ाजधानी



Specialists are making home visits to find naughty monkeys that plague neighbourhoods so they can sell them for Rs 25,000 to middlemen supplying medical researchers. Nepal's only monkey specialist, Mukesh Kumar Chalise, has been busy after the government's recent policy to allow anyone a license from the Department of National Parks and Wildlife Conservation (DNPWC) to rear wild animals. Chalise is planning to collect 150 monkeys between 5-20 years of age for bio-medical research. His eyes are on the red monkeys of Palpa and Nawalaparasi. He also has the support of DNPWC who have agreed to supply monkeys for his research. "The supply will mostly come from Langtang National Park, Gokarna and other hill districts where monkeys are nuisance to the farmers," says Surya Bahadur Pande from DPNWC. The project will also involve international specialists as research on red monkeys is in high demand all over the world. Two years ago, Washington University had asked for 200 red monkeys but was turned down following bitter protests from conservationists.

## Zones of war

Drishti, 18-24 November



Kamala Parajuli, a student of Sharada Higher Secondary School in Doti recounts her experience of the shootout between security forces and the Maoists on October 13.

Classes had just begun when suddenly, a group of people came inside and ordered, "Stop the class. We're organising a cultural program." We thought school had ended and started going home, but they blocked our path and forced us to attend their show. Two of my brothers and some of my friends managed to escape but I was among those who were trapped.

As soon as the function began, we heard gunshots. I had heard of encounters on the radio but never realised that I would experience something like this myself. We were all quaking with fear and the atmosphere was frightening. The army officers asked us to raise our hands. We obeyed and heard loud gunshots behind us. We were so scared that we started running without thinking. The bullets hit my friends and they started to fall down one by one. Suddenly I heard someone say, "Be careful, they are students." It must have been an

army officer, who else would have dared to say that? Seconds later I was hit on my right arm. I fell down and don't remember

anything.

I woke up at the hospital, with my clothes soaked in blood. I was told that an army helicopter had brought us to Nepalganj for treatment. Doctors had already removed the bullets from my arm and I felt I was lucky to survive. Many of my friends were shot and I don't even know how many lived. I'll find out how many didn't make it when I go back to school. I just hope the Maoists and the army will treat schools as zones of peace. Please, make them listen.



Kamala (extreme right) recovering in a Nepalganj hospital.

21 - 27 NOVEMBER 2003 **NEPALI TIMES #171** 

#### Back at Sundarijal >48

## 'The wind is favourable.'

30 April-14 May, 1977

[No entries]

Sunday, 15 May

Police Training Centre

Was transferred from Sundarijal to the Police Training Centre where a hall has been converted into my prison. This hall and a small area surrounding have been walled in to make the prison. In the compound a bathroom + a WC have been constructed and there is a small kitchen with a tap + sink. My room is a big one, with a bedstead, a writing table + a chair, a dining table with two chairs, an almirah + a stone on a longish table for tea articles like cups + pots. The room is airy, but since the surrounding walls are too near the compound, it is too narrow. I can't see anything of the outside except some treetops and the top of a distant hill. GM is lodged similarly in an adjacent room. There is a wall separating these two prisons. I sometimes hear him singing in his full-throated voice.

**16 May** 

[no entry]

THE THEFT THE PROPERTY OF THE

Tuesday, 17 May

Police Training Centre (Kath.)

My statement before the trying one-man tribunal in all the 7 cases I am indicted in has been completed. It started on 26th April. This period was pleasant, because I got the opportunity to express my political views before the court, I could meet my lawyers in the court and also, when the court was not sitting in private consultation sessions, on two occasions I met Sushila + others during the breaks in the afternoon.

**18 May** 

[No entry]

Thursday, 19 May

PTC

In the afternoon Anchaladish came. I had wanted to see him, and asked the

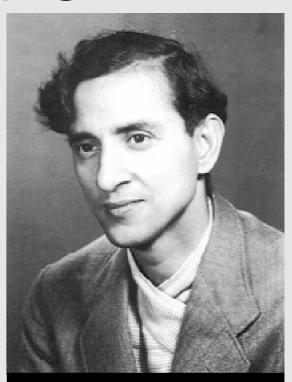
Camp Commander to send word to him. I told the Achaladhish that since my statements in the court had concluded, there was no purpose in keeping me incommunicado. He said that since GM's statement had yet to be recorded in the court which might take a couple of days, I would have to have patience for two or three more days, thereafter both of us would be held together—the door in the partition will be opened permitting communications between us. I asked him about interviews. He said that Rosa had also asked for it. He would allow nearest relations to meet me fortnightly. He was vague who were my nearest relations. He informed me that they could meet me even today—or tomorrow in any case. I also reminded him of my other demands regarding newspapers, correspondence + supply of reading material. He promised that he would do his best to provide these facilities. He noted down all I had to say in his small notebook. I also told him that I would like to meet the King, he said that this request had already been forwarded, he was extremely courteous, is he is the straw then the wind is favourable.

Half an hour after he left Camp Commandant and the Camp Commander (?) DSP came. This Camp Commander is in charge of temporary prisons and the commandant is the head of the Police Training Centre. I was informed that my people would be coming to see me shortly, that could meet only a limited no. of relations—ie wife, parents, brothers, brothers' wives, sons + daughters. Then the commandant produced a register requiring to write the names of the person falling in the above categories who would be likely meeting me. I wrote down 6 names: Sushila, Rosa, Sriharsha, Chetana, Munu + Kosa. He also informed me that they would be present during the interviews. About an hour later, Sushila along with Rosa, Chetana + Shriharsha were ushered in. Kalpana + Manisha had also come but they had to stay out, so also Iju. Sushila told me that Manisha wept bitterly for not being permitted to come to me with them. The interview because of this episode did not become as enjoyable as otherwise it would have been. What a wooden attitude on the party of the authority, not allowing a child of 6 years to accompany Sushila for an interview with me!

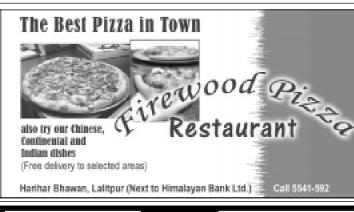
**20-23 May** [diary pages missing]

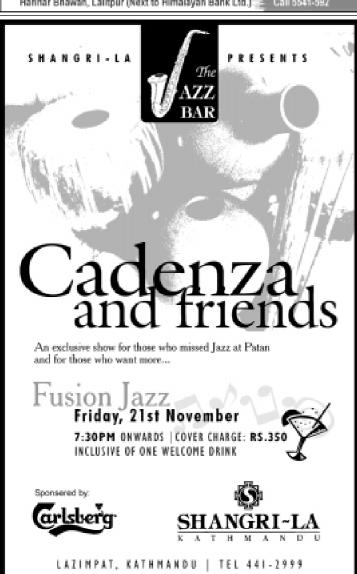
24-26 May

Ino entries



There is a long period between 30 April-14 May when BP Koirala has no entries in his prison diaries. These are the days, as he explains later, when he was taken to the tribunal for daily hearings. Finally, he is transferred from Sundarijal to the Police Training Centre in the heart of Kathmandu. His family is allowed to visit, but much to BP's disappointment little Manisha is not allowed to see her grandfather, and she cries bitterly.







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#### **ABOUT TOWN**

#### **FESTIVALS AND EXHIBITIONS**

- Fate and Freedom Unique handmade carpets by John Collins till 23 November at Siddhartha
- Living Culture by Krishna Gopal Ranjit till 30 November at Gallery Nine, Lazimpat. Daily except Monday, 11AM - 6 PM.
- Sofa so good Paintings by Kripa Joshi at Dhokaima Café at Patan Dhoka. 5543017

#### **EVENTS**

- Himalayan White Water Challenge 2003 at Bhotekoshi River. Organised by Nepal Association of Rafting Agents, 23 -25 November. Details: Nepal Tourism Board, 256909 -140
- Cine-Club: Dersou ouzala 23 November. 2PM at Auditorium Molière at Alliance Française, Thapathali. 4241163
- ❖ Inter-cultural Film Society: Journey to the Sun by Yesim Ustaoglu (Turkey). 5.30 PM on 23 November at NTB.
- Oz vs UK Rugby Union World Cup Finals 3PM on 22 November, Rum Doodle Bar and Restaurant. 4443208
- Lux Film Awards on 29 November at BICC, Kathmandu. NTV live telecast 4.45 PM.
- Pasa Bazaar Organic products, flea market, workshop, music and photo exhibition on 22 November at Aksheshor Mahavihar, Pulchowk.
- Kathmandu Mountain Bike Race from Panauti to Lhakuri Bhanjyang, 8AM on 22 November. Starting at Himalayan Bank, Thamel.

#### MUSIC

- ❖ Shukrabaar featuring Bobin & The Mantra, and Sundari Mika from Japan. 5.30 PM on 21 November at Patan Museum, Lalitpur. Ticket: Rs 350
- Lucky Ali Live in Kathmandu also featuring Deepak Bajracharya 2PM on 6 December at Dasharath Rangasala Ticket: Rs 200. 6PM on 7 December at Hyatt Regency Kathmandu. Ticket: Rs 2,999 per person (dinner and drinks)
- Cadenza & Friends 7.30 PM onwards 21 November at The Jazz Bar, Shangri-la Hotel. Rs 350 per person (inclusive of welcome drink). 4412999



- La Soirée Nouveau Beaujolais Wine party, 6PM on 21 November at Alliance Fraçaise,
- ❖ Winter Warmers at the Sumeru Bar, Godavari Village Resort. 5560675
- Cosmic Cocktails at Mitra Lounge Bar above Café Mitra, Thamel. 4259015

#### F00D

- Bring your wine along every Thursday and Sunday and buy our dinner. Himalatte Café, Thamel.
- 5th Momo Mania on 22 November at The Bakery Café, Baneshwor. 16 exquisite varieties of momos, fun competitions, games and live performances. Tickets available at all Bakery Café outlets.
- Sunday Brunch at Dhokaima Café, Patan Dhoka, 11AM to 3PM. 5543017
- Momos & More the finest momos in town now at Dhobighat. 5520692
- Bhaktapur Night BBQ dinner in the Shambala Garden every Friday. Rs 600 per person. 4412999
- Roadhouse Café for specialty coffees. Opp St Mary's School, Pulchowk. 5521755
- Authentic Chinese food at Tian Rui Chinese Restaurant, Thapathali. 4243078
- Traditional Newari Thali at Kathmandu Guest House, Thamel. 4431632
- Weekend Ban Bhoj at the Godavari Village Resort. Reservation recommended. 5560675.
- Homestyle cooking by Japanese chef at Dan Ran Japanese Restaurant, Jawalakhel. 5521027
- ❖ Vegetarian specialities at Stupa View Restaurant & Terrace, Boudha Stupa. 4480262

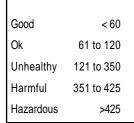
#### **GETAWAYS**

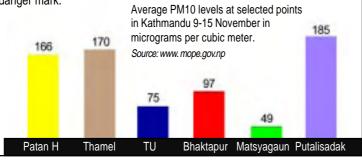
- Microlight flying adventures with the Avia Club, Pokhara.
- Weekend Special for Rs 3000 per couple, Park Village Resort, Budhanilkantha. 4375280
- ❖ TGIF overnight package at Dwarika's Hotel. 4479488
- Shivapuri Cottage, Dadagaon Nature, peace and luxury. 4354331 Email: cbbasnyat@hotmail.com
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- **Escape to Godavari** Special holiday package on half board for the entire family at Godavari Village Resort. 5560675

#### KATHMANDU AIR QUALITY



In the pall of pollution trapped in the inversion layer over the Valley are a lot of particles smaller than 10 microns (technically called PM10) that cause the most harm. They can be breathed deep within the lungs, and they stay there. PM10 levels in the city cores of Putali Sadak, Patan Hospital and Thamel were above the national standard of 120 microgrammes per cubic meter throughout the week. Even in Bhaktapur Durbar Square, where there are no vehicles, the PM10 is starting to get very close to the danger mark.





#### **NEPALI WEATHER**



#### by MAUSAM BEED

The satellite picture taken on Thursday afternoon shows us clear skies ahead A weak front is peeking over Afghanistan and Iran, but it's too far to bring us moisture or clouds. Moreover, a high pressure front in the northwest Himalaya will keep the westerly away. The effect of a massive typhoon over the South China Sea that has moved inland brought northwesterly winds that has given us temporary respite from the Indo-Gangetic haze, but brught down temperatures. So enjoy the views while they last. Clear, cold nights and windy afternoons will bring morning temperatures down significantly resulting in lingering fog in the Valley.

#### KATHMANDU VALLEY











#### **BOOKWORM**

Reason's Traces: Identity and Interpretation in Indian and Tibetan Buddhist Thought Matthew T Kapstein Oxford Press, 2001

Rs 1,032

The analysis of personal identity and of the ultimate reality, the interpretations of Tantric texts and traditions, and Tibetan approaches to the interpretation of Indian sources have been discussed in this book. Drawing on a wide range of sources, Reason's Traces reflects current work in philosophical analysis and hermeneutics, inviting readers to explore the relationship between philosophy and spiritual traditions in a Buddhist context.

Exile as Challenge: the Tibetan Diaspora Dagmar Bernstorff, Hubertus von Welck (eds) Orient Longman, 2003

The Tibetan community in exile is arguably one of the most resilient and successful refugee groups in the world. A revised and enlarged translation of the German publication *Tibet im Exil*, this book focuses on two main themes: how Tibetans in exile preserve their culture and how the community prepares itself for the return to Tibet. It aims to fill a gap in our understanding of the Tibetan Diaspora.

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



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Everything that has a beginning has an end, and so it is with the final instalment of The Matrix trilogy. Revolutions makes good on the genius brothers Wachowski's promise to fuse Kafka, Alice in Wonderland, the New Testament and The Wizard of Oz. If The Matrix and Reloaded chartered the spiritual/prophetic path to the war between the machines and mankind, Revolutions delivers on their promise with bombastic action and climactic delight. Neo (Keanu Reeves), Trinity (Carrie-Anne Moss) and Morpheus (Laurence Fishburne) maintain those intense, serious expressions throughout, and Hugo Weaving reprises his role as Agent Smith with his usual sado-masochistic lopsided grin. Their roles are flawless, perfectly planed but the mood is darker, more fatalistic, the stakes higher.

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**PEOPLE** 

## Media hunks

A new women's group votes on the top 10 sexiest men in the Nepali media.

#### **ROSY CHHETRI**

ast year, three Nepali 30-somethings decided to come out. One had enjoyed no romance for years. Another had enjoyed romances, and was called a hussy for it. Yet another sought romance, but couldn't risk looking for it lest the wrong type of man take a fancy, as that type often does. All were career women who commanded respect. As long as they behaved prim, like proper Nepali women.

So they rounded up like-minded women and formed a group called the Charitraheen Chelis, loosely ("Pun intended," says one member.) translatable as 'Women of Ill Repute'. However, CHC sources said that the membership recruitment was slow. Though most women eventually admitted that they, too, were not the proper women they seemed to be they were not willing to go public about it.

In a press statement this week, Charitraheen Cheli decided to go underground. Meeting at a bar at an undisclosed location over a few bottles of beer, and the group's official motto was set: 'To rip apart the veils' ("pachhyaurilai chyat-choot parnalai"). Also discussed: how could they be sure they were hussies? Bitter accusations were hurled at some Chelis: they simply weren't bad enough. For instance, one Cheli could not stay out late. Another could not ditch her baby to attend meetings. Another didn't drink. A unanimous decision was passed that all members must prove their badness.

Then the Chelis got down to the business of discussing men. Creating the kind of ruckus that made the bartenders blush (some Chelis were heard yelling unladylike words) they listed of the 10 sexiest men of Nepal's media. A CHC Alert this week listed the following names, working backwards from number 10 to 1:

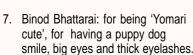


10 Vijay Kumar Pandey: for his throbbing Adam's apple.



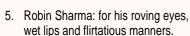


8. Rajendra Dahal: for his earthiness and his opal eyes.



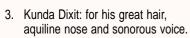


6. Bharat Dutta Koirala: for being gentlemanly and for having aged beautifully.



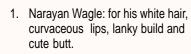


4. Shyam Shrestha: for being 'goofy cute' and for his earnest looks.





2. Chatyang Master: for his twinkly eyes, bushy brows, luscious lips, crooked teeth and strong shoulders.





The meeting ended with the Chelis drunkenly vowing to always be bad, and to recruit more and more women to their cause. Ladies, be warned. The Charitraheen Chelis are on the loose, looking for you. Yes, you.

#### **NEPALI SOCIETY**

## Sure, it's Suhrid

The Manhunt winner proves it is important to be earnest.

odel contests are a dime a dozen, but real winners are few and far between. For the most part one assumes the head that wears the crown is an empty one, so a personable, articulate male model like Suhrid Jyoti, winner of Manhunt 2003, comes as a pleasant surprise.

The 24-year-old manages to

The 24-year-old manages to straddle the thin line between confidence and cockiness: "If anyone is going to represent my country it should be someone like me because I am a man of the world with the heart of a Nepali. It's an answer I'd prepared for the contest but, without sounding egotistical, I do believe I'm a good representative of the modern Nepali youth."

While rehearsed pithy statements form part of every beauty pageant winner's repertoire, Suhrid fits the profile. Having studied in various boarding schools in India ("I never stopped missing home.") Suhrid went to North Eastern University in the US for Industrial Engineering, completed his Masters in Engineering Management and worked for a while with John Hancock in Boston before deciding to come home.

"I feel that all Nepalis should go

out and study, see the world but I think they should come back and use what they learned, we can't think just about ourselves," he says earnestly. "That goes for those who want to sell everything and move out of the country too. I think people should have hope, weather it out and help Nepal. Now I'm probably sounding like a politician," he adds with a grin.

Within four months of his return Suhrid was overseeing several projects within the Jyoti Group, the family business, had started hosting a weekly program on Hits fm 91.2 and when the Manhunt was announced, he signed up, despite people laughing outright at his decision. He is reluctant to define himself as a beauty pageant winner, preferring the less loaded 'model contest' instead. Suhrid believes contests like these can "help contestants represent themselves and their country the best they can—not exploit them".

Suhrid's self-confidence is hard won. A shy bookworm, he was often bullied by bigger children till he decided to emulate his school's sports heroes. It took him a year of basketball practice and one crushing rejection before he made the school team and was gratifyingly voted the most valuable player. "It was then that I decided to believed in myself. If I wanted to do something I could, so I reinvented myself, in a manner of speaking," he says. He still loves reading.

The International Manhunt contest is scheduled for February in Shanghai and Suhrid is already working on his strategy. "I'll learn a little Chinese to flatter the crowd, and if there's a swimsuit round I'll have to wax," he says laughingly, adding he needs to brush up on Nepali history and literature. Suhrid is confident about China. "When I win, there'll be other goals to keep me going." Notice he doesn't say "if I win". He plans to set up his own space and try out as a VJ on a Nepali channel. "What's that line...if you love what you do, you never have to work a single day in your life. That's what I want." ♦









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#### **Under My Hat**

by Kunda Dixit

## **Mr Handsome Nepal**

omeone has to put a stop to this wave of crass commercialisation of the male body that is sweeping the nation. Being in possession of a male body myself, this scribe can empathise with fellow pharisees who have to put up with this sort of nonsense.

It hurts a man's feelings when he is treated as little more than a sex object and not valued for the contributions he can make to society-at-large through voluntary men-only activities like, let's say, attending to the call of nature, in full view of passersby, to irrigate trees that line the Ring Road.

Just put yourself in our shoes, and imagine what it feels like to be a man on the street minding your own business whereupon every passing female thinks it is her god-given right to look you over, pass

complimentary remarks about your proboscis, blow wolf-whistles and (if you are lucky) even say something obscene. Think of the humiliation, the mortification, the ignominy that we men have to put up with every day with such demeaning objectification. This adam-teasing has to stop, otherwise we will nab the miscreants. Promise.

The only way we, who are proud to call ourselves members of the unfair sex, can fight back is to keep on staging our own all-male beauty pageants so that we are not ashamed anymore of our craggy good looks, so that we can hold our heads high again and go boldly forth where no man has gone before to set new standards of masculinity by getting a nose job.

Some of the contestants have already started practicing for their favourite event on this year's Mr Handsome Nepal pageant: the Bikini Round that is guaranteed to separate the sheep from the goats. This year, since the pageant is being held in the dead of winter inside an unheated auditorium, the organisers have permitted contestants to shashay down the catwalk in their undies. Skin-tight thermal long johns are being allowed, as are boxer shorts-type A-fronts. There will inevitably be the macho show-offs who will insist on donning fetching Speedo girdles and freeze their asses off, so emergency services will be on hand to thaw out their frost-bitten rear ends.

Contestants will be awarded points based on various characteristic attributes of Nepali maledom, like: the lard content of their voluptuous girth

measured by accurate Vernier calipers,

the texture and thickness of the fur on their rump, the malodour coefficient of their armpits, and the ability to clear their bronchial tubes in a single drag and propel its content from the window of a moving bus to score a direct hit at a passerby.

After this gruelling event, the men will be ready to face the Interview Round during which they will conduct a man-to-man chat with the judges who will throw a lot of trick question their way, like: "What kind of men-only voluntary contribution are you willing to make to society-atlarge?"















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