

Q. Do you think 2066 will be better than 2065?









#### KUNDA DIXIT in SUNSARI

hen the Kosi washed away an entire section of the East-West Highway in August, the cable ferry at Chatara was the only point linking eastern Nepal with the rest of the country. This week, the ferry is in use again, but for a different reason.

Flood victims have blocked off the repaired highway downstream for a week now, demanding the government keep its promise of resettlement and compensation. So, hundreds of buses and trucks are lined up on the steep Kosi gorge at Chatara, waiting to get across. Tens of thousands of people are stuck. On new year's day, passengers who had been waiting all day were hunkering down for the night without food and water because their buses didn't get a turn to cross.

What the passengers don't know is that even if they get through tomorrow, they will be stuck again in Rautahat, where the highway has been blocked by the landless. If they are going to Birganj, they can't: the section south of Patlaiya has been closed for three days because a local was killed by a poacher in the jungle. On the way to Kathmandu in Dhading, the Prithbi Highway has been closed by relatives of a woman killed in a hit-and-run. Even passengers heading east can't get beyond Pathari-Morang and Jhapa were closed on new year's day because of the murder of a taxi driver. In fact, eastern Nepal was closed down for 156 days in 2065.

No one remembers things being this bad on Nepal's roads. "It wasn't like this even during the war," savs a businessman from Dharan, trying to get home for a wedding. The cost to the economy is incalculable, the human misery is staggering. Nepalis expected much more from a government that they elected last year, and judging by the comments of trapped passengers here, their patience is running out.



**HAPPY NEW YEAR: Passengers** throng one of the two ferries across the Kosi as the blockade by Kosi flood victims downstream closed the East-West Highway for more than a week, cutting off eastern Nepal from the rest of the country.



MANOJ SHRESTHA

Half-full p2

An estimated 55,000 people lost their farms and homes last monsoon when the Kosi burst its levee and washed off the highway and powerlines. The villagers, mostly Madhesis and Muslims,

were promised compensation that never came. Local

Local police say they have administration and orders to negotiate without using

say they are powerless because seem to know this. Said one frustrated APF officer: "We may there are no instructions from Kathmandu.

"The highway connecting the capital to Nepal's second biggest city is blocked for a week and no one in Kathmandu is bothered," complained one official.

have guns, but we are like toy soldiers." As the stalemate **EDITORIAL** drags on in dozens

of other highways across the country, it is clear that the people and the country's economy can't take this for much





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#### HALF-FULL

Wonder if Pushpa Kamal Dahal, sitting in Baluwatar and preparing for his China, visit has any clue about the rising frustrations of the people. The Maoists may have got three of the six seats in the byelections, but that is not the real barometer. Ask people stuck inside buses for 24 hours because the government can't clear the week-long blockade of the country's main national highway by flood victims. Ask city-dwellers who have seen no respite from power and water shortages.

This coalition has spectacularly failed to deliver. There is no law and order, youth wings of ruling parties roam the streets and the police have no orders to intervene. Nepal can be a case for investigative studies by economists where inflation and deflation coexist simultaneously: prices go up even when demand slackens. Essential services have all but collapsed.

But, somehow or other, Nepalis cope. The only reason they're not revolting is because they have learnt through experience not to expect anything from their rulers, even from this band of former revolutionaries.

This does not mean the state has failed as Girija Prasad Koirala insinuates. The NC stalwart should talk less and prepare to reinvent the party by handing over to younger, more energetic leaders. That was the message from the loss of two assured seats in the by-elections last week.

Essential elements of state, the constitution, judiciary, legislature and executive, are functioning as they should. The Maoists have tried to muzzle the press, but the media still plays its adversarial role responsibly. In matters of resource mobilisation, the government is afflicted with problems of a plenty: it can't spend the money that it raises in taxes. That cash is useless in the bank.

Pessimism breeds desperation and becomes a self-fulfilling prophecy. The Maoists have severely weakened the state, maybe deliberately, but the Nepali people have the strength to weather this crisis. They are not even asking for the government to make things better, they just want the government not to make things any worse.

### Biting the bullet

#### Time for the hard decisions on NA-PLA integration

irst the good news. The technical panel of the Army Integration Special
Committee (AISC) appears to be one of the few institutional mechanisms going about its job with seriousness and rigour.
Comprising of a mix of former



PLAIN SPEAKING Prashant Jha

army officers, security specialists, former bureaucrats and Maoist strategists, the team has been able to make some progress. It is getting along with settling the future of the Maoist combatants.

The team visited the fourth division headquarters in Nawalparasi last week. It plans a few more such visits, and a survey of what the PLA soldiers want. The information will then be fed to the AISC and top political leadership.

This kind of work is important for it is the first time an official body with authority has gone to the PLA camps with the intent of discussing their future. Until now, it has largely been the post-conflict tourists. But like the various committees of the CA the real challenge will be arriving at a political compromise later on. And that looks increasingly difficult with no non-Maoist party willing to trust the former rebels, and the escalating tension between the NA and the Maoists.

At best, anti-Maoist forces will accept token scattered integration of a few thousand soldiers at lower ranks. The Maoists have no intention of accepting such a deal. They want space in the command structure, unit level entry, and possibly a gradual merger of the two armies. Talk to any serious Maoist security expert and they will talk about how PLA's strengths complement that of the NA, the importance of maintaining a separate unit at the beginning so as not to disturb the internal dynamics of existing battalions, and the necessity of command level integration first.

This ambitious demand may not be shared by the whole party, even the leadership privately distances itself from it at times. The Maoists have internal problems: some divisional commanders are more assertive than others, thousands of guerrillas have just walked away from the PLA in the last two years. But to dismiss their stand as mere posturing would be repeating the mistake of not taking what the Maoists say seriously.

How the varying perspectives will be reconciled and how the NA, Maoists, NC, UML, Madhesi parties (who will insist on simultaneous inclusion of Madhesis), India, China and to a lesser degree US, UN and UK will come to a meeting point is anyone's guess.

There are other complications as well. There has been no movement on the discharge of disqualified combatants because it has been really difficult for the Maoist top brass to break the news (some of the disqualified were informed only recently) and take action. These people have been staying in the cantonments for two years, have developed bonds with other PLA soldiers, do not want to go back to their villages, and have aspirations of their own. There has been some back-channel work on rehabilitation options, but it needs to speed up.

If all this was not messy enough, some Madhesi PLA combatants have been toying with the idea of joining Matrika Yadav. But they do not want to let go of their status and money in the cantonments. This may not be an immediate threat, but if the integration process does not speed up, there will be a rising temptation among some in the PLA to switch allegiances and go with Maoist defectors, with whom they have a past association.

UNMIN's tenure will end in July. And it seems unlikely that this process will show results by then, which means we will go through the entire exercise of the government writing a letter, New York making a bit of a fuss but relenting and granting a downsized extension. But how long will the Nepali political class continue this charade at the cost of its credibility? There will be a time when the 'international community' stops footing the bill.

It is simple. To end a critical phase of the peace process, to help build trust among parties (non Maoists cannot trust Maoists till they have a separate army), to use the goodwill that is generated to write the constitution, there has to be a political consensus on the future of the Maoist army. The longer one delays meaningful political discussions at the top on the issue, the more difficult it will get. lacksquare



#### **LETTERS**

#### **CLOSED MIND**

Prashant Jha has made a very important point when he says that Nepal needs an open border with India rather than the other way around ('Closed minds', #446). Whatever the kind of regime in Nepal, the problem of un-and under-employment has continued to exacerbate, more so in the rural areas. India has traditionally provided the much-needed cushion by allowing free access to jobs there. But our myopic politicians like Amik Sherchan and his ilk are obviously incapable of empathising with the desperation of Nepalis. Undesirable Indian influence in Nepal can be minimised only by building our own economy. This is where our politicians should direct their attention, if at all possible.

Bihari Krishna Shrestha, email

 Prashant Jha's ideas regarding the regulation of Indo-Nepal border and introduction of the passport is valid but it is only one side of the coin. He completely forgets to mention what is happening in Susta, Kalapani and other border areas of Nepal. Jha doesn't show concern for the growth in smuggling of goods and its impact on our domestic product as well as the losses in revenue. Although the introduction of passports may not be practical, some sort of strict regulation must be introduced so that negative forces do not take advantage of the open border.

Arun Pandey, email

#### **HAPPY NEW BANDA**

I didn't know whether to laugh or cry reading Kunda Dixit's terrible story (www.nepalitimes.com.np) of travelling in Nepal today and the troubles that bandas have caused to Nepalis. It vividly portrays the state of affairs in our blessed land. Pathetic and heart-rending reading in the New Year. It exposes the complete incompetence of the government.

Kamal Acharya, Kathmandu

• It's high time we start an Open Nepal campaign against Nepal bandas. Everyone should get together and start a freedom of

movement campaign by disobeying the strikes. If the Nepali people didn't fear bullets during the curfews in Gyanendra's rule, then why should they now fear some stones from those who call the bandas?

Kiran Shrestha, email

 Only wisdom can resolve Nepal's difficulties, but that seems to be in short supply reading Kunda Dixit's travel blog. I feel for the Nepali people.

Luba Svrcina, Canada

• Are all the 103 ethnic groups now going to call a national strike to back up their

demand for autonomy? Why not shut the whole country down permanently once and for all?

#### Savitri Lama, email

• The only way to preserve your sanity in these surreal times is to try becoming Salvador Dali, or with a touch of humour ('The long march', #445). By declaring a banda the organisers have already caused harm, even if they call it off at the last moment because people change their plans and go through a lot of trouble to find ways around it. I

had to cancel a planned trip with a mobile dental clinic to Kabhre because of the Tamsaling strike, that was cancelled. Who suffered?

LD, email

### When tomorrow comes

#### Dahal needs to square up to reality- or face an explosive PLA mutiny

aoists are better at manipulating the media than anybody else in Nepali politics. They managed to sell their violent campaign as an uprising of the oppressed even though no Dalit, Madhesi or women ever had any say in the decisions of the politburo. Like the other parties, their political leadership was dominated by Bahun men who issued directives from safe houses in India.



STATE OF THE STATE

Throughout the decade-long armed conflict, mainly Janajati, Tharu and Dalit youths recruited into the national army and the rebel force killed each other. The Rhododendron Revolution three years ago this week sent resourceful apparatchiks and smart commissars to Constituent Assembly and Singh Darbar, but those who actually fought in the battlefields are interred in 28 UN-monitored camps.

When combatants were celebrating their 8th anniversary at Hattikhor in February, party propagandists ferried busloads of journalists to ensure friendly coverage. The strategy worked: media accounts were full of praise for Pushpa Kamal Dahal's directives to his storm troopers that they should henceforth follow the orders of the Army Integration Special Committee (AISC), headed by himself. But sitting in the press row, there was a foreign journalist who saw (and sensed) that behind their disciplined demeanour, combatants hid anger and resentment.



CHONG ZI LIANG

Two months later, the journalist says she understands why former guerrillas are so angry: there is little difference between previous visits of the king and that of the prime minister. The same gush of dusty wind from the same ex-royal helicopter, similar garlanding, the same tolerance of sycophancy. But more than anything else, it is the prominence of privileged children of the new leaders that angers the disadvantaged most. There on stage while the prime minister was taking the salute was his grandson. Well-dressed pampered kids with Kurmure packs pranced about like little royals.

Dahal probably saw what the

contradiction could lead to if the process of resettlement, rehabilitation or integration of Maoist combatants is not accomplished soon. In the history of post-insurgency upheavals, ousters of revolutionary leaders are as common as coup d'états. Dahal badmouths everyone to hide his own anxiety. His neurotic outbursts are meant for his own cadres. Deep inside, this man is insecure.

Unlike Defence Minister Ram Bahadur Thapa, Dahal probably wants to soft-peddle the issue of civilian control over the army for the moment. With the king gone, an elected government in power and the parliament holding the purse strings, there

is no way the army commanders of the future can afford to antagonise political leadership. But on the question of 'integration' of at least some former combatants into the defence forces, Dahal needs a face-saving formula even more urgently than Thapa.

Earlier this week, the government finalised procedures for the establishment of an industrial security force. Some combatants could easily be absorbed into the new corps. But trained in the hit-and-run tactics of a dirty war, former guerrillas are unlikely to make effective sentries. Hard to reform guerrillas taught to attack and ransack.

The best course is still the most obvious one: the government should concentrate on rehabilitating former guerrillas. The resources required to motivate and de-indoctrinate former combatants is not easy to find. Is that why Dahal made that seemingly-pointless visit to Norway and Finland? He returned with just vague reassurances: the Nordics want priority rights over some hydroelectricity and forestry projects which Dahal can't guarantee without getting clearances from hawk-eyed neighbours.

Psychologists believe that hostility results from wilful refusal to accept reality. For the peace process to move ahead. Dahal has to realise that he needs other political parties as much as they need him. His real challenge is not the army's generals, it is the impatient commanders in the camps. Dahal has to have the entire political class behind him to defuse a future mutiny.





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# Which way are we going?

magine you go to a medical doctor who doesn't take your temperature, check blood pressure or is not allowed to do a blood test before diagnosing your illness. What would your impression of the doctor be? Would you have faith in him?

In the same way, reliable economic indicators are the first step for effectively managing an economy. Take the current spate of strikes and highway closures: what is the economic cost? We may have some idea, but there is no data or quantitative reflection of the impact. So how can one objectively discuss it?



COMMENT
Anthony S. Chan

Among the economic indicators, we have Gross Domestic Product or Gross National Product that calculates the total output of goods and services in the

economy. One would imagine that in Nepal where everybody feels that there is an urgent need to create jobs, employment figures would be made available.

Demonstrations with workers demanding better wages have been ongoing in Nepal. There is also a serious power crisis. How is this really affecting the economy? We need a measure of economic activity to tell us how much employment is possible. What is the impact of labour issues, bandas and strikes and power cuts on industries? Is industrial production contracting, or expanding or stagnant?

Clear indicators would make us more conscious of the consequences of our actions. It would help us figure out better ways to resolve differences or problems rather than resorting to bandas and closures.

The price of agricultural commodities has increased, inflation is rising and income is not keeping up. We always talk about the impact of higher prices of food on consumers but we never talk about the impact of a farmer getting a higher price. When the price is rising, the impact is not always negative. You have to gauge how it impacts not just the consumer, but also the producer for an all-inclusive picture of what's going on in the economy.

### Why are reliable economic indicators important for Nepal?

Another broad area of economic data is government fiscal accounts. Nepal has done a pretty good job in becoming more transparent and we hear of the tremendous increase in revenue collection. Much of it hasn't been spent yet but it is an area where progress has been clear because data is available.

It is very difficult to talk about specific policies if you don't have data available. There is never a 100 per cent agreement in any policy response, but if you have data or economic indicators, the decision or debate is likely to be a lot more rational and pertinent.

There are three broad categories of indicators – the leading indicator gives you some idea of the future trends in gross domestic product, the broadest measure of economic activity; coincident indicators e.g. retail sales are measures of the current state of the economy; lagging indicators are indicators which change only after the economy changes e.g. the unemployment rate.

From the point of view of business and general economic activity – i.e. what will happen in the future, clearly the most important indicator is the leading one. This is because you would want to have some idea of what is likely to happen and be able to plan a response.

Economic information or indicators have some prerequisites regardless of who produces them. Whether government or a private body, the indicators have to be precise, credible and timely. You have to resist the temptation to play with the facts. The private or governmental body preparing indicators may always be tempted to make it look better than it actually is. We have to resist that urge.

The ADB forecasts Nepal's GDP growth as 3.9 per cent while the Government's forecast is between 4.4 to 4.7 per cent. If the GDP is really growing at 4 or 5 per cent should it be something that we feel? Should we not do what a weather forecaster would do: look out of the window to ground truth our forecasts?

Does the economy feel like it is growing at 4-5 per cent in your daily life? If the answer is yes, then they have done a great job with the forecast. If the answer is no, then we need to go back and take a look at the numbers again.

Chan is the deputy director, USAID/Nepal. The above piece is excerpted from talk delivered at a function organized on April 6 by USAID, Laxmi Bank and Himalmedia on "Economic Indicators, the Business Cycle and Economic governance in Nepal".



MIN RATNA BAJRACHARY

# Lies, damn lies and statistics

Excerpts from the roundtable discussion at the Himalmedia-Laxmi Bank-USAID discussion on the topic of "Economic indicators, the business cycle and the improved economic governance in Nepal" held on 6 April.

#### SUMAN JOSHI, Laxmi Bank

Nepal's banking sector is crippled by a lack of reliable data and indicators. This makes analysis and discussions shallow, they lack substance and depth. If figures are flawed, solutions based on those figures can also be flawed. Banking is about risk-taking but lack of reliable data can magnify that risk.

#### RAVI MAINALI: Laxmi Bank

Truly reliable figures are hard to come by. Is there a liquidity crunch or not? What exactly is the inflation rate? What is the impact of the global recession? Data needs to be credible, timely and available.

#### ANIL SHAH: Nabil Bank

The problem is even deeper than the unreliability of official data. Even the figures given by the private sector are suspicious. The first step in figuring out which way the economy is going is to base analysis and projections on reliable indicators. The reason the banking sector looks good is because it is the only section of the economy which works with good and reliable data.

#### SHIVANT PANDE: Nepal Investment Bank

There are some real gaps in the figures: what are the real deposit rates? Do we include deposits of cooperatives across the country in this? How much money do they have? We need to build the capacity for proper monitoring and data collection. The Rastra Bank needs to bolster its capacity. We may never have suffered a recession, but it may be coming.

The reason statistics aren't taken seriously is because there is virtually no interest about economic maters in the media. There is neither quantitative nor qualitative analysis.

#### ASHOKE SJB RANA: Himalayan Bank

There is a serious lack of business journalism in this country, there is virtually no investigation or follow up on issues that can have a major repercussion on the economy. Take the fact that there has been no fertilizer imported into this country (except through informal channels)-what kind of impact is this going to have on food production? The reason no one pays attention to economic indicators today is because they're just not credible.

#### MADAN LAMSAL:

New Business Age magazine
Gathering economic indicators
through surveys is also governed
by the rules of demand and
supply. There is no demand for
proper figures, so there is no
supply. Someone has to be
willing to pay for credible data.
We just don't have a culture of

sharing information. Financial disclosure policy is compulsory for private limited companies but not for others. People want to control financial information.

#### RAJENDRA KABRA: Saurabh Enterprises

The Finance Minister seems to think that tax collection is the only indicator of the economy. You need to looks at economic policies: are they conducive to sustained growth and job creation? The fact is there is growth in only a few sectors that are catalysed by the remittance economy: banking and construction, but this is not going to lead us to sustained growth. Eighty per cent of the economy is the agricultural sector, it is not doing well. This is going to lead to social discontent. Sitting on revenue and not investing it is going to have very serious consequences. Development is just not taking place.

#### SACHIN JOSHI: NIC Bank

We are preaching to the choir here talking about the need for reliable indicators. It is very difficult to actually collect timely and credible data. We just look out of the window and do some arm chair analysis. We have this tendency to leave things to Pahsupatinath. It's also important what you do with those numbers. Look at the US, despite the best information, the financial sector there is going through a meltdown. So, having the date is only the first step toward understanding the problems. Using the data to make decisions will be the second step.

**BUSINESS** 

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#### Two dailies

Nepal is to get two new daily newspapers from 24 April. *Nagarik* is a Nepali language paper edited by Narayan Wagle while *Republica*, which has already been launched online, is an English language paper edited by Amit Dhakal. Both are published by Nepal Republic Media.

#### Hole in one

Purna Man Shakya won the Second Ruslan Vodka Golf competition held at the Royal Nepal Golf Club while Shastika Shrestha won in the ladies tournament. Seventy-nine golfers, with 12 women participants, competed for the prize—two round tickets to Bangkok.

#### New girl's hostel

The Embassy of Turkey has donated Rs7.9 million to Kathmandu University School of Management (KUSOM) to build a ten-room girl's hostel and other facilities at the school in Balkumari. It aims to provide better learning facilities for female students who live outside the valley.

#### French cuisine

Alliance Française in Kathmandu, the French language and cultural centre, is launching a new course dedicated to Hotel & Restaurant professionals or to students in that field. Focused on oral practice, and designed to meet the needs of hospitality and catering business, the levels are open to complete beginners or to people who already have basic knowledge in French.

### How to ascend in recession

#### Canny entrepreneurs can still get rich in the gloom

t an Entrepreneurs for Nepal talk in February, Min Bdr. Gurung, the owner of Bhatbhateni Supermarkets, assured the audience that bad economic times are good for starting a

business in Nepal.
Gurung argued that since bad times
make competitors scale down operations,
entrepreneurs must take the opportunity to



#### **STRICTLY BUSINESS**Ashutosh Tiwari

offer new goods and services that are likely to be valued by the market. He cited examples from the US and the UK, where bad times gave rise to the birth of companies that eventually became global powerhouses.

To be sure, well-educated Nepali entrepreneurs are good at figuring out the 'what' of an opportunity. They understand the gaps that lie between what is demanded and what is supplied. But in the absence of mentoring, and of regular public sharing of business know-how, what they often lack is a sense of the 'how' — that is, how to master a set of street-smart tactics that help them execute actions to profitably grow their ventures.

For help, they may flip the pages of *The Knack*, which, with its focus on business fundamentals, gives a set of coping mechanisms for entrepreneurs to deal with "whatever comes up".

The book, written by Norm Brodsky and Bo Burlingham, two small-business owners and long-time columnists at *INC* magazine, cautions entrepreneurs to not confuse making more sales with growing their businesses. What matters is making higher margins per sale. Higher margins make it possible for a business to cover its overhead expenses.

The authors' advice to entrepreneurs is

THE

KNACK

Norm Brodsky and

Bo Burlingham

unconventional: they advise sticking to a niche within a well-established industry where there are many competitors rather than doing something entirely new. They point out that educating the market about new services and products requires lots of money, and that people who try to implement new ideas first often end up watching those who entered the market second raking in the most profits.

Caught up in the hype about sales, small businesses can be lax about collecting what's owed to them. This leads to their not having enough cash to pay the bills. The authors give tips on how entrepreneurs must play the role of internal bankers, learn to view receivables as "loans made to customers", and set out a strategy to collect money by not doing more than 10 per cent of the business with any single customer.

Being in business is about engaging in

negotiations most of the time. The book's chapter on negotiation suggests making concession on a secondary matter first. That gives an entrepreneur a higher leverage when negotiating the primary deal. Besides, since reputation is everything in a competitive business, the authors advise entrepreneurs never to bad-mouth competitors, and not be a sore loser when customers decamp to other suppliers.

When customers leave, it's usually because they are tired of being taken for granted.

With regard to pricing, the authors advise raising them from time to time. This helps the entrepreneur to keep up with rising costs. As for dealing with employees, it's best not to think of them as one's social friends. A certain distance helps keep emotions out when dealing with personnel

problems that affect businesses.

Successful entrepreneurs such as
Gurung know the contents of the book
instinctively because they've had countless
opportunities to learn from their mistakes
and to continue to sharpen their business
acumen. But for others, who have already
started their businesses in these difficult
times, keeping a copy of the book on the
desk, will be a reminder that underneath
all the hype and bluster, running a
business is all about quietly paying
attention to the fundamentals.



### Away from home

Dinesh Jamga Shah in Kantipur, 11 April

After struggling for more than 18 years in refugee camps in east Nepal, Bhutani refugees are now trying to resettle in the US. Language barriers, lack of education and cultural issues make the first months in their new home difficult. But what is more challenging is overcoming their fear.

With the help of the US government, the resettlement committee has been giving financial assistance to the refugees. Each person receives an allowance of \$ 425 for the first month and \$ 200 for the next seven months. Health insurance is also included.

However, after eight months the allowance is cut. Those looking for jobs are left in a lurch because unemployment in the US is at record high this year. For instance, more than 60 per cent of the refugees in Baltimore remain jobless. Kaji Gautam, who writes for an online newspaper about refugees' situation, says "In Syracuse, New York, only 42 people out of 300 are employed. Due to the financial crisis in the US, jobs are scarce.

The International Rescue Committee (IRC) has been assisting the refugees in their job hunt on the basis of language and educational level. Danielle Kun, program



officer of the New York based IRC says, "Compared to the first three months, they are progressing in every sector now. We are assisting them in finding employment, so there's is no need to worry".

It is especially difficult for those who are between the ages of 35-40s. "We have a place to live but no jobs," says Bhim Bahadur Dahal, who is over 50 years old,

कान्तिपुर

"The young can adjust easily—it is us old people, who can't.'

IRC's main priority right now is providing language classes for both adults and children. Baltimore Community College has been giving literacy classes free of charge. Krishna Dahal, a 17-year-old high school student says, "While this is challenging for us, it is also a great opportunity.'

#### **Misuse**

Prem Bastola in *Naya Patrika*, 10 April

Five hundred and sixty-five child development centres have been set up in Sunsari, but over 60 per cent of them are defunct. Some are being used as cowsheds and others as agricultural stores.

Hemanta Kumar Singh, district education officer of Sunsari says out of the 565 only 195 are up and running. The rest have closed down, supposedly because the children do not show

But every year funding is still being set aside for the centres and each one has a salaried admin officer who fills in forms in the name of the children and collects sums from the development committee. The total annual wage bill amounts to Rs 322.1 million.

The allocated budget is also misused. District officials blame the absence of a monitoring body and try to pass on the responsibility to other bodies. The NGO funding support is not invested in child development either.

#### Timeline Nepal, 19 April

नेपाल

Constitution writing first year

April 2008: CA elections concluded

8 May: Results of the elections announced

28 May: The first meeting of the CA takes place. 21 July: President

chosen

15 August: Prime Minister chosen 22 August:

Cabinet of Ministers formed under the Maoists

**5 September**: The forth session of the

legislative parliament takes place 10 September: The president presents policies and programs

19 September: Finance minister presents the budget 15 December: Committees formed under the CA and the

legislative parliament **16 December**: Constitution

writing officially starts 1 January 2009: Work schedule passed by the Constitutional committee

**13 January** : Public opinion collection starts

**27 February:** Committee heads

10 April: Elections in six areas

Constitution writingsecond year

**April**: Initial draft written April - 13 June: Draft discussion in the CA July: Incorporate suggestions from the CA and the committees into the draft

August: Draft presented and passed draft printed into a gazette September-November: Incorporate the people's

suggestions into the gazette **December**: Present the report of the suggestions in the CA January: Discuss the report

January-February: Revise the draft and present it in the parliament

February-March: Set a deadline for the CA members to offer amendments

discussion on the amended draft and passing of all sections 31 May 2010: After

March-April: Section-wise

authorisation from the Chairman, announcement from the president for the new constitution to take effect.

#### The CA members who did not go for the public opinion collection

Girija Prasad Koirala, Mahantha Thakur, Baldeb Sharma Majgaiya, Matrika Yadab, Shyam Sundar Gupta, Purna Prasad Rajbangshi, Jagat Bahadur Tajpuria, Nanda Kumar Dutta, Bimala Mijar, Shatrudhan Prasad, Singh Koiri, Kabindra Nath Thakur, Shivpujan Rai Yadab, Khobari Rai, Rajkumar Limbu Nalbo, Mahesh Chaudhary,



MIN RATNA BAJRACHARYA

Baban Singh, Shanti Debi Rajbhanshi, Sabitri Singh, Diwakar Golcha, Sanjay Kumar Shah Mohammad Istiyak Rai,

Pradip Giri and Chanda Debi

• 23 CA members did not participate in the opinion collection tours for the new constitution. Out of these 18 had collected their allowances.

 On 4 April the parliament could not sit for a meeting because attendance was so low.

• 513 CA members have not participated in the discussions for the new constitution. 59 have not yet uttered a word in the house.

### Forgotten

Kantipur, 4 April

The prime minister has announced many initiatives, but what has happened to them:

#### Not effective:

Integrating the PLA fighters within 6 months

• Common minimum program (21 August 2008)

#### Haven't been done:

Truth and reconciliation, state restructuring, protection, investigation regarding the disappeared, National labour commission, National Muslim commission, decreasing the load shedding, establishment of local bodies

• Policy and programs (10 September 2008)



Commission for the landless, Inclusiveness committee

• Policy and Programs (10 September 2008)

#### Not implemented:

Within two years all the citizens should be literate, spending less money on occasions such as weddings and bartaman, establishing cooperative shops

• During a speech to the people (25 January 2009)







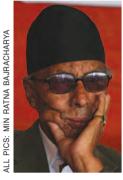
**EVERY SATURDAY** 1:10 - 2:00 pm



### What the geographers say

Just as the debate on federalism is gaining momentum, a group of professors came together last week to discuss state restructuring. Some of the experts were involved in demarcating the current 4,000 VDCs, 75 districts, 14 zones and five development regions.

Chandra Bahadur Shrestha: State restructuring cannot happen if we don't keep the country's present party ideologies and ethnic identities in mind. That said, restructuring also cannot happen if we ignore the country's geography, resources

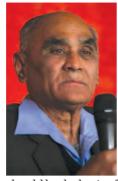


and their distribution, and the economical interdependence between provinces. If we could make the existing five development regions the new provinces it will be easier to gauge the kind of resources

available and integrate the regions properly.

For instance, the Karnali could be a separate province that receives development assistance from the centre and there could be 25 sub provinces in these proposed five provinces. The Eastern Province could have six sub-provinces, Central could have three, Western could have six, the Karnali three, mid-western three and far-western province four. If the country were to follow the proposed structure, the issues of ethnicities will be dealt proportionally in a federal system. Instead of treating the districts as administrative units, they need to be transformed into development units.

Soorya Lal Amatya: We cannot forget national sovereignty, integrity and unity. In a situation where we have to depend on foreigners to run the government, 13/14



provinces will be impossible for the country to handle. We have to be very careful of separatism while drawing the new map. Reconciliation, not division

should be the basis of the federal republic. The five development regions should be turned to provinces and Kathmandu and the Karnali should be separate provinces. If one province has the resources, its neighbouring provinces cannot be deprived. All the past plans of decentralisation were unsuccessful because they were never implemented and they remained in the centre. A federal state without implementation will also be a failure.

Bidya Bir Singh Kansakar: The provinces should be from north to south as they should be able to use the trade route between China and India. The provinces will also get to take advantage of the agricultural and other



resources of the Tarai, hills and the mountains. It is imperative tomake resources the priority while drawing the new map because it is not possible to create provinces

only on the basis of ethnicity and language. If there's a three tier division in centre, provinces and local level, only then is it possible to address the grievances of all groups.

Binod Prasad Shrestha: Federal units should strengthen nationalism. It is much better to name the provinces according to geography, culture and religion, not according to ethnicity or language. The provinces should be made according to demography, language, historical background, cultural and geographical situation, natural resources, development infrastructure roads, electricity, irrigation and income source.



The districts already follow a system, and it would be better not to destroy that when forming a federal structure because the data available in the districts will be important in the future.

Distribution of rights and responsibilities should be clear between the centre, provinces and local level. The centre should have the right to make foreign, monetary, security, military policies and also big development decisions. The provinces should be allowed to make decisions in consensus with the centre on education, health, irrigation, roads and security of the province.

Nanda Gopal Ranjitkar: It is important to study the population, area



and shape when creating provinces. The priority should be: geography, natural resources, population, ethnicity and religion. There should be eight provinces. We have to decide where the Geographically the area between Narayani in the south and Marsyangdi in the north could be the centre. If we consider the Marsyangdi River to cut the country into two parts, there can be four provinces in the east and another four in the west.

Ram Kumar Pande: If we want to empower the provinces they have to be aligned north to south. Not only are the



rivers connected from north to south but also trade and commerce. Therefore only those zones, which are not connected from north-south, should be touched. There is no majority of any of the ethnicities in this country. If you

are to give importance to a handful of ethnicities while ignoring the rest, it will create more problems.

Upendra Lal Malla: I got to work in the demarcation committee circa 1961. Ihad presented the draft of seven zones and 45 districts, but that was not endorsed. King Mahendra had already planned for 14 zones



and 75 districts. But the 1961 proposal is still valid today. I had demarcated seven zones from north to south. King Mahendra's plans were politically motivated, which is why it was not successful.

Economic feasibility, situation of availability of services, cultural identity, population should be the basis on which the provinces should be made. Dhruba Simkhada

### Guinea pigs of the constitution

#### We can't afford to make this country a laboratory

he preamble of the interim constitution says 'having determined the progressive estructure of the state in order to resolve the existing problems of the country based on class, caste, region and gender'.

Article 138, Clause A, says 'inclusive, democratic and progressive restructuring of the state shall be made to bring about an end of the discrimination



COMMENT **Bhim Prasad** Dubedi

based on class, caste, language, sex, culture, religion and region by eliminating the centralised and unitary form of the state.' The preamble has indentified the existing problems whereas the latter suggests the solution.

The state restructuring should have three features—inclusive, democratic and progressive. Going through the proposed drafts of

restructuring, the parties have either defined these concepts in their own way or grossly ignored them. For instance, One Madhes Pradesh, Tamsaling, Magarat, Tharuhat can never be inclusive, democratic or progressive.

People also should know if the federal system is a panacea of all anomalies or just better than the centralised unitary system. Many people who are poor, uneducated and unemployed believe that the state restructuring on the basis of ethnicity and region would resolve all problems. What if the problems remain as it is or get worse? Who is going to take responsibility?

Today's Nepal is a combination of Himal, Pahad and Tarai. Therefore, people living here have social, cultural and economic relations. There are disparities but each region has its own potential

strength in natural resources. However, the natural resources should be evenly distributed because this is the basis on which to run the states.

There are a number of points to be considered in state restructuring: what are the basis for restructuring the state and how to prioritise it, what should be the sharing of power between the centre and provinces, features of provinces including land area and how to name these

provinces.

All castes and ethnicities have their unique cultures and tradition but no particular community has majorities in any particular areas. It would be wise to move ahead with co-option and consensus among all ethnicities in future. Naming a particular region after ethnicities would foster chauvinism, all communities should be given equal recognition and rights in the province.

We get to hear communal comments occasionally saying

not belong to a particular place and should be sent to where it belongs. Few seem to have thought of the dangerous long term consequences of such talk. We can't afford to make this country a laboratory.

State restructuring shouldn't bring more confusion in the dayto-day lives of the people. It should factor in possible consequences to ethnic harmony. Creating provinces and sub-units will have a very long-term impact, we can't afford to get this





HEIGHTENING AWARENESS: Children from the Timal-besi area in Kavre learning proper brushing techniques in the first school-based oral health services initiated by the Community Dentistry department of People's Medical College and Hospital.



CHECK UPS: A dental screening being performed in a village. Basic curative treatments like extractions and fillings would be carried out for free.

## Brushing Upgrading oral hygiene and dental care in rural Nepal is long overdue

**KONG YEN LIN** 

ince having her first phase of crown treatment and dental fillings eight months ago, Chapagaun resident Ani Desar is yet to return to the dentist for a follow up appointment.

"I'll probably wait until it starts hurting again," says the 18-year-old. Desar may lack awareness of prevention, but she is luckier than most rural

Nepalis who have no dental care at all.

There are now 500 dentists in Nepal, but nearly 80 per cent of them practise inside Kathmandu's Ring Road. Almost all decay is left untreated, causing tooth loss, speech problems and facial disfigurement. Even in the cities, a root canal can cost Rs 5,000, so most Nepalis would rather suffer in silence.

"Awareness of oral

hygiene in rural Nepal is low because that is the last priority when people are just trying to survive from day to day," says dental surgeon Anjana Maharjan at Patan Hospital. Indeed, there is so much emphasis on nutrition and diet that oral hygiene is not even in the government's own health priority.

"We've neglected a wellfunctioning set of teeth where food is first processed," says Lonim

Prasai Dixit at the People's Dental College and Hospital in Kathmandu.

Over the years, she has been advocating and lobbying for dental health education at local and international levels.

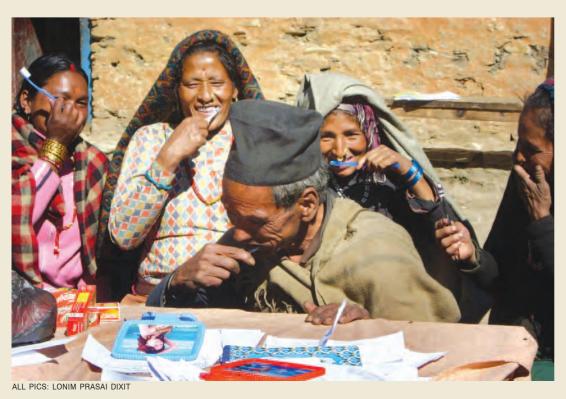
During her first partnership in 2007 with CCS Italy, an INGO working on child health and nutrition to deliver dental care packages at Kavre, she was thrilled to discover a strong psychological link between

frequent teeth brushing and preventing malnutrition.

"Brushing programs in schools can actually increase the intake of mid day meals because they serve as a reminder for food consumption," says Lonim, who is also the Secretary General of the Nepal Dental Association. She has also recently developed a manual for training teachers on oral health.

Interestingly, basic

### Smile, and the world smile



fall the facial expressions, the smile is regarded by many as the one that determines attractiveness. Despite this, we see many people not giving it the priority it deserves. When people look at other people's faces, it is the mouth region that stands out. A pout, a grimace, tight-lipped determination or a smile are all clues to a person's demeanour, personality or mood.

But a smile, besides being an indication of happiness or contentment, also has a bearing on a person's well-being, social acceptance and level of self-confidence. In terms of evolution, people with bright smiles are supposed to transmit the message of good health and therefore make it easier to find a mate. Scientific studies have shown a correlation between what we regard as 'beautiful' or 'handsome' with good health. For example, facial and bodily symmetry, smooth skin, posture and stature are important criteria for judging attractiveness in most human societies.

Whether a smile is vibrant, healthy, glowing or not depends a lot on the teeth inside the mouth. And, it is here that we in Nepal are way behind. Not only are there too few dentists, but the number who have specialised in cosmetic dentistry are just a handful.

Now that medical schools in Nepal are churning out doctors and dental surgeons, there is a growing demand from students to specialise in cosmetic dentistry. And just for that purpose along comes a book co-authored by Nepal's foremost cosmetic dentist,



SCREENING: A child being checked for dental caries. One of the most prevalent childhood diseases in Nepal, caries are left untreated almost all the time in rural villages.



POPULAR BELIEF: Cultural myths can be a stumbling block in reforming oral health policies in Nepal. A superstition among Kathmandu dwellers has it that nailing coins on the *Washya Dyo* or *Danteshwori devi* shrine would alleviate toothaches.

brushing equipment doesn't cost much, the traditional neem twig as toothbrush and salt fluoride as toothpaste are readily available in nature.

"Most people will come only when pain strikes. What they are unaware of is that prevention is better and cheaper than cure," says Mani Tara Shakya of Oral Dental Care Home.

Even in Kathmandu where cosmetic dentistry is catching on fast, people are neglecting function for aesthetics. "It's like buying a Rolls Royce and having no maintenance," says Sushil Koirala, the President of Vedic Institute of Smile Aesthetics, "proper hygiene and regular dental checkups should be the long term investments."

There is help at hand. Charities, schools and hospitals are starting to organise mobile dental camps. Sudin Shakya, a dentist at the Omkar Polyclinic is planning to organise trips to underprivileged school every 15 days to promote dental education and treatment.

Schools are the best places to nurture lifelong habits among the young, and when students relay oral health messages to their families, a multiplying effect is achieved.

As Nepal already has a national school health and nutrition policy, it would be easy to build oral hygiene into this existing framework.

RELAYING THE MESSAGE: Teachers in the Timal-besi area were taught how to brush their teeth correctly so that they can educate students. Preventive measures and habits inculcated early can prevent up to 54 per cent of dental diseases.



### es with you

Sushil Koirala and his Singaporean colleague, Adrian Yap.
Koirala and Yap's A Clinical Guide to Direct Cosmetic
Restorations should be a required acquisition for all medical college
libraries in Nepal and the subcontinent. Although too technical for
the layman, Koirala has applied Vedic definitions of beauty in a
unique classification for use in aesthetic dentistry. The 'Vedic
smile' is classified into six different types depending on emotion,
facial and eyes expressions, lip movement, visibility of teeth, sound
and body gestures. The Sanskirt word, Smita, for example means
smile, and Hasita means laugh.

Through the experience of his practice in Nepal, he has identified the main dental deformities which are not just the cause of health problems but also affect the personality and self-confidence of patients. And once the problem is identified, Koirala and Yap say, it is possible to 'design a smile' best suited to you. For all this, fixing one's teeth is important-not just for appearance but also for speech defects and other issues of oral health.

Nepal would probably be a much better place if our leaders smiled more. But for that they'd first need to get their teeth fixed.

A Clinical guide to Direct Cosmetic Restorations by Sushil Koirala and Adrian Yap Dental Tribune International Leipzig, Germany, 2008





# Tourism for education

he school is built like a castle, while giggling and chattering children frolick in the playground in front. Some rock in swings while others hurtle around a sand pit.

It seems like paradise at Pokhara's Butterfly Daycare Centre, but in reality the lives of the 40 children here are far from perfect. They are from disadvantaged families from 20 districts in Nepal who were displaced during the war.

They had moved to Pokhara seeking security and employment, and were living in harsh conditions. The Butterfly Foundation works to relieve the financial load of working parents by providing their children with free preschool education, studying materials and daily meals.

Founder Govinda Pahari owns the Butterfly lodge in Pokhara's lakefront and ploughs his profits into this charity. "Now I'm not just a businessman, I can give back to society. And using the fruits of my labour to improve the state of children's education gives me great satisfaction," says the 49-year-old Govinda.

With a donation of 750 Euros for three years, Butterfly Lodge supporters- most of them tourists visiting Pokhara can sponsor a child's education through to high school. There have been 10 sponsorships for pre-schoolers and 16 for other students in public schools.

### Orphanage combines corporate enterprise with social activism

Besides children of destitute parents, some of the children at the day care centre are physically or mentally disabled. Teachers feel integrating them with other students is most helpful for their growth.

"If you keep such students in normal schools as long as possible, they'll have a better shot at leading a more normal and independent life. 65 per cent of the children are girls. If there is awareness among parents to send daughters for preschool they are less likely to drop out halfway through higher education," says Govinda, "it's a positive cycle of change."

Some parents are also given jobs in the school. Teacher Rama Shiva Bhakti, 26, also has a four-year-old disabled son at the centre. "Now I can care for him while working, it's the happiest arrangement for me," she says.

The Butterfly Foundation is also running a micro credit scheme to assist women financially in income generation activities. A loan of Rs5,000 is offered with a monthly payback of Rs100. Bimala Kandel took a loan two years ago to pick up sewing skills and now works as a weaver in a cottage industry.

"I can keep these techniques I've learnt and stand on my own two feet," says the 26-year-old single mother of three. Says Govinda: "Social service must come from the heart. Giving back to society is far more rewarding than just taking from it."

Kong Yen Lin in Pokhara



FREEDOM AND HOPE: The Butterfly Foundation uses tourism income to help disadvantaged children through school. More than half the students at the day care centre are girls.



### Where are the

### The global recession hits Pokhara's tourism-based economy

KONG YEN LIN in POKHARA

t Pokhara's Lakeside, the streets are quiet. The crisp snipping of scissors at a barber shop amplifies the silence. It's noon, but boatmen at Phewa Lake are still waiting for customers.

After last autumn's tourism rebound, Pokhara's hoteliers expected visitor arrivals to peak this spring, but then the global economic crisis hit.

"You can see for yourself, this is supposed to be the peak season, but we have only 30 per cent of expected arrivals," says Samir Baral of Lovely Mount Tours and Travels.

After enduring a slump during the war years, Pokhara's tourism was just beginning to pick up when it was hit by the global crisis. Although adventure tourism in the Annapurnas and Everest regions is less affected, the recession in Pokhara's main sources of tourism in Japan and Europe has taken its toll. "Tourists are more careful about spending and they are demanding better value," says Subba Thapa of Acme Adventure Treks," it's hurting profits in Pokhara but not in trekking

Not everyone blames the global crisis alone. Political instability, frequent highway blockades, strikes and the degradation of the sole tourist entry point of Kathmandu are turning away tourists, they say. Last month alone, transport between Pokhara and Kathmandu was disrupted for 25 days.

"We've experienced an
80 per cent drop in businesses
since eight months ago," says
Buddha Gubhaju, of the Pokhara
Hotel, Restaurant and Bar
Association, "if there was real
peace, it wouldn't be this bad."

With an estimated 200,000 of Pokhara's population dependent directly or indirectly on tourism, unemployment rates in the hospitality sector are climbing. "For every one tourist who visits, nine to 13 locals get a job," says

TOURISM GLOOM: Business has been slow during the peak season at tourist spots in Pokhara like Fewa Lake, but there is a trekking traffic in the Annapurna.

Govinda Pahari of the Hotel Association of Nepal in Pokhara, "but with tourism down the sector has been forced to lay off."

However, Pokhara's loss seems to be the gain of the rural areas of Kaski where trekking numbers are





ALL PICS:KONG YEN LIN

### tourists?

up. Surprisingly, the Annapurna Conservation Project (ACAP) has seen a dramatic increase in the trekking permits issued this spring, with an average of 150 issued per day. Last year, nearly 70,000 trekkers visited the region, and with the target of one million tourists during Visit Nepal Year 2011, this number is sure to rise further.

The extension of the highway up the Kali Gandaki Valley and the highway to Manang in Lamjung, however, are putting off trekkers. ACAP's Yam Bahadur Gurung says plans are underway to promote alternative trekking trails in these areas and also in Sikles up to Huju in Kaski district

Everyone seems to agree that the development of the longdelayed international airport in Pokhara is necessary so tourists can fly direct. Land for the airport was set aside 30 years ago but construction has yet to begin.

Says Samir Baral: "For 2011, we need to decide whether we want volume or value. Instead of going for big numbers, I think it's better to go for big spenders." ●

### Sweet success

**ROMA ARYAL** 

anesh Bahadur Shrestha offers some proof that Willy Wonka – the owner of the factory in Roald Dahl's children's classic book *Charlie and the Chocolate Factory* – is alive and kicking in Nepal.

Shrestha is the man behind almost every Nepali sweet—from the hard variety like Orange Balls, Yoyo and Mango Tart to toffees like Lovebirds and Lactofun, chewing gum like Sujal Gum and wafers like Chocofun. On top of that he runs a dairy, a printing factory and has started distributing Hyundai cars in Nepal.

But 62 year old Shrestha never tires: "I'm never content," he says, "Otherwise, I would stop growing." And grown he has.

Making chocolate is something that his family has been doing for generations, passing the skill down the line. In the first few years that he started selling it commercially, the entire family would get involved, making at least 10kg of chocolate a day.

Like almost everyone in Pokhara, a taxi driver recognises Shrestha as the 'Chocolate King of Nepal'. More than 30 years ago, as an eighth grader, he remembers lining up for sinkes - chocolate rolled up on a stick - at Shrestha's shop - a tiny tin-cart erected in front of his house. Each piece sold for 5 paisa then. "Sometimes, he'd give us some for free, knowing that we'd come back for more," the taxi-driver laughs.

When sales began to pick up, a new handoperated machine was bought. As the business gained momentum, his brother, Buddhiman Shrestha, took over the technical aspects, and the pair set out to grow the business. "During those days, we worked like dogs," says Shrestha, describing how they worked at their small factory for more than 16 hours a day. In

# From humble beginnings in Pokhara to a sprawling empire whose roots spread beyond confectionary

1981, the brothers launched their own brand called Mala Mithai in Kathmandu. From here, things went from strength to strength. They started importing more complex machinery to manufacture their confectionary and established Jaya Ma Laxmi Confectionaries, Sujal Foods, Jaya Packaging, Safal dairy and Sujal Plastics.

Now, years later, the brothers' adult sons are taking over the business. (Their daughters are doctors). Although he still remains at the core of the company, Shrestha is pursuing other interests too. He funds scholarships for commerce and management students, has coordinated a campaign for a pollution-free Seti Gandaki and funds a number of other programs as a Lions Club member. At his own office, he is planning to create a museum displaying the first hand-held machine he used to print sweetwrappers.

But in spite of his successes, Shrestha remains firmly grounded. His sleek office is above his childhood home, where he sold his first chocolates. Asked how it feels to be on the top, he says, "When I look back, I feel I was happier. Nothing can exceed the satisfaction of getting something when you don't have much."



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### What of the G 200?

### Poor countries are suffering from the global crisis for no fault of their own

his year is likely to be the worst for the global economy since World War II, with the World Bank estimating a decline of up to two per cent. Largely as a result of a precipitous fall in exports, China is likely to continue to grow, but at a much slower pace than the 11-12 per cent annual growth of recent



WORLDLY WISE Joseph E Stiglitz

years. Unless something is done, the crisis will throw as many as 200 million additional people into poverty.

This global crisis requires a global response, but, unfortunately, responsibility for responding remains at the national level. Each country will try to design its stimulus package to maximise the impact on its own citizens—not the global impact.

This is one of several important messages to emerge from a United Nations Experts Commission on the global economic crisis. The report supports many of the G-20 initiatives, but it urges stronger measures focused on developing countries. For instance, while it is recognised that almost all countries need to undertake stimulus measures (we're all Keynesians



MIN RATNA BAJRACHARYA

now), many developing countries do not have the resources to do so. Nor do existing international lending institutions.

But if we are to avoid winding up in another debt crisis, some, perhaps much, of the money will have to be given in grants. And, in the past, assistance has been accompanied by extensive "conditions," some of which enforced contractionary monetary and fiscal policies—just the opposite of what is needed now—and

imposed financial deregulation, which was among the root causes of the crisis.

In many parts of the world, there is a strong stigma associated with going to the IMF. And there is dissatisfaction not just from borrowers, but also from potential suppliers of funds. The sources of liquid funds today are in Asia and the Middle East, but why should these countries contribute money to organisations in which their voice is limited and which

have often pushed policies that are antithetical to their values and beliefs?

Many of the governance reforms proposed for the IMF and the World Bank—affecting, most obviously, how their heads are chosen—finally seem to be on the table. But the reform process is slow, and the crisis will not wait. It is thus imperative that assistance be provided through a variety of channels, in addition to, or instead of, the IMF, including regional institutions. New lending facilities could be created, with governance structures more consonant with the twenty-first century.

One of the more important mediumterm initiatives urged by the UN Commission is the creation of a global economic coordinating council, which would not only coordinate economic policy, but would also assess impending problems and institutional gaps. As the downturn deepens, several countries may, for example, face bankruptcy. But we still do not have an adequate framework for dealing with such problems.

And the US dollar reserve-currency system—the backbone of the current global financial system—is fraying. China has expressed concerns, and the head of its central bank has joined the UN Commission in calling for a new global reserve system. The UN Commission argues that addressing this old issue (raised more than 75 years ago by Keynes) is essential if we are to have a robust and stable recovery. • *Project Syndicate* 

Joseph E. Stiglitz, Professor of Economics at Columbia University, chairs a Commission of Experts, appointed by the President of the UN General Assembly, on reforms of the international monetary and financial system.



The will to excel. The strength to lead. The passion to conquer. Here's to the spirit of who we are.



17 - 23 APRIL 2009 #447 15 **NATION** 

### **Tooned in Nepal**



animated, indigenouslycrafted one.

"We came up with the concept of using a rhino and built on the idea to create something that represented the bank," says Kiran Joshi of Incessant Rain, the company Ace hired to make the commercial.

An ex-Disney animator, Joshi thinks that animated advertisements, like that of Ace, offer a lucrative marketing alternative to companies not just because of their appeal but also because of their longer market life.

"The response to the commercial has been absolutely great," beams Siddhant Pandey, CEO of Ace Bank, "the rhino is now our mascot and we look forward to

coming up with a series of such advertisements."

At Incessant Rain computer animators are already hard at work outsourced animation deals from

The trend for animated ads is yet to really take hold in Nepal,

factor. But with Ace's rhino making a mark, more companies are likely to follow suit. The good news is they no longer have to run to India to produce 3-D animated commercials.

Nepal-made 3-D animation first caught attention when a series of public service announcements called 'Messengers of Change' were aired last year. The multi-ethnic characters of the series who talked about the political transition of the country were developed and brought to life by Firefly Studios.

"The market has opened up since then," says Prabhakar Chettri of Firefly, "we now have more people approaching us for animations." Firefly's work also includes the liquid animation for Chocofun's advertisement and for U&Me Cheese rings.

"There is an increased interest among the youth to get into animation," says Indra Lal Balami of Maya Animation Academy, "there are many selftaught independent artists-the market needs to tap into their talent." But animation is yet to be taken as a serious career option here and for that to happen, the business has to grow.

"Animation is an expensive and time-consuming process," explains Suyogya Tuladhar of Transcube International, a computer graphics and animation company, "but the companies here want fast results at low prices." He says that given the time and the budget, Nepali animators can produce work that is at par with international standards.



### Short cuts

#### A three-day animation films galore

athmandu's three-day festival of animated short films explores an eclectic range of themes and issues, swinging between reality and fantasy and positioning them into five different categories.

The opening slate, 'Social' is an appropriately diverse selection of styles and techniques that sets the tone for the rest of the festival. It brings together the festival's more ostensibly political pieces and those dealing with heavier subject matters, and also some of its best. Concrete, an Israeli film and one of the few non-French entries, is a statement against militarism. It strikes a very successful balance between realism and fantasy. On one hand, with an almost documentary-like attention it portrays typically human mannerisms and pursuits—a soldier brewing coffee, two playing backgammon. On the other, it embraces the



CRITICAL CINEMA A Angelo D'Silva

cartoon logic to push its point across with zany and comical hyperbole. Ears Have No Lids takes an elliptical route to focus on

the Nazi concentration camps. In the silences and absences it employs, it generates a plaintive emotional space and viscerally communicates the violence.

The 'Ah Love!' program unsurprisingly strikes a much lighter note. Among them is Fallen Angel, a story about an angel that falls from the sky and the gentlemen who discovers her suitcase of magical potions, a piece that seems to take its inspiration from Alexandre Saint-Exupéry's The Little Prince; and Silhouettes, that take its inspiration from the movie Ghost. For me The Beauty of the Golden Woods outstrips the rest purely on charm and a very clever conceit. Taking up the Sleeping Beauty fairy-tale, this beauty wakes up in a modern world quite by accident and has to adapt, still bereft of her prince. What is Love For? comes second, a giddy, rambunctious short that zips through a love story with Edith Piaf's iconic voice providing one part of a punchy duet. 'The Short and the Long of it' program that follows Ah Love!' includes some older shorts with one piece from as early as 1944. The program favours the surreal and the fantastic, including one where giant snails devour a city.

The 'Break of Dawn' program is — quite inexplicably — acollection of animated shorts revolving around dogs and wolvessome meaning lost in translation, I presume. It starts with a charming rendition of Three Little Pigs retold by a series of narrators not too familiar with the plot and depicted with 'Caldur's Circus' inspired figures, which are basically twists of simple wire that suggest their subjects. The White Wolf, which follows it, is a strange and beautiful story of two young brothers in a family that lives in a forest. It is a compelling mix of fantasy and reality that probes the romanticism of childhood reconciling it with the pragmatism of adulthood.

If your hunger for animation has yet to be sated, the last program 'We Are Not Machines' provides another gallery of shorts. As the title suggests, the subject matter has largely to do with our increasingly mechanised lives—though there's little that hasn't already been said in Charlie Chaplin's masterpiece, Modern Times. The animation tends towards the slick computer generated fare. The Process explores a dystopic modernity of dangerous uniformity with pencil-like animations, dream-like logic and a triphoppy score. The Windmill, a pen and ink animated short, tells an eerie and affecting gothic tale of a rustic town whose inhabitant literally runs by the turn of a windmill. The hugely tasteless Berni's Doll is a story about a factory worker who assembles (and uses in various stages of its creation) a sex doll. Get past that and you will be rewarded with the creatively conceptualised and cleverly executed Bob, a story about a worker who rebels against his erasure of his identity and whose individualism spreads, inciting his colleagues and corrupting the machinery. With a few elements and two-dimensional graphics, a throw-back to video games of the Atari era, Bob is deceptively simple, but undeniably effective and entertaining.

#### **PAAVAN MATHEMA**

nyone watching Nepali television channels will not have missed Ace Bank's all new animated advertisement with its cute virtual rhino mascot.

Although animation has been a part of Nepali commercials, they have been quite primitively done. This was Nepal's first fully

for their next projects for Mercantile and the UN's World Food Programme. The company set up shop in Nepal and have US studios like Disney and Columbia Pictures to Nepal.

although budget may be a limiting

### Golf masters

he 16th Nepal Masters Golf Tournament takes place on 21-25 April, in Kathmandu, with the winner's prize money upped by 25 per cent this year to Rs 2.5 million.

Organised by Surya Nepal, it will see players coming from all over Nepal and Asia to

participate. The event was launched initially by the former managing director of Surya Nepal, Ray Noronah, who has taken part in various golf tournaments across the world.

Whenhe introduced the concept of an international golf tournament in Nepal

in the nineties, it was a relatively new sport and there was only one nine-hole golf course, the Royal Nepal Golf Course in Tilganga. After months of planning, the golf course was made ready and equipment brought in.

Surya Nepal invited professional players and

amateurs from all over South Asia, Thailand, Singapore and other countries to take part. Around the same time, an 18-hole golf course was being landscaped at Gokarna. It measured up to international standards, giving the tournament a better location.



Interest in the sport soon caught on in Kathmandu and more Nepali golfers took part. Some of the first professional golfers to emerge from Nepal included Deepak Thapa, Ghanashyam Thapa, Ridhi Sapkota and Bhimsen Karki. Their participation inspired younger

golfers like Deepak Acharya to join the club. Acharya became the first Nepali professional golfer in 1993. After him, a long line of players from Nepal tried their luck on the golf course.

In 2007, Deepak Thapa became the first Nepali to win the Surya Nepal Master's title.

#### **ABOUT TOWN**

#### **EXHIBITIONS**

- In Plain View by Kelly Stacey, till 17 April at Lazimpat Gallery
- Unexpressed Expressions by Sangee Shrestha, 20 April, 11AM-6PM, Siddhartha art gallery. 4218048
- Birds, Butterflies & Wildlife of Nepal, a solo photo exhibition, till 20 April in NAFA art gallery, Bal Mandir, Naxal
- Silent Witnesses, stencil artwork by Aymeric Hamon, till 24 April, 6 PM, The Bakery Café, Pulchowk.
- Caravan art show 2009 by Narayan Shrestha at Hotel Summit till 30 April. 9851000519

#### **EVENTS**

- 'W' a movie by Oliver Stone, 18 April,5.30 PM, Lazimpat Gallery Café. 4428549
- Festival of Animated Movies, 17-19 April, 6PM, Alliance Francaise
- Aitabare Discussion Series with Ramesh Parajuli, 19 April, 3PM, Martin Chautari.
- Call for entries for Film South Asia till 31 May. documentaries made in and after January 2007 qualified. 5552141

#### MUSIC

- Kathmandu International Music Society, 18 April, 2.15-4.10 PM, British School hall. 9803680509
- Roots, a musical performance by Bob Manes along Desmond O'Flattery and Anthony Correll, 5.30- 8 PM. Lazimpat Gallery
- Sunday Jazz brunch barbecue and live jazz music at the Terrace, Hyatt Regency from 12-3.30 PM. 4491234
- Jazz evening at Delices de France Restaurant every Wednesday, 11AM-2PM. 4260326
- Strings Band live every Tuesday at G's Terrace Restaurant and Bar, Thamel.
- Wednesday Melody at Jazzabell Café, Happy hour 6-8PM and TGIF party with live band Epic every Friday at 8PM. 2114075
- Some like it hot every Friday BBQ and live music by Dinesh Rai and the Sound Minds, 7PM onwards, Rs 899 at Fusion, Dwarika's Hotel. 4479488
- Happy cocktail hour, 5-7PM, ladies night on Wednesday with live unplugged music at Jatra Café & Bar.
- Live Sensation, performance by Yankey every Saturday, 9PM, Hyatt Regency, Kathmandu. 4491234.
- Fusion and Looza Band every Friday night, Bhumi Resto Lounge, Lazimpat. 4412193
- Fusion and Classical Music by Anil Shahi every Wednesday, rock with Rashmi Singh every Friday, sufi & raga with Hemant Rana every Saturday, 8PM onwards, Absolute Bar. 5521408

#### DINING

- ❖ Pizza & Pasta at the Rox Restaurant every Monday & Tuesday, starts from 13 April, Hyatt Regency. 4489362
- Pasta pesto passion at La Dolce Vita, Thamel. 4700612
- Home made pasta at Alfresco, Soaltee Crowne Plaza. 4273999
- Gourmet trout at Olive Garden,
- 6PM onwards at Rs 850+, Radisson Hotel, Lazimpat. 4411818
- Chez Caroline for French and Mediterranean cuisine, Babar Mahal Revisited. 4263070
- High tea with scones and sandwiches everyday at the Lounge from 4.30-6.30 PM, Hyatt Regency, Kathmandu. 4491234
- Mediterranean cuisine every Friday from Greece, Italy and the Middle-East at The Café, Hyatt Regency. 4491234
- Nhuchhe goes Thai at Nhuchhe's Thai Kitchen, Baluwatar. 4429903
- Fusion of Marcela Ragan's new menu and Mannie's new bar at Dhokaima Café. 5522113
- Plat Du Jour at Hotel Shangri La, Kathmandu, Rs 600. 4412999
- Reality Bites, The Kaiser Café, Garden of Dreams, operated by Dwarika's Group of Hotels, 9AM-10PM. 4425341
- Cocktails, mocktails and liqueurs at the Asahi Lounge, opening hours 1-10PM, above Himalayan Java, Thamel.
- Starry night barbecue at Hotel Shangri-la with live performance by Ciney Gurung, Rs 999, at the Shambala Garden, every Friday 7PM onwards. 4412999

For inclusion in the listing send information to editors(at)nepalitimes.com





Vin Diesel and Paul Walker re-team for the ultimate chapter of Fast & Furious where they head back to the streets where it all began. When a crime brings them back to LA, fugitive ex-con Dom Toretto (Diesel) reignites his feud with agent Brian O'Conner (Walker). But as they are forced to confront a shared enemy, Dom and Brian must give into an uncertain new trust if they hope to outmaneuver him. And, from convoy heists to precision tunnel crawls across international lines, the two men will find the best way to get revenge: push the limits of what's possible behind the wheel.

> Call 4442220 for show timings at Jai Nepal www.jainepal.com

काम सानो ठूलो भन्ने हँदैन । पिसनाको क्नै रङ र जात पिन हँदैन । काम गरेर खान लजाउनु पनि हुँदैन । चोरेर, ढाँटेर, छलेर, लुटेर खान पो लजाउनुपर्छ । जो जहाँ रहेर जुन काम गर्छ ऊ त्यसैमा रमाउनुपर्छ गौरब गर्नुपर्छ र समर्पित भएर गर्नुपर्छ । काम नै शक्ति हो, भक्ति हो र मृक्ति हो । कामको इज्जत गरौं, पिसनाको सम्मान गरौं ।

नेपाल सरकार सचना तथा सञ्चार मन्त्रालय सचना विभाग







#### **WEEKEND WEATHER** by NGAMINDRA DAHAL

Though few brief showers broke the longest winter drought of Nepal early this month, there was never enough rain to meet the needs of farmers and water suppliers. Now, we have just entered the annual cycle of drought when water supply diminishes to its lowest point due to steeply rising temperatures coupled with scant rainfall. Satellite pictures of Thursday show westerly fronts under the influence of Siberian high pressure, thus, blowing towards eastern Tibet bringing nothing but cold and dry winds until early next week. Nepal should expect the current pattern of dry and dusty skies to continue until another frontal system from the Mediterranean Sea brings us moisture.







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MIN RATNA BAJRACHARYA

STORIES OF COURAGE: CA chair Subhas Nembang launches the photo-book *Uddharko Samjhana*, featuring 58 pictures taken by Nepali photojournalists of Jana Andolan II at Nepal Bar Association on Saturday.



WALKING FREE: Rishi Dhamala, chair of Reporters Club Nepal, after

being released from custody following a ruling by the Patan Appellate Court on Friday.



KIRAN PANDA

CURTAIN CALL: Members of the Nepal Army, Armed Police and Nepal Police play bagpipes at the closing ceremony of the National Games on Sunday.



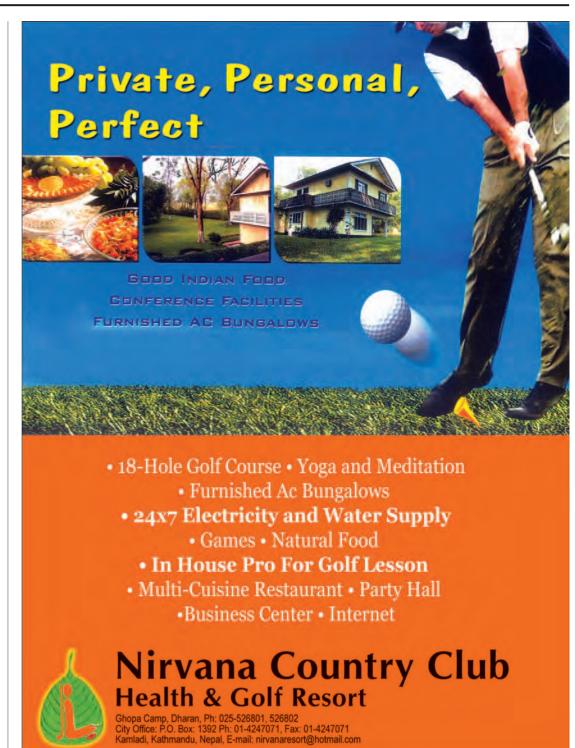
KIRAN PANDAY

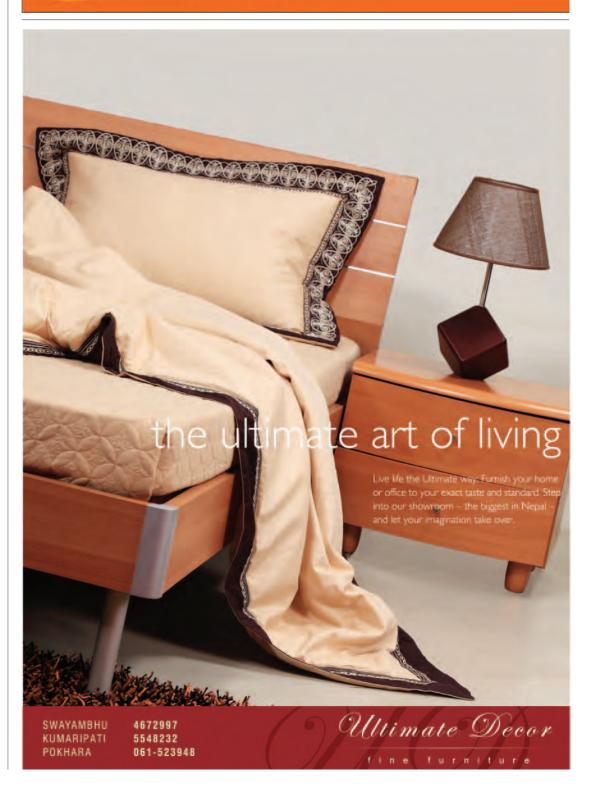
UPHOLDING CUSTOM: A local visits temples after piercing his tongue according to Newari tradition to mark the annual Jibro Chhedne Jatra in Bode, Sano Thimi on Wednesday.



MIN RATNA BAJRACHARY

TOP OF HER GAME: Pakistani Ambassador to Nepal, Syed Abrar Hussain presents the trophy to Shastika Shrestha who won the ladies' round at the annual Ambassador's Golf Cup on Saturday.





### Smart ass govt

an't this government do anything right? Why announce a schedule for power cuts if you're not going to follow it? Load-shedding is supposed to start at 8PM, but the power comes back at 6:30, throwing all our meticulously laid plans haywire. If you are going to give us power ahead of schedule warn us beforehand so we can stay home.

A group announces a bund tomorrow for six districts surrounding the 'Mandu and we all make our plans accordingly, arranging alternative transport, postponing flights, booking a rickshaw to the airport or getting up at three in the morning to get out of town before the tyre burning and windshield smashing starts at Kalanki. On the eve of the strike, the government foolishly and irresponsibly reaches a 36point agreement with the agitating party and has the bund unbunned, thus wrecking all our carefully fallback options. If a bund has been announced why have it called off, it is far less expensive to let it go ahead.

This government has decided to be incompetent, feckless and inefficient and that is good—because over the decades we have become accustomed to our governments behaving idiotically. That is why it would be good if the government of the day notified the citizenry beforehand if it changes its mind and decides its going to be a smart ass. That way we would be prepared for any nasty surprises.

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Have to hand it to this coalition for forgetting that it is actually in the government. The party that heads the government regularly threatens to overthrow itself. The main coalition partner is chronically on the verge of resigning from the government, but never really gets around to doing it. The militant youth groups of the two parties are always at each others' throats. It's true, the UML is behaving more like an opposition party than the NC. So after Butwal is closed down for a week, PKD and JNK decide things have gone too far and decide to smoke the peace pipe. They sign a 9-point agreement in which the two parties, which are in government, decide to instruct the government to investigate the murder of Prachanda (Namesake) Thaiba.

Homely minister Leftist God then promptly declares he can't catch the culprit because he is being sheltered by the Baddies.

മാരു

And that would have won the Ass' Absurdity of the Week Award hands down had it not been for the parliamentary hearings of the new ambassador appointees. The ambassadordesignate to DC was hauled over the coals for past conduct unbecoming of a gentleman. But it was physicist Ram Swarthy who took the cake for his statement before the committee that if he was made envoy to Britain he'd get hold of some radioactive fuel rods, bring them back to Nepal and build a nuclear reactor to end the load-shedding.

The feud in the foreigner ministry hasn't ended with Harry Thapa tattling to the committee that Suresh Pradhan was unfit to be envoy to Deutschland because he had leaked the draft of a new treaty with China. Jawohl. But committee members immediately smelled a rat: the prime minister's foreign policy adviser couldn't be going on a witchhunt without first clearing it with his boss.

Harry, it appears, has dossiers

on everyone he doesn't like in the foreign ministry. After Pradhan he is going after Pradumna Shah. Maybe his strategy is to make such a nuisance of himself that he'll get an ambassadorship which he has been pining for ever since being a roval adviser.

മാരു

Comrade Yummy, after spending many years underground, is going down under on a tourism promo junket. Before that she had arranged a bungee photo-op at The Last Resort. But it was a wasted effort because she got her

timing all wrong and decided to dive into the Bhote Kosi before the photographers and cameramen got there.

മാ

The scions of the comrade leaders are not setting a good example for marital bliss. CPG's son, Sanjiv, has decided to divorce his wife and when she didn't agree, she was locked up in a room. Awesome's son Prakash himself divorced Prabha, the daughter of Comrade Post Bahadur.

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