

Interview: Jai Dewan

# The National Newsmagazine DEC JAN 5-11, 2001

DPERATION INSTABILITY

Chitawan Festival

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COVER STORY: Message From The Mayhem

The violence that gripped the capital last week shows how political instability can affect the country and its neighborhood.



NEPALI CONGRESS: Trial Of Strength
Deuba's effort to dislodge Prime Minister Koirala could boomerang on the dissidents.



#### INTERVIEW: JAI DEWAN

An established tourism entrepreneur, Dewan talks about the prospects and challenges of the tourism industry.

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#### **SPOTLIGHT**

THE NATIONAL NEWSMAGAZINE

Vol. 20, No.25, January 5, 2004 (Paush 21, 2057)

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Distribution

Bazaar International 228 Sanchaya Kosh Bldg. Kathmandu G.P.O Box 2480, Ph: 222983 Fax : 229437 e-mail : bazaar@mos.com.np

Printers: Kishor offset Press (P.) Ltd. P.O. Box 4665, Galkopakha, Thamel, Kathmandu, Tel: 351044 (Off), 351172 (Res.), Fax: 977-1-351172.

E-mail: kishor@groupktm.mos.com.np

C.D.O. Regd. No 151/039-40 Postal Regd. No 42/057/58 U.S. Library of Congress Catalogue No. 91-905060

#### **EDITOR'S NOTE**

W

hat an irony of fate? Prime minister Girija Prasad Koirala cannot rule. Even an absolute majority in the Parliament always fails to work for him. People must be wondering why a political party commanding an absolute majority cannot deliver anything. Those who know Girija Prasad Koirala do not need an answer. Those who do not know him need not know the answer. Since we have made

Girija Prasad Koirala threadbare, time and again, we do not think it necessary to go through that process again. It might be more appropriate to write something about the no-confidence move against the Prime Minister by the power hungry colleagues of his own party. This is one political activity in Nepal which benefits both the winner and the loser. No-confidence moves generate such a big flurry that a large number of monied supporters on either side open their purse-strings in the hope that they would earn hundred fold more when their protégé emerges successful. Besides, there are others who enjoy fishing in troubled waters and any amount money is of little significance for them. Their main concern is to keep the waters troubled so that they keep on fishing all the time. Nepali Congress politicians who prize self interest more than the nation refuse to see through their designs.

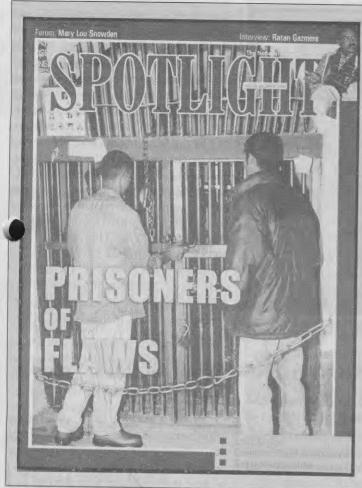
As far Nepalese people are concerned, it makes no difference who is the Prime Minister, Koirala, Bhattarai or Deuba. Not only the Nepalese people, the whole world has witnessed their regimes. The world does not need any more proofs of their love for the poor people and their loyalty to the nation. By their anti-national behavior the Nepalese politicians are not only jeopardizing the hard won democracy but they are imperilling the very integrity of the country. As a matter of fact, after witnessing the subversion of democracy in the number one country, the greatest champion of human rights, whether smaller countries like ours, where the people are so poor and illiterate that they are forced to sell their votes for a dime, can successfully run democratic governments has become a pertinent question. The last ten years of mis-governance not only supports this concept but impels the poor people who have been totally exploited to rise against the corrupt politicians and bring them to book. As such, Girija Prasad Koirala, if he has any wisdom, will quit without any more ado. If he is made to quit, it may not bode well for him. Who will do that, time only will show.

The politics of Bhandha is an unequivocal proof that Nepalese politicians are still very far from acquiring maturity. Despite the fact that Bandhs are always counter productive, why they keep on resorting to Bandhs is an enigma. In our self oriented country where ruling politicians give a damn to the national loss resulting from a 'Bandh', it need not be emphase that Bandhs never pressurize the government. Moreover, those who give a call for 'Bandha' must understand that closure of shops or transport on the Bandha day does not demonstrate support for the call but is a clear manifestation of fear of vandalism. The nation's economy gets a big set back because of Bandha is another matter. Tourism, one of the mainstay of our economy gets a bad name. The overwhelming majority of daily wage earners have to go hungry. Bandhs do not help any one. Neither the organizers. If a poll is taken after a 'Bandh' the organizers are definite to suffer loss. As such, let us hope, our politicians, if they have any love for their country, will no more call for a 'Bandh'.

The senior member of the ruling Bharatiya Janata Party of India K.R. Malkani deserves commendation for frankly speaking his mind. He is a strongman who has the guts to say what he thinks. Diplomacy is not his forte. At least he has given us a sample of the mindset of Indian statesmen and bureaucrats. Instead of getting mad at Malkani, the Nepalese must be grateful to him. Space constraint does not permit us to dwell on this issue in detail. We will come out with our detail appreciation in our next issue.

Malaralmal

Madhav Kumar Rimal Chief Editor& Publisher



#### Justice Delayed...

Your cover story on the condition of Nepal's jails and their inmates exposed the inefficiency of our judicial and administrative mechanisms indealing with crime and punishment ("Prisoners Of Flaws", December 29-January 5). It is a pity that over half of the inmates are still under trial. This is a clear case of justice delayed.

Hari Thapa Paknajol it must probe into the matter and bring the culprits before the Nepalese people.

> Robin Subba Darjeeling

It is very surprising to see the Nepalese people reacting so violently at an unconfirmed statement of an India cine star I do not see any sound reason to become so then skinned. No body in the world, not even the Indians would have paid any attention to what Rhitik Roshan said about Nepal. The manner the Nepalese have shown their anger at the Indian star's so called statement. it is clear that it is all orchestrated Some interested people seem to be trying to cash on the Nepalese sentiments. I have great love and respect for Nepal. May I advise my Nepalese brethren to be on guard?

> Harka B. Thapa Birgunj

#### Royal Effort Necessary

The Green Nepal Party resses deep concern over recent irresponsible anti-India and anti-Nepal statements and activities. The party condemns and protests against the concocted statements by an Indian actor and a political leader aimed at fuelling the present situation in the country and dishonoring our sovereignty. The riots, demonstrations, vandalism and Nepal bandh, fuelling communal disharmony, will damage not only our democracy but also the country's industrial and tourism sectors.

Our party demands that adequate compensation be given for the loss of life and property during the violence. We believe the main reason

behind these problems is the Nepali Congress' bad governance, which has increased poverty, unemployment, corruption and insecurity. Political intolerance and tension have also activated elements that wish to see the end of democracy. The present problems can be solved only by joint action of the political forces. Therefore, the Green Nepal Party firmly believes that the present circumstances demand His Majesty the King to take the initiative and organize a national meeting involving all to find out what kind of constitution and changes can give stability to democracy and maintain peace and good governance in the country.

Kuber Sharma, President, Green Nepal Party

#### **Hritik Rumours**

The Hritik Roshan episode has been blown out of proportion. Since the thespian has denied he ever said anything to that effect and nobody has been able to produce irrefutable evidence, the matter should have come to a close. But no. It seems some strong factors are behind this as the incident has acquired a sinister implication and does not seem subsiding. If some are pointing fingers at the Pakistani intelligence I.S.I., there are other who are blaming the Indian RAW accusing them for destabilizing the politics of Nepal. If there is no real substance for involving the Pakistanis, the involvement of RAW cannot be ruled out completely. If the Koirala government is really working independently.

#### Without Logic

Your note on the SAARC Summit was very pertinent. India's refusal to attend the Summit is totally devoid of reason and logic. Simply because she is big and the most powerful member, it does not behave her to put stumbling blocks on the way of SAARCis smooth development. The regional organization is a very relevant medium for the speedy economic advancement of South Asia\_the poorest region in the world. India is hurting her own interest by retailing the growth of SAARC. Many here are not happy with the arrogant behavior of India. She must understand she too needs the good wishes and cooperation of her smaller neighbors.

Ajay Sharma Virginia

#### **Bhaktapur To Increase Tourist Entry Fee**

Bhaktapur Municipality has decided to raise the entry fee for tourists visiting the medieval town by 100 percent with effect from January 1, 2001. The Municipality, led by communist Nepal Workers and Peasants Party, has fixed the fee at US\$ 10 for tourists of non-SAARC countries and at Rs. 50 for those from SAARC nations. Local travel trade operators and businessmen have criticized the municipality's decision saying that the move would prevent tourists from spending more on their purchase while visiting this town. Mayor of Bhaktapur, Prem Suwal, said the earnings from the entry fee would be mobilized to provide additional services to the tourists. Bhaktapur Municipality has collected over Rs. 174 million over the last seven years as entry fee from tourists. Compiled from reports Dec. 28.

#### Three Policemen Killed

Three policemen, including a police sub-inspector, were killed in an ambush laid down by suspected Maoist rebels in a remote village in the western district of Tanahu last week, reports said. The rebels are believed to have laid down the ambush to prevent a 20-member police team from rescuing a school teacher, Basanta Giri, at Ramjakot VDC. The rebels had attacked and broken hands and legs of Giri for allegedly spying of Maoist activities on behalf of the Police. *Compiled from reports Dec. 27*.

#### PAC Asks Govt To Take Action

The Public Accounts Committee (PAC) of the House of Representatives has asked the government to take stern action against those involved in the controversial Lauda Air deal. After reviewing the case for the past several weeks regarding alleged irregularities while leasing a jet liner from Lauda Air, an Austrian airlines, by the Royal Nepal Airlines Corporation (RNAC), the Com-



Nemwang

mittee issued directives to the government Monday. "There have been clear irregularities in the deal," said chairman of the Committee, Subash Newang. The PAC had summoned Prime Minister, Civil Aviation Minister and senior RNAC officials to clarify their positions on the deal. The state-owned airlines has leased the plane for a period of 18 months without calling global tender. Compiled from reports Dec. 27.

## **Entrepreneurs Demand Long-Term Strategy**

Carpet entrepreneurs have asked the government to for nulate long-term strategy, a separate labor law, flexible duty structures and adequate infrastructure to promote carpet industry in a competitive environment. Addressing the 11th annual general meeting of the Carpet Industries Association of Nepal (CIAA) here Tuesday, Prime Minister G. P. Koirala said the government would do everything to provide stability and security in the country. Carpet industry is one of the top foreign exchange earners in the country. RSS reports Dec. 27.

#### Govt. Constitutes Special Tribunal

The government has set up a special

tribunal with judge at the Appellate Court. Rajbiraj Mohan Prakash Sitaula as its chairman and judge at the Appellate Court Ilam Gyanendra B. Karki and judge of the Appellate Court Pokhara Jagannath Pathak as its members, RSS news agency reported Tuesday. According to a notification published in Nepal Gazette Monday by the Ministry of Law, Justice and Parliamentary Affairs, the special tribunal has been vested with the authority to undertake hearings and give judgement on the court cases related to Foreign Exchange (Regulations) Act 2019 B. S Human Trafficking (Prevention) 2033 B. S. and Offense against State and Punishment Act 2043 B. S. The tribunal will have its headquarters in its Kathmandu and is authorized to set up its benches anywhere in the country. Compiled from reports Dec. 27.

#### Nepal To Raise Voice For Debt Relief

Nepal is going to raise voice for the implementation of the debt relief schemes during the third international conference on the Least Developed Countries due to be held in Brussels in May next year, a senior government official said. Vice Chairman at the National Planning Commission Prithvi Raj Ligal said Tues that it was a matter of injustice for countries.



Ligal

tries like Nepal that were paying their debts regularly not to be included in the debt relief scheme. Addressing a workshop organized by the National Preparatory Committee for the international conference, Ligal said the money that goes into paying debts could be invested in social sectors. Compiled from reports Dec. 27.

#### NSU Convention Postponed

Amid power struggle within the rul-Nepali Congress party, the national convention of the Nepal Students' Union (NSU), student wing of the NC, has been postponed for one month. The convention was slated to kick off at Chitwan from Sunday. President of the NSU, Govinda Bhattarai, said in a statement that the convention was postponed as per the instructions of Nepali Congress President and Prime Minister Girija Prasad Koirala. The convention has been rescheduled for January 26-29, next year in Narayangarh. Compiled from reports Dec. 31.

#### FNCCI Asks Govt. On Duty Drawback

The Federation of Nepalese Chamof Commerce and Industry (FNCCI) has recommended the government ways and means to quickly settle the refundable amounts to business houses. In a memorandum submitted to the government last week, the apex private sector body has also alleged that the One Window Committee formed by the government to provide facilities to exporters under the same roof has turned out to be grossly inefficient.

The Federation has asked the government to streamline the duty drawback system, which the government has been practicing for the last several years. The government is expected to owe nearly Rs one billion as duty drawback to exporters in the country by the end of this fiscal year whereas it has allocated only Rs 200 million in this year's budget. According to the Industrial Enterprises Act, exporters get the duties paid on the imports of raw



FNCCI building

materials back after producing documents verifying that they have earned foreign currency from the exports using the same raw materials. *Leading dailies report Dec.* 26.

## Indian Tourists Stranded At The Border

A large number of Indian tourists heading toward Nepal to spend the New Year holidays have been stranded at various points along Nepal-India border due

to reports of violence in Nepali cities. Over 1,500 Indian nationals, including State Minister for Urban Affairs at the Punjab State Government, Ranjit Singh, have been camping at Gorakhpur Railway station. 95-km south of the Nepali border town of Sunauli, reports said. "We are hesitating to enter Nepal as Indian newspa-

pers reported that people of Indian origin are unsafe there," Singh told a reporter working for a Nepali daily in Gorakhpur. Reports said hundreds of other Indian tourists cut short their trip to Nepal and returned homes amid reports of misbehavior against Indian nationals. Indian tourists comprise nearly one-third of total tourist arrivals to Nepal. Nepali authorities have, however, said they will provide adequate security to Indian nationals residing and visiting Nepal. Compiled from reports Dec. 30.



## WE PRAY FOR LONG AND GLORIOUS LIFE OF

HIS MAJESTY KING
BIRENDRA BIR BIKRAM SHAH DEV
ON HIS MAJESTY'S 56TH
AUSPICIOUS BIRTHDAY



**Nepal Telecommunication** 



Crown Prince Dipendra giving awards to the winners of a computer software competition

KING BIRENDRA INAUGURATED AN INTERNATIONAL children's peace mural exhibition, known as KIDS' GUERNICA-2000, at Tundikhel in the capital last week. The exhibition brings together mural paintings drawn by nearly 10,000 children from around the world. The exhibition aims to convey a message of peace from children around the world to people all over the world in the 21st century.†The murals measuring 3.5 meters x 7.8 meters are of the same size as Pablo Picasso's masterpiece GUERNICA.†The KIDS' GUERNICA program was initiated in Japan over the Internet in 1995 by Art Japan Network by inviting children from all over the world to express their messages of peace by painting the murals.†Altogether 54 murals from 18 countries have been painted in five years.

THE MID-WESTERN RURAL DEVELOPMENT BANK HAS extended a loan amounting to Rs 420 million to deprived women living in rural areas in the region. A total of 17,000 women have benefited through the Bank. The loans are distributed through women's groups formed at the local levels. Women groups are also actively involved in capital formation through micro-savings. As of mid-November this year, a total of Rs 26.6 million was collected by the groups in savings. The bank loans have been largely successful in generating income and employment at the local level, said Arjun Babu Tiwari, managing director of the Bank.

THE MAIN OPPOSITION, UNIFIED MARXIST-LENINIST, CONdemned the elements willing to give rise to communal violence in the country, vandalism that took place on December 27 and the attack on people from a neighboring country. The party, however, did not clarify its position regarding joining of hands by its student wing with the student organizations of ultra-left political parties including the underground Maoist party.

THE GOVERNMENT HAS ANNOUNCED COMPENSATION to families of those killed in police firing during violent protests over alleged remarks by an Indian actor, Hrithik Roshan, in the capital on December 26 and 27. Roshan has already denied of making any such statement. According to the cabinet secretariat, the government will provide Rs 100,000 each as financial assistance to the families of those killed in the incidents. The government will also make due arrangement for medical treatment of those injured in the incidents. At least five people, including two minors, were killed and hundreds injured in two days long clashes in Kathmandu.

MANAKAMANA DARSHAN PVT. LTD, A COMPANY that is

running cable car successfully to Manakamana temple in western district of Gorkha, has decided to construct similar operations to Swargadwari, a famous religious site in mid-western Nepal. The proposed four-km long Bhingri-Swargadwari cable car project, expected to cost Rs 460 million, will come into operation within one year, reports said. The project, with 21 towers and 31 cable cars, will take 14 minutes for one way travel and charge a fair of Rs 300 from the passengers. Devotees will have to walk only for 10 minutes to reach the temple situated at a hill top in Piuthan district.

NEPAL CHRISTIAN COMMUNITY (NCC) DISTRIBUTED 500 pieces of blankets to former kamaiya families in Mahendranagar on the Christmas eve. NCC representative Suklal Singh said his organization would extend support for health and education to the freed kamaiya children in the future. Thousands of former Kamaiyas are living in makeshift tented camps in far-western Nepal ever since the governmedeclared them free from the debt bondage in July this year. Recent reposaid that at least half a dozen children of former kamaiyas died in these camps out of cold. A number of humanitarian agencies have been providing food, clothing and medicines to these families.

#### FORMER INDIAN PRIME MINISTER CHANDRA SHEKHAR.

known for his open support to Nepal's pro-democracy movement in 1989-90, faced black flags in eastern Nepal last week from Nepali students who were protesting alleged derogatory remarks by an Indian actor. Local administration had to arrange tight security for the visiting dignitary. Shekhar visited the B. P. Koirala Institute of Health Sciences (BPKIHS) in Dharan, constructed with Indian assistance, and also inspected the Krishna Prasad Koirala Services Trust in Morang† district. Late Krishna Prasad Koirala is father of Prime Minister G. P. Koirala.

THE SECOND CONVENTION OF SAARC DIPLOMA ENGIneers' Forum (SDEF) kicked off here last week. Nearly 300 junior engineers from Nepal, India, Sri Lanka, Pakistan and Bangladesh are taking part in the two-day convention being organized by the Forum. The convention will discuss ways of promoting brotherhood in the SAARC region and exchanging knowledge on the emerging engineering techniques for the progress of the region

#### **Birthday Cup**

This year's Birthday Cup football tournament has fallen into controversy. As there are two All Nepal Football Associations (ANFA) in the country — one supported by the government and led by Geeta Rana and the other supported by FIFA/AFC and led by Ganesh Thapa - there are confusions regarding the tournament. No major international team has participated in the tournament in response to Thapa's request. In fact, football teams from Korea, the Maldives and Bhutan, despite having confirmed their participation, pulled out in the last minute, thanks to the ensuing confusion. Taking advantage of his international recognition, Thapa's ANFA requested these teams to stay away from the tournament. "It is sad that Ganesh Thapa is trying to sabotage the tournament," says Rana. "We may have differences but when it comes to holding such tournaments, we should be able to bury them in the larger interest of the country's reputation." Meanwhile, apart from domestic clubs, three teams from India are taking part in the tournament that kicked off here in Dasarath Stadium on December 30. The participating teams include Manang Marsyangdi Club, Friends Club, Jawalakhel Youth Club, RCT, Boys Sports Club, Sikkim XI, Calcutta, Darjeeling, Boys Union Club, Kathmandu Club, NRT, Mahendra Police Club, Tribhuwan Club, Eastern Region, Western Region, Galaxy Club, Naxal and Three Star Club.

 ${}^6\mathbf{T}$ he violence was against the Nepali Congress' behavior."

Madhav Kumar Nepal, general secretary of the CPN-UML and leader of the main opposition, commenting on the recent riots in the capital, in Chhalfal.

**'T**here is no ideological or policy-based division in the Nepali Congress. Therefore, the current dissension is a temporary one."

Sushil Koirala, general secretary of the Nepali Congress, in Bimarsha.

You must have now seen where I stand. I have come with him (Deuba) and registered the no-confidence motion. What more proof do you want?"

Khum Bahadur Khadka, former minister, saying he was firmly behind former prime minister Sher Bahadur Deuba's bid to dislodge Prime Minister Koirala, in Kantipur.

humbly [request] the creators of this news to please produce evidence or proof of my having made the reported statement on any TV channel anywhere in the world."

Hrithik Roshan, the Indian film star whose alleged remarks about Nepal fuelled violent demonstrations in the



capital, in The Kathmandu Post.

**People** have come out in the streets and that is the evidence."

Bamdev Gautam, general secretary of the CPN-ML, when asked if he had evidence that Indian film star Hrithik Roshan did make any disparaging remarks about Nepal, in an interview with BBC Nepali Service.

We have already agreed to the demands that the country can shoulder. There can be no agreement on demands that we cannot meet."

Khagendra Basnet, secretary at the Ministry of Education, on the progress of the government's dialogue with the student wing of Maoists, in Deshanter.

That rumor was spread to block my career."

Niruta Singh, successful Kollywood actress, reacting to the reports that she is pregnant, in Deshanter.

Women can always get their property from their husbands after marriage. By asking for dual property rights, we will only be inviting tension in the family."

Sarishma Amatya, pop singer, expressing opposition to demands for equal property rights to women, in Nepal Samacharpatra.



#### **Khadka Dictates**

Former prime minister Krishna Prasad Bhattarai is well-known for his unorthodox style of functioning. As he has demonstrated throughout the past decade, he is one of the most unpredictable politicians. One can only sympathize with Dr. Narayan



Dr. Khadka: Bhattarai's eyes and ears

Khadka, who, as spokesman for the former prime minister, has to report Bhattarai's statements to the press. However, it seems Dr. Khadka is relatively comfortable with dealing with Bhattarai's twists and turnarounds. In fact, Bhattarai speaks the words put into his mouth by Dr. Khadka. Last week Dr. Khadka disclosed that Bhattarai had asked Prime Minister Girija Prasad Koirala to resign from both the party presidency and ministership. It seems that Dr. Khadka is writing the script for the Bhattarai camp.

#### **Deuba In Distress**

Following the registration of the no-confidence motion against Prime Minister Girija Prasad Koirala at the Nepali Congress parliamentary party office, chief sponsor Sher Bahadur Deuba heaved a sigh of relief. However, the former



Deuba: Sleepless nights?

prime minister's satisfaction did not last more than three hours. Two of the signatories flew back to the Koirala camp by withdrawing their names from the oust-Girija campaign. They said they did not intend their signatures to be used for the motion. Nobody knows how many more signatories will withdraw their names by the day votes are cast. Although Deuba's mentor, Krishna Prasad Bhattarai, is yet to sign the motion, that won't be reassurance enough for Deuba in the days ahead.

#### **Nervous Moments**

At a program in Chitwan last week, Minister for Tourism and Civil Aviation Tarini Dutta Chataut had to go through some difficult moments when one of the speakers ruthlessly criticized the government in front of the chief guest, Crown Prince Dipendra. Chataut looked on nervously in a conspicuously uncomfortable posture as Chitwan District Development Committee President Bishnu Ghimire described the government as 'nikamma' (virtually ineffective) and 'niriha' (powerless).

#### REVELATION

#### 'Nation's Health More Important Than Interest Of A Group'

- SHIVA RAJ JOSHI

After the announcement that vehicles older than 20 years would barred from operating in Kathmandu valley, Minister of State for Population and Environment SHIVA RAJJOSHI is considering a plan to remove polluting industries from the capital. Joshi spoke to reporters recently on the issue.

At a time when transport entrepreneurs are opposing the ministry's decision to ban vehicles older than 20 years, how deeply are you committed to implementing that decision?

We will ban all vehicles that are older than 20 years from Kathmandu valley. There is no alternative to doing that. In fact. I am considering a plan to remove all polluting industries out of the valley.

#### How supportive is the government of your move?

The prime minister and other ministers are supporting our ministry's effort to evict these old vehicles. As the environment of Kathmandu is getting bad from worse, we need to take some harsh decisions.

What alternatives have you given to assure the transport entrepreneurs?

I have told them that the decision is in the interest of the country and people. The nation's health and environment are more important than the interests of specific groups.

Inside, though, the minister must have been seething with rage as the speaker, who represents the Communist Party of Nepal Marxist-Leninist, was tarnishing his government's image in front of the august gathering.

#### Hrithik Mania

No one would have ever imagined that rumours of insults that a Bollywood new-comerhurled against Nepal and Nepalis would wreak so much havoc on Kathmandu. As one satirist observed, there is no dearth of actors and actresses across our southern border. And if each were to start making disparaging remarks about



Hrithik: In the eye of the storm

Nepal every now and then, the city would fall into a perpetual reign of terror and destruction. Let us just hope elements inimical to better Nepal-India relations do not take that comment as an advice.

## Making Income Tax System More Equitable

By RUP KHADKA

Income tax can be levied on the basis of the performance of either the previous or the current year. Traditionally, income tax used to be levied on the basis of the income generated in the previous year, while the modern practice is to levy it on a current-year basis. In some countries, some sources of income subject to withholding are taxed on a current-year basis while other sources are taxed on a previous-year basis.

Until recently, Nepal used to levy income tax mainly based on the previous year. For example, business and other sources of come were subject to taxes on the basis of income generated in the previous year. A taxpayer is required to submit an income tax statement after the end of the income year and pay the dues after the tax officer makes an assessment. However, on a few sources of income, such as wages and salaries, which were subject to the withholding of tax, dues were levied on the current-year basis. Such a mixed system of levying taxes generates inequity in the tax system, since those who are subject to tax on the current year basis are discriminated against. That is why there has been an emphasis on the use of the current-year basis on all types of incomes. Taxation under the current-year basis puts all types of taxpayers on an equal footing. This enhances equity in the system.

The current-year basis is also desirable for several other reasons. For example, as the tax is collected at the time when income is earned, it prevents a fall in revenue in real terms because of inflation. Further, the current-year basis is also convenient for taxpayers, as they have to pay tax when they earn. Furthermore, since taxpayers are required to pay tax on their income in three instalments, it minimizes the tendency to make deliberate delays

payment. This stands in contrast to the previous-year basis where total tax has to be paid at one time. The current-year basis fits more than the previous-year basis with the withholding system, which is one of the important aspects of the income tax system. In 1998/99, Nepal adopted the current-year basis through the annual Finance Act. The draft Income Tax Act 2001 adopts the current-year basis as well. Under this system, taxpayers are required to pay income tax in three installments based on the latest tax returns or the estimated income of the current year, whichever is higher as follows:

Date Payable	Amount Payable
By the end of Poush	40 per cent of the estimated tax of
	the extent to which it is in excess of
4-14-14-14-14-14-14-14-14-14-14-14-14-14	the tax paid.
By the end of Chaitra	70 per cent of the estimated tax to
	the extent to which it is in excess of
	the tax paid.
By the end of Ashad	100 percent of the estimated tax to
	the extent to which it is in excess of

Advance tax is deductible from the payable tax at the time of the submission of the returns. Any balance of taxes owed or

the tax paid.

refundable would be determined at the time of filing a self-assessment return. In addition, any penalties or interest owed as a result of underpayment of instalment taxes would be assessed and be payable at the time of the filing of self-assessment. If the advance tax exceeds the payable tax, the tax is refunded within six months from the date of the tax assessment. If the tax cannot be refunded in time, the government will pay an interest of 15 percent on such amount.

Every person who is an instalment payer for an income-year shall file with the concerned tax office by the date for payment of the first tax instalment for the year a statement specifying (a) the person's estimate of the assessable income to be derived for the year from each employment, business, and investment and the source of that income; (b) the person's taxable income to be derived for the year and the tax to become payable with respect to that income calculated without reduction for any medical tax credit; (c) in the case of a foreign permanent establishment of a non-resident person situated in Nepal, the foreign permanent establishment's repatriated income for the year and the tax to become payable with respect to that income and (d) any other information that the Tax Department prescribes.

An instalment payer's estimate shall remain in force for the whole of the income-year unless the person files are vised estimate to the tax office together with a statement of reasons for the revision. A revised estimate filed by a person shall be used only in calculating instalments payable for the income-year after the date the revised estimate is filed with the department.

The department may specify that an instalment payer or classes of instalment payers are not required to submit an estimate. For example, it would be desirable to exclude small payments or payments where individuals already have most of their income covered by withholding, where employment income subject to withholding is at least 75 percent of income, instalment tax is less than Rs. 1,000 or where the business had a turnover of under Rs. 1 million per year.

Where an instalment payer fails to file an estimate for an income year, the tax office is not satisfied with the estimate or revised estimate filed, or an instalment payer is not required to submit an estimate, the tax office shall: (a) make an estimate of the person's estimated tax payable for the year, which may be based on tax payable for the previous income year: and (b) serve on the instalment payer a written notice stating the tax administration's estimated tax payable, the manner in which it is calculated, and, where the person has filed an estimate, the reasons why the tax office is not satisfied with the person's estimate.

Where the tax office serves an instalment payer with a notice then the estimated tax payable by the person for the year shall be the amount estimated by the tax office.

Dr. Khadka is a Tax expert

#### NEPAL-BHUTAN TALKS

## One Step Forward

By agreeing on the verification process, Nepal and Bhutan move closer toward resolving the refugee issue

By BHAGIRATH YOGI

The unwarranted violence in the capital overshadowed a major 'breakthrough' in the direction of resolving the decade-long impasse of the Bhutanese refugees.

As the Nepali and Bhutanese foreign ministers arrived to address a joint press meeting at the end of the three-day long talks (December 26-28) late Wednesday, a change in the air could be perceived easily. Officials said they had agreed on the modalities of verification

of refugees residing in seven camps in eastern Nepal.

"Nepal and Bhutan have agreed to verify the Bhutanese refugees on the basis of family units, to begin with, in one of the seven refugee camps in eastern Nepal within January 2001. Both sides have also agreed to establish a Joint Verification Team (JVT) and nominate five members from each side to the JVT within a week," said a joint press statement.

The Joint Ministerial

Level Committee also directed the leaders of the two teams to visit eastern Nepal within this month for logistics, security and other arrangements to secure smooth functioning of the JVT, the statement said.

"The verification will be done bilaterally," said Foreign Minister Chakra Bastola. Added Bhutanese Foreign Minister Jigme Y. Thinley, "All valid documents with the refugees would be looked up."

It was time to rejoice for the nearly 100,000 refugees languishing in refugee camps in Nepal for the last decade. "If

the verification team considers our valid documents, then nearly 99 percent of the refugees in the camps could go back home," said Ratan Gajmere, a Bhutanese human rights activist.

Taking place as it was amid growing international pressure, people had high hopes from the tenth round of bilateral talks. As the talks progressed at the Shital Niwas, the bone of contention was the issue of thrashing out a mutually acceptable modality for verifying the refugees.

During the eighth ministerial level talks in 1999, both Nepal and Bhutan agreed to start verification process in the



Nepal-Bhutan talks: A breakthrough

seven refugee camps in eastern Nepal to establish if all the people residing there were Bhutanese citizens. In the ninth meeting held in May last year, both sides, however, came up with different proposals. While Nepal insisted that the verification process be carried out on the basis of family as a unit, the Bhutanese side maintained that such a process should take an individual above 18 years of age as a unit.

Thanks to lobbying by Sadako Ogata, United Nations High Commissioner for Refugees, who visited Nepal and Bhutan last year, and a 'farewell visit' by the two US officials at the end of the year, Bhutan seemed to be coming closer to the Nepali proposal.

"Bhutan's position is very close to the US proposal," said Rakesh Chhetri, a Bhutanese political analyst. "It was forced to exhibit flexibility this time around due to domestic and international compulsions."

Things seemed to be changing for the better for the refugee community. The European Parliament passed a second resolution urging the governments of both Nepal and Bhutan to find an early and peaceful solution to the problem donor consortium meeting in Thimpu in November last year discussed the issue for the first time. During their visit, the US Assistant Secretaries of State Julia Taft and Karl Inderfurth floated their own proposal. And, finally, there was a "farewell letter" from the outgoing US President Bill Clinton exhibiting his interest in the refugee issue.

"Unlike in the previous talks, we

could see flexibility on the part of Bhutanese delegates," said Gyan Chandra Acharya, spokesman at the Foreign Ministry, who participated in the talks. "This is a progress toward clearing the hurdles that remained in resolvithe refugee impasse."

Analysts are worried to see a fresh round of instability in Nepal as bilateral talks are heading toward a positive direction.

"Whenever there is a breakthrough (regarding the refugee issue), Nepal falls into the grip of instability," said Chhetri. "Nepali politics has been affecting our fate one way or the other."

Pressed hard against the ULFA and Bodo militants of India, who are taking refuge in the Bhutanese territory, and the unresolved issue of Bhutanese refugees, the Bhutanese government finally seemed to be realizing the need of mending fences with its own Lhotsampa community, that constitute nearly one-sixth population of the country. Or, is it? Only time will tell.

#### NEPAL BANDH

## A Futile Show

The whims of fringe political groups have hurt the people and injured the economy. How long will the country have to endure this pain?

By A CORRESPONDENT

nce someone is asked to break the law, it is virtually impossible to ask him to obey it. This is exactly what is happening in Nepal. Ten years ago, the political leaders of different outfit ordered their cadres to do whatever they wanted against the Panchayat regime. Today they are the first ones to lament the disrespect shown to the law.

"Once a man learns to violate the rule of law, it is very difficult to ask him

to abide by it," said a lawyer. It is easy to encourage the young to throw stones at police vehicles but it is very difficult to ask them to do constructive work.

"Calling bandhs is gal, one cannot jusit on any ground," said Deputy Prime Minister and Home Minister Ram Chandra Poudel, a one-time student leader who encouraged followers to violate the law during anti-Panchayat protests. Even leaders of the main opposition parties are urg- A car set on fire: Act of vandalism ing the people to give up

the practice of calling bandhs. But do they have the credibility to make such a plea?

Fed up by the frequent general strikes called by different political parties, the citizens of Kathmandu valley are searching for ways to bury the bandh. But this is not easy, as most political parties still see bandhs as a convenient tool. Their stand on strikes is determined

by whether they are in power or in the opposition.

The citizens of India have got relief from bandhs following the decision of the Kerala High Court and the Indian Supreme Court.

Although the court ordered the Election Commission to deregulate parties which call bandhs, regional parties still use this form of protest as a popular means to pressure the government.

Nepal should learn from the Indian experience. Bandhs should be declared



unconstitutional because organizers often force the common citizens to forfeit their rights, but nobody talks of a constitutional remedy.

Political parties must come to an understanding on the need to adhere to the rule of law, whether on the street or in the parliament chamber.

"Nepal bandh is a futile means of protest. We will not call a bandh," said



Poudel: "Bandh can't be justified"

K.P. Sharma Oli, leader of the CPN-UML, whose party has the distinction of having called at least 36 out of 47 Nepal bandhs in the last 10 years.

The Nepali Congress, too, has urged

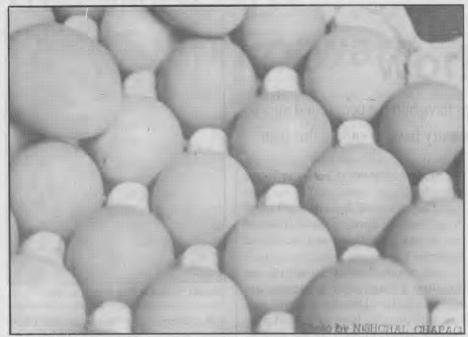
its workers not to call bandhs. As political parties are gradually realizing the importance of the rule of law, it may help to set a new trend in politics.

The people, however. were forced to welcome the new year in the midst of a two-day bandh. Barely three days of the 'Valley bandh' organized by five leftist student organizations, a group of nine left parties called a two-day Nepal bandh on January 1 and 2.

The otherwise bustling Thamel looked deserted on New Year

eve as a cold breeze blew around. Some tourists seemed to be concerned about their itinerary for the next two

If political parties are now really sincere to the cause of the country and welfare of the citizens, they must ignore allegations of hypocrisy and call on their workers to follow the rule of law.



Eggs: Nutritious intake

## Fluttering Ahead

Chitwan provides a model of the poultry industry's growth in the country

By SANJAYA DHAKAL in Narayangadh

A ccording to unofficial estimates, Chitwan occupies up to 60 percent of the commercial poultry market of the country, including meat and eggs.

Though the poultry industry started in this inner-terai district way back in 1977, it became the mainstay of Chitwan's economy only after 1995/96.

"After we held a major poultry expo in 2052 (1996), the industry grew 100-fold in subsequent years," says Prachanda Lal Pradhan, president of Chitwan District Chamber of Commerce and Industry (CDCCI). At present, the district has 19 feed industries, six big hatcheries and 25 veterinary clinics.

Rs 15 billion has been invested in the poultry sector, which contributes four percent of the total Gross Domestic Product (GDP) and eight percent of the total GDP of agriculture. Agriculture, as a whole, contributes 41 percent of the total GDP of the country. Chitwan alone accounts for 30 percent of the feed, 40 percent of broiler chicken and 60 percent of layers chicken production in the country.

Poultry and tourism are now the district's two chief industries. Experts say the climate and the position of the district is responsible for this miraculous progress.

"Chitwan's climate is very suitable for poultry industries and it is located in a very strategic place — near the big markets," says Arun Shankar Ranjit, Deputy Director-General at the Department of Livestock Development. Chitwan is very near and easily accessible to big cities of the country, including Kathmandu, Pokhara, Hetauda and others.

Besides, Chitwan's proximity to the tourism center could also be one good reason why its poultry industry is flourishing as it is. "More than 25 percent of the products of poultry industries is absorbed by the tourism sector, including hotels and restaurants," says T. P. Timilsina, chief editor and publisher of "Poultry Manch", a monthly journal.

Because of Chitwan's contribution, Nepal is now more or less self-sufficient in poultry products. "We can say we are self-sufficient in poultry, although we can still find foreign products in the market," says Ranjit.

Agrees Timilsina. "Despite problems that surface at times due to the unchecked influx of low-quality Indian eggs and chicken, we are self-sufficient," he sall His magazine has done several studies on the industry.

About half a million people are directly or indirectly involved in poultry farming in the country. In Chitwan alone, 6,000 people are employed directly and 8,000 people indirectly, in the commer-

	1985	1990	1991	1992 -	1993	1994	1995	1996
World	6.3	7.6	7.9	8.1	8.5	9.0	9.5	9.7
Bangladesh	0.6	0.7	0.8	0.8	. 0.8	0.9	0.9	1.0
Bhutan	-0.2	0.2	0.2	1	-	-	-	-
India	0.2	0.5	0.5	0.5	0.5	0.6	0.6	0.5
Maldives		1.8	1.1	1.0	3.5	4.3	6.1	1.7
Nepal	0,3	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Pakistan	1.0	1.4	1.3	1.4	1.5	2.3	2.3	2.6
S…lanka	0.6	0.8	-0.9	1.7	2.2	2.8	3.0	3.1

Table 5. Demand projection of commercial Chicken Meat, Egg and Poultry Production Inputs for the next five years.

	Demand in	years	Simple	Demand in	
Commodity/years	1991	1996	Growth %	Year 2001	
Commercial Chicken Meat and Egg	17	1 4 4 1 1			
Chicken Meat, MT	10,260	19.656	18.3	37,657	
Chicken Eggs, No. 000	256,000	390,195	10.5	594,735	
Commercial Poultry Prodn, inputs					
Broiler Chicks, No. 000	5,500	10,400	18.3	19,924	
Layer Chicks, No. 000	1,020	1,560	10,5	2,378	
Poultry Feed, MT	88,700	149,920	13.8	253,100	

cial poultry sector. "Interestingly, a sizeable chunk of those directly involved are graduate youths," Timilsina says.

According to Dr. Krishna Kafle, lecturer at the Rampur Agriculture Campus, the industry is growing at the rate of 13 percent.

In terms of the size of the farms, the biggest ones have more than 20,000 chickens and the smallest ones have around 100. "The number of big farms with more than 10,000 chickens are very few and all of them are in Chitwan," Dr. Kafle writes in an article.

The majority of chicken farms in the country are small and scattered. "Small farms make more sense in a poor country like ours with such a huge problem of unemployment," says Timilsina. "But there should be provisions to encourage such farming on the part of the government."

According to him, the high rate of lending imposed by the banks like Agricultural Development Bank, the lack of insurance, improper tax policies and lack of mechanisms to control diseases are the major impediments to this industry. "In Bangladesh, the government gives certain subsidies to every person raising more than 1,000 chickens. Likewise, in India, each bird is insured at Rs 5."

The prospects for the poultry industry here is good in the sense that it is still in the phase of developing. "The present protein intake of Nepalese is very low compared to others so we need to promote the consumption of protein-rich eggs and chicken," says Timilsina.

As a recent study of Nepal's agriculture market by Japan International Cooperation Agency (JICA) estimates the consumption of meat to grow by 40 percent in next 15 years, there are reasons to expand the poultry industry. According to the study, the consumption of chicken meat will grow from present annual 11,278 metric tons to 15,793 metric tons in 2015.

But there are reasons to be appre-

hensive, concerned people say. "While we have laws regarding the quality of meat, there is no provision to govern the quality of hatcheries and farms," says Timilsina. He says most of the feeds (about 70 percent), which come from India, are not of good quality. "But we have no facilities to test the amino-acid

level and other aspects of such imported feeds."

Feeds have a direct impact on the poultry industry. According to international standards, every two kilograms of feed should result in the growth of meat by one kilogram in chicken. But in Nepal, it needs 2.5 kgs of feed to grow the meat volume by the same level. This could be due to substandard feed, experts say.

Likewise, the lack of adequate veterinary research and facilities is also a point of concern. Early last year, there was A chicken farm: Poultry for prosperity a shock in the industry after thousands of chickens died in an out-

break of merex disease. "The government and concerned agencies should be wary of such problems and prevent it from causing losses," Timilsina says.

The growth and productivity of the poultry industry also depends on the quality of parent breeds of chicken. At present, Nepal Agricultural Research Council (NARC) has four poultry research stations, says Bhola Man Singh Basnet, a senior official at the NARC. The stations maintain five parent breeds including the "Giriraja" in Pakhribas, according to Shambhu Bahadur Shrestha, an official at the Swine and Avian Research Pro-

gram, NARC.

"The government provides the pure breed chickens to farmers all over the country," says Deputy Director-General Ranjit. "In fact, we are now concentrating on poultry development for poverty alleviation in the far western region. We



will be implementing such program in nine districts of the region in the current fiscal year."

As the country is grappling with the problem of poverty, the promotion of industries like poultry that are locally viable and need less capital, could have a positive result. And the lead taken by Chitwan in this direction is exemplary and needs to be emulated elsewhere.

#### **NEPALI CONGRESS**

## **Trial Of Strength**

The no-trust motion against Prime Minister Koirala is likely to backfire on the dissident group

By BHAGIRATH YOGI

s Kathmandu was struggling to regain normalcy after two days of violent street protests, the stage was being set for a major showdown in the ruling Nepali Congress.

On Thursday, in the midst of a 'Valley Bandh' organized by a group of five leftist parties, former prime minister Sher Bahadur Deuba, flanked by fellow dissidents, walked all the way from his contact office at New Baneswore to the

party's parliamentary office in Singha Durbar to register a notrust motion against Prime Minister and party chief Girija Prasad Koirala.

Armed with the signatures of 56 out of 113 NC legislators, Deuba said there was a need to change the leadership of the government because it was leading the country toward chaos. "The motion has become necessary to pre-empt the `uncon-

stitutional exit' of the Nepali Congress government," said Deuba. He did not say where such threats were coming from.

Analysts believe Deuba was alluding to the possibility of the sacking of the popularly elected government by the King as demanded by some political elements on the extreme left and extreme right. Deuba's justification for the motion raised another key question. If the situation had become so grave, should a responsible member of the ruling party like Deuba have raised the flag of revolt?

"This was the most inopportune time (to register the no-trust motion)," said Mahesh Acharya, a close Koirala aide and Minister for Finance and Defence. Deuba supporters, however, claimed they had no alternative to forcing Koirala out of the leadership "as he has failed on all fronts."

Deuba declared: "As Prime Minister, Koirala has failed to fulfil his promises."

Congress insiders don't believe that was the real motive. They say Deuba was making a desperate bid to hold the reins of the Nepali Congress leadership, ahead of party's tenth general convention scheduled to take place in Pokhara early next month. As Koirala supporters were able to bag the majority of the seats in the local-



Koirala (left) and Deuba: Showdown continues

level elections of the party held last month, Deuba had no other way to depose Koirala.

In the one-to-one battle between septuagenarian Koirala and his disciple Deuba, things seemed to be moving Koirala's way. Koirala supporters managed to convince nearly half a dozen signatories to the no-trust motion to withdraw from the campaign against the prime minister. "Our signatures collected for a different purpose have been mischievously used in the motion," said Janak Raj Giri, a Congress lawmaker from far-western Nepal. "I will continue to support Koirala as the leader of the party and the government."

In the ensuing all-out war, each side

accused the other of using 'dirty tricks' to win over legislators. "The government is employing all foul means to influence the legislators," charged N. P. Saud, a Congress MP and supporter of Deuba.

As the exchange of allegations continued, analysts said the battle within the ruling party has eroded its authority to govern. "The prevailing situation in the country has proved that the NC doesn't have capability to govern the country," said Madhav K. Nepal, UML general secretary and leader of the main opposition.

"It seems both sides are engaged in a battle best portrayed by the maxin Head I win tail you lose," said Prof. Panna Kaji Amatya, a political scientist at Tribhuvan University. "The present crisis has come into being because of the lack of communication within the same party. Immediate benefit is the overriding factor of all the persons concerned."

With the unflinching support of party general secretary Sushil Koirala and his team, Prime Minister Koirala

looked confident of winning this latest challenge to his leadership. He was devoting more time to dealing with the 'Nepal Bandh' called by nine left parties and the deterioration in the relations between Nepal and India rather than on wooing legislators of his party.

By preparing to face the motion on Thursday (January 4), on the eve of the visit of Mongolia's president, Koirala

exhibited that confidence. But he is bound to play a hard game to save his position given the support Deuba enjoys of one-time Koirala loyalists Khum Bahadur Khadka and Bijay Gachhadar.

Whatever the result, the timing of the motion and his failure to address the burning problems in the country are likely to backfire on Deuba, analysts say. Says Prof. Amatya, "It would have been better if both groups within the Congress sacrificed some of their interests for the larger good of the country at a time of a crisis like this."

As things stood ahead of the vote. neither group was in a mood to take that suggestion.

#### **AVIATION**

## Safe Sky

Last year was one of the best in terms of aviation safety in Nepal

By A CORRESPONDENT

espite the media flare-up of birdhits in late September and early October, Nepal's sky proved relatively safe in the millennium year. Thanks to measures taken by the Civil Aviation Authority of Nepal (CAAN), only one fatal air accident occurred last year.

After five major accidents in 1999 with 36 casualties, CAAN declared 2000 as the year of air safety. This was the first time in the last four years that Nepal's sky saw only one accident. From 1995 to 1999, the number of air accidents was so high that Nepal's sky was portrayed as a danger zone.

As annual air traffic volume con-

tinues to rise, the existing infrastructure has become inadequate to handle operations in the domestic as well as the international sectors.

Traffic growth at Tribhuvan International Airport has increased to a level where an aircraft lands or takes off every two minutes. Flights have increased manifold in recent years. A decade ago, there were only 100 flights a day compared to 350 today.

The haphazard growth in private airlines still continues as every incoming minister issues new licences. Because of lack of basic infrastructure, the facilities in the domestic sector are overcrowded.

While CAAN celebrated its third anniversary last week, it has many challenges ahead in properly managing the flow of passengers.

Aviation experts say a key challenge before CAAN is to modernize itself and to build infrastructure to handle the growing number of airlines. The domestic terminal and the parking lot outside are overcrowded.

"Because of some vigorous steps on our part, we have been able to limit the number of accidents," said Rajesh Raj Dali, general manager of Tribhuvan International Airport.

CAAN issued aircraft operation certificate to 32 private airlines, but only 17 are in operation. In the international sector, 16 airlines, including Necon Air and Royal Nepal Airlines, have operations.

Nepal adopted an open-sky policy in 1992 which saw the number of private airlines increase steadily. The ratio of passenger flow in the domestic and international sector has also grown.

According to a study conducted by CAAN, the flow of aircraft and passengers increased by 13 and 41 percent in international and domestic sector respectively.

"Despite many constraints, CAAN is trying its best to provide proper facilities for air safety," said Medini Prasad Sharma, Director-General of CAAN.

The safety plan was announced last year when Nagendra Prasad Ghimire was director of CAAN. "We have drawn up a number of safety measures to guarantee air safety," said Ghimire, who is now with the Ministry of Culture, Tourism and Civil Aviation. "Along with interaction programs, some other steps were also taken."

With the implementation of the open-sky policy, private investment continues to surge in the aviation sector. Private companies still want to join in the race in what is one of the riskiest businesses. However, in the last seven years, more than half a dozen airlines have closed down.



A plane in the airport: Is the sky is getting safer?

### **CLASHES IN KATHMANDU**

# Message From The Mayhem

Amid growing political instability, Nepal witnessed unrest and violence on a scale not seen since the anti-Panchayat protests. An important lesson emerged from last week's turmoil: a stable and prosperous Nepal could help guarantee the security of its northern and southern neighbors

By KESHAB POUDEL

obs enraged by a mysterious rumor went on the rampage in Kathmandu on December 26 and 27, ransacking shops and attacking Nepalis of the Terai region and Indian nationals. At a time of growing political instability in the country, the last thing Nepal needed was deterioration in the law-and-order situation. But the anarchylike situation flared up so suddenly that it almost spiralled out of control.

Chinese nationals were not free from trouble either. At Melamchi on December 25, some local labourers hired by a Chi-

nese company at the Indrawati Hydropower Project in Sindhupalchowk district, 60 km north-east of capital bordering China, attacked Chinese workers. A Chinese worker was reportedly injured.

The violence in the capital was triggered by a mysterious rumor spread by equally mysterious sources that Indian film star Hrithik Roshan had made disparaging remarks against Nepal and Nepalis in an Indian TV interview. The rumor was used to divide Nepalis on the basis of their physical appearance and geographical nativity.

Violence was continuing in towns along the southern border, but the country appeared to have emerged out of the turmoil. On the last week of 2000, the national capital witnessed still-unexplained student protests that degenerated into wider social unrest following unsubstantiated statements Hrithik was reported to have made. According to the police, five people, including two children, were killed in police firing that followed an attempt to set afire Gopi-Krishna cinema hall at Chabahil, Kathmandu, which was screening the Bollywood heartthrob's latest film, "Mission Kashmir".

The students later entered the city centre and attacked shops owned by members of the Marwari ethnic group. Although the incidents represented a real danger of serious rifts between Nepalis of



Tyres burning in the street: Violent aftermath

Terai and non-Terai origin and between Nepalis and Indians in Nepal, the situation was defused. The violence and vandalism unleashed by the mobs tried to question the loyalty of these communities to Nepalese nationalism.

Although the Nepal Sadbhavana Party (NSP) called a general strike in Janakpur, Sarlahi and Rajbiraj demanding compensation for losses caused by the violence, it assed off largely peacefully. The excepn was Rajbiraj, where one person was killed in police firing. Three days of unrest in the capital destroyed property worth millions of rupees. In a clear attempt to fan ethnic violence, a group of unidentified miscreants burnt a car parked in front of the NSP's central office.

Importance of Stability These unfortunate incidents demonstrated how important Nepal's stability is to ensuring the safety of its own people as well as of citizens of both neighbouring countries.

After violence broke out in Kathmandu, Indian Prime Minister Atal Bihari Vajpayee telephoned Prime Minister Girija Prasad Koirala to express concern over reports that Indian citizens were manhandled. The Chinese officials maintained silence.

From Kumarakom, where he was hoping to get some rest, Vajpayee conveyed serious concern over the anti-India riots and urged Koirala to take firm steps to end the violence. Koirala told Vajpayee that the incidents appeared to be a part of a conspiracy to harm the traditional warm relations between the two neighbours. "We have set up a commission to probe the origins [of the riots] and find out if it has any external dimension," a bulletin released by the Indian prime minister's office quoted Koirala as saying. (The Statesman, Saturday, December 30, 2000).

Any disturbance in Nepal has a harmful impact on the country's northern and southern neighbours. If Kathmandu plunges into violence, it could easily spill across the Terai and across border into India. Analysts argue that only a stable and strong Nepal can guarantee security to the people of India and China. What would appear to be minor unrest in Nepal has the potential to send alarming signals to its neighbors. Larger troubles may trigger far-reaching damage.

"It has been amply established by the recent violence that troubles in Nepal give a sense of instability to Nepalis as well as Indians and Chinese living in Nepal among others," an analyst said.

Understanding the importance of Nepal's stability to maintaining tranquillity in north-west India, the British colonial rulers tried to keep the kingdom as stable as possible until they left the sub-

continent in 1947. "The northern frontier of the British Indian Empire along the Himalayas, in contrast to the North-West Frontier which separates British territory from Afghanistan, enjoyed a surprisingly tranquil history during the course of the late eighteenth and nineteenth centuries. Early in the nineteenth century, there was a major conflict between the East India Company and the largest of the Himalayan states, Nepal, which might have produced prolonged instability on the Afghan pattern. In the event, it brought about by the middle of the century the emergence of a Nepal which was really the model of what a buffer state should be," writes historian Oleaster Lamb in his book "India, Tibet and China".

Bordered by India on the southern, western and eastern sides. Nepal also shares a frontier of more than 1,200 km on the north with the Tibetan autonomous region of China. As China is seriously concerned with the stability of Tibet, any attempt to destabilize that country through Nepal would have far-reaching consequences for the stability of South Asia.

At a time when China's military and other capabilities in the Himalayas have become vastly greater than at any previous period in history, any disturbance in Nepal would pose a great threat to China. The presence of two giant neighbours, many Nepalis believe, is best guarantee for the country's prosperity and stability. But, in reality, instability has been a more prominent feature of recent Nepalese history.

Following the India-China war of 1962, India tried to appease Nepal in several ways. According to Leo Rose, one of the prominent Western scholars on Nepal, the kingdom obtained a number of economic and political concessions from India. This was because of the threat India perceived it faced from China, which enjoyed a marked superiority in military capabilities on the Himalayan border at that time.

After a short period of relative tranquillity, Nepal has once gain been mired in instability. The average Nepali is left asking himself why this has been happening.

Nepal's position as a buffer state re-

mains a primary reason for the instability. "There were, thus, dangers for Nepal in having China as an immediate neighbour, but there have also been potential advantages as well," Rose writes in his article "King Mahendra's China Policy".

Suspicion of Nepal How fair is it on the part of Nepal's neighbours to suspect the intentions of a poor and small nation? If Nepal is weak and unstable, who would gain? One cannot conceive political stability and economic prosperity in Nepal without strong support from its neighbours, particularly India. As long as Nepal's limitation is taken as its weakness, one cannot foresee a stable Nepal. will expressed by Indian leaders toward Nepal appear so fragile when it comes to policy?

"It seems that Indian policy-makers are not yet sure about their own intentions in Nepal. China is a distant neighbour but it maintains close understanding with Nepal. India is a close neighbour but its understanding about Nepal seems distant. Who is to blame for this?" asks an analyst.

External Hands When last week's unrest flared up, Indian media and leaders reverted to the familiar strategy of portraying Nepal as a safe haven for Pakistan's Inter Services Intelligence (ISI). Nepal has tried to maintain the best of relations



Tension in the capital: Who is responsible?

Both neighbours have stressed their desire to see Nepal prosper and become stable. "Facts prove that the China-Nepal friendship not only conforms to the fundamental interests of the two peoples, but also is conducive to peace and stability in the region," says Zeng Xuyong, China's ambassador to Nepal. Why is the same not happening in terms of Nepal's relations with its southern neighbour?

India's leadership, too, has given great preference to friendship with Nepal, but few understand what India really wants from Nepal. This confusion grips not only the average Nepali but also policy-makers of this country. Why do the words of good

with India, but New Delhi always views its intentions with suspicion.

Nepal has repeatedly assured India that it would not allow its territory to be used against India. "If there is any evidence (of anti-India activities)... from beyond the region, we will take them to task," said Bhek Bahadur Thapa, Nepal's ambassador to India. (The Statesman, December 31, 2000). Even though I will not speculate on the organizations responsible, I will say whoever has done this will not be spared."

At a time when India's border on the north-east and west has been threatened by insurgencies, its open border with Nepal has remained peaceful. Even a recent confidential report by India's Intelligence Bureau gives a clean chit to Nepal's security efforts.

It seems the authors of India's policies on Nepal always fall victim to their own doubts and suspicions. This is reflected time and again through the pronouncements of policy-makers and the media. Nepal's capacity to influence Indians' perception remains limited. "Indian policy-makers have been committing blunder after blunder by provoking Nepalese sentiments and drawing hostility toward themselves," says an analyst.

If Indian policy-makers continue to provoke Nepal by pursuing unclear policies, the average Nepali may begin to question the very intentions of New Delhi. "No amount of assurance or damage control can put matters on the right track if it is too late. Are the Indian policy-makers prepared to read the writing on the wall?" asks another analyst.

If Indian policy-makers continue to misunderstand Nepal, they will lose one of its dependable and reliable neighbours. "We should remember that China also borders Nepal and Kathmandu could move closer to China if we exaggerated the riots in Kathmandu," senior Indian scholar B.G. Verges told Reuters news agency. "India should handle its relations with Nepal very carefully".

Mysterious Violence Despite reports of violent incidents against Indian nationals, Nepal is still the safest place for Indians. The more than three million Indians working in Nepal do not face any kind of trouble. According to Bir Hospital officials, no Indian national came to the hospital with serious injuries. If Indian and Chinese nationals have faced danger in Nepal, so have tourists from other countries. Many have had to cut short their trips and some had to cancel their visit altogether.

Nepal is not like Afghanistan, Sri Lanka or Cambodia. Nepal is a full-fledged democracy with all the elements of governance by consent in place. The monarchy represents a centuries-old dynasty that is respected by all ethnic, linguistic and religious groups. The monarchy is a symbol of national unity, representing the mosaic of diversity the country is. The government in Nepal is able to manage law-andorder crises.

People are desperate and in panic because they have never gone through this kind of political instability. Nepal is in a far better state of peace and tranquillity than many places in South Asia.

Sometimes certain political elements create disturbances on the streets, just like in any other South Asian country. But the situation has never gone beyond the control of the law-and-order machinery. After a crisis, tranquillity prevails in Nepal oner than expected. "This is because Nepalis are not temperamentally violent. That's why order was restored two days after the street violence broke out," says Dr. Murari Raj Sharma, a psychologist.

These facts have to be taken into consideration while forming attitudes about the Nepali psyche. Nepalis definitely are at the crossroads of democratization and they require the good will of world community, especially neighbours like India and China, experts argue. As law-abiding citizens, Nepalis were shocked by news of last week's violence. There is an acknowledgement that some aberrations have crept into the practice of modern politics.

Unreported Event The mysterious news that triggered the violence in



Nepal: 'Beware of trouble-makers'

Kathmandu came from Chitwan. According to the Kantipur issue of December 28, 2000, five left student unions acted on a rumour created by a few teenagers in Chitwan. The December 15th issue of the Chitwan Post weekly published a story on Hrithik's alleged remarks. Then, the ANNFSU students of Mahendra Morang Campus Min Acharya decided to take action after reading the Chitwan story in the Himalayan Times.

General secretary of ANNFSU Khimlal Bhattarai agreed that he had not seen Hrithik's interview but decided to launch an agitation anyway. After two youths threatened the editor of Chitwan Post to publish the story, all student unions issued similar statements. This showed that there was a serious conspiracy behind the unrest.

Hrithik was interviewed by Simi Garewal and the program was carried on Star Plus channel on December 14 - nearly two weeks before the riots broke out in Kathmandu - a fact duly noted by observers. According to an Indian Embassy press release on December 27, the embassy expressed concerned at the rumours being spread by elements inimical to the warm and cordial India-Nepal relations and the age-old ties between the people of Nepal and India.

The reason behind the whole drama was a Himalayan Times story on December 23 that reported the burning of Hrithik's effigy by some youths in Chitwan two days earlier. The statement made by Minister of Information and Communications Jaya Prakash Anand on December 26 helped to provoke the rioters. Anand ordered the banning of Hrithik's film from theatres in the capital without verifying whether the actor had actually made the disparaging remarks attributed to him.

"If a minister can issue a fatwa (edict) without verifying the facts, one can understand the position of the opposition leaders," says a political analyst. "It was the minister's order which provoked the masses."

Although Indian officials pointed to the ISI's role in the flare-up, they are yet to come out openly with conclusive evidence. The Indian media also accused factions of Bombay's underworld for stage-managing the violence. India's ruling Bharatiya Janata Party suspected that those responsible for the hijacking Indian Airlines Flight 814 last year were behind the riots.

"Of late, Nepal has become a breeding ground for the ISI. Even the role of underworld cannot be ruled out," said BJP president Bangaru Laxman. (The Statesman, December 31, 2000).

Nepalese officials say the unrest was the work of some vested interest, leaving wide room for interpretation and conjecture. Others see the violence as part of a



Empty streets: Result of senseless riot

chain of events. The riots in Kathmandu occurred just a few days after a violent demonstration in Biratnagar on December 20, when the city plunged into turmoil following what seemed to be a minor dispute between a bus conductor and a student of Mahendra Morang Campus.

Butwal followed Biratnagar. On December 22, Butwal was closed down following a violent attack on a private bus. The two incidents were settled locally.

When life limped toward normality in Biratnagar and Butwal, the Hrithik-related violence flared up in Kathmandu. The rumour circulated so quickly that it became the symbol of a nation-wide agitation. "I have not seen such violent demonstrations in the last one decade. It was like the demonstrations against the Panchayat system in 1990," says a Congress worker." Even in a village of Sarlahi district, a large demonstration burnt an effigy of Hrithik.

Like the demonstrations of 1990, last week's protests were backed by all student unions - which are affiliated to major political parties - as a cause of Nepalese nationalism. Deputy Prime Minister and Home Minister Ram Chandra Poudel found himself in the shoes of Niranjan Thapa, who was minister of state for home during the 1990 demonstrations.

Twenty-two years ago, Poudel led student demonstrators to the Pakistan Embassy to hand over a protest note against the execution of that country's deposed prime minister Zulfiqar Ali Bhutto. The police action against those students triggered nationwide protests that culminated in the announcement of the national referendum.

Last week, Poudel found himself leading the effort to block student representatives who wanted to hand over a memorandum to the Indian Embassy protesting against Hrithik's alleged remarks.

The chairmen of five left students union Rajendra Rai, All Nepal National Free Student Union (ANNFSU), Krishna Adhikary ANNFSU (Sixth), Prakash Pokharel ANNFSU (2022), Rabindra Adhikari, chairman, ANNFSU and Devendra Parajuli, chairman ANNFSU (Revolutionary) handed over a protest letter to the embassy.

Shock waves from the riots continued to shake the country. Nine left parties called a two-day nationwide general strike calling for the resignation of Prime Minister Koirala.

Nepalese newspapers found themselves unwitting accomplices in fanning the violence. They published news about the remarks attributed to Hrithik without verifying whether it was true. The national newspapers played into the hands of mysterious forces in the same way the Chitwan Post of Narayanghat did days earlier.

Five people were killed and property worth of millions was lost in a freak event that most Nepalis are still at a loss to explain. Political parties and the government did not seem to be entirely sensitive toward the deaths. Indian intelligence agencies found themselves busy accusing Pakistan and the Bombay underworld.

"One has to take serious consideration before reacting on the basis of subjective feeling. Foreign hand cannot ruled out in flaring up issues like nationalism. If we follow a violent path, Nepal will be

trapped in foreign intrigue," said Madhav Kumar Nepal, leader of the main opposition party, addressing a mass meeting organized by the All Nepal Peasant Association. (Kantipur, December 31, 2000) The new phase of instability in Nepal began soon after the overthrow of the Rana regime in 1951 and the introduction of the democratic system. Frequent changes in government bred further political instability. Emblematic of the malaise is the fact that Nepal has gone through five constitutions.

Even after securing a parliamentary majority, the Nepali Congress has fait to provide stability. Prime Minister Koirala, who removed Krishna Prasad Bhattarai by leading a revolt within the party, now faces a similar fate. The mobs that went on a two-day rampage disappeared as suddenly as they had emerged. But Nepal is yet to confront the full scale of the physical, political, economic and psychological damage done. That appraisal - and its wider implications for the neighborhood - cannot be made in the absence of stability and a clear sense of law and order.



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#### DEVELOPMENT

## **Agent Of Change**

German Technical Cooperation supports major development programs, making a difference in the lives of many Nepalis

By KESHAB POUDEL

The construction of a green road in Dhading district, 50 km west of thmandu, has opened up new economic opportunities in the region. It has also brought drastic changes in the lives of people living in surrounding areas.

Although it was built with local technology and labor, the road is as good and strong as any black-topped one. As the local people are the primary stake-holders of the road project, they themselves maintain it.

Dhading's green road is not the only successful rural development project supported by the German government. There are many successful projects run by the GTZ (German Technical Cooperation) across the country, which have made a difference in people's lives.

The GTZ is also supporting microedit projects for women. By integratgrural road with micro-credit, the growing economic activities in the villages are apparent.

The German agency's involvement encompasses such areas as privatesector promotion, rural and urban development, health care, reproductive health, NGO Fund Project and energy supply.

The NGO Fund Project, which is fairly new, has its own way of dealing with the people. Within a very short span of time, it has been able to generate hope in the people.

Along with the GTZ, the German Development Bank has been supporting Nepal's effort to alleviate poverty. "We have been working in different sectors with an aim to uplift the living conditions of the poor people," said Peter Rhode, country representative of GTZ-Nepal.

Although the German government has reduced the number of aid-recipient countries from 120 to 70, Nepal still remains on the list.



Development project: For people's betterment

With an aim to make local bodies sustainable, the GTZ has been supporting the municipalities of the kingdom through the Urban Development Through Local Efforts (UDLE) program.

Bhaktapur is a good example of proper utilization of local resources to maintain cultural and religious shrines. The German government started the Bhaktapur Development Project in 1974 and launched the renovation works of the VDC.

After years of German involvement, the people of Bhaktapur have now started to initiate renovation projects by themselves.

Now Bhaktapur Municipality is taking up renovation work by itself. Through entry fees on tourists, the municipality accumulates a substantial amount of money which it pumps into development projects.

"I am very proud to say that Bhaktapur Municipality has shown the way to mobilize resources and to renovate its heritage on its own," said Rhude. "Despite political instability and insurgency, we were able to meet our target," said Rhode.

Apart from large undertakings like

the Upper Marsyangdi and Marsyangdi hydro projects, the community forest project in the Chure region is another successful example of the G e r m a n government's cooperation.

German-supported projects have provided muchneeded boost to Nepal's effort to alleviate poverty.



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## 'Foreign Carriers Can Help Promote Nepal In A Big Way'

- JAI DEWAN

JAI DEWAN, 40, is among Nepal's most dynamic tourism entrepreneurs. A graduate in business management from London, Dewan possesses wide knowledge of Nepal's tourism sector, as he operates a travel agency and is also involved in the aviation sector. The managing director of Zenith Travels, Dewan is also the general sales agent (GSA) of Qatar Airways, Sri Lankan Airways, Sahara Airlines and the representative of Dragon Air. Dewan spoke to KESHAB POUDEL and SANJAYA DHAKAL on the prospects of the tourism industry in the backdrop of recent disturbances. Excerpts:

How do you see the present state of tourism in Nepal?

The present state of tourism in Nepal looks quite dim. This season has been quite bad for the industry. We had to face many problems, like the bird-hits in the airport, the strike called by Hotel Association of Nepal and the unions. Because of the media, the world today is very small. News especially bad news - travels very fast. That is the reason why we do not even have to tell tourists there is a strike in Nepal. Before we tell them, they get the news on the Internet. This is affecting the tourism industry a lot.

Have you received cancellations of tour groups in the past few days?

I operate tours myself. My main involvement is in aviation, but my company also operates tours. I have heard that many tour operators have received many cancellations, I personally, too, have received such cancellations, which is very bad for the industry.

How do you find the country's security situation and its impact on the industry?

As far as the security at the airport is concerned, they have taken many measures after the Indian Airlines hijacking last year. However, in terms of the country's law and order, that is also affecting the industry. Because when people come here, they may not feel secure. Most of the holidaymakers do not want to take any risk on their holidays. That is why law and order is very important for the tourism industry.

Tour operators are concerned by the deteriorating law-and-order situation. On the other hand, foreign carriers like Qatar Airways and Thai Airways have increased their flight frequency to Kathmandu. How do you explathis?

There has always been a big demand for Nepal as far as inbound tourists are concerned. We have increased the flights because of the demand. On the other hand, we have always been hoping that the government maintains law and order in the country. Compared to the last season, the growth of tourism has been a bit slow. Though we do not yet have conclusive data on tourist arrivals, I personally think that it has dropped quite a bit.

How do you assess the present tourism policy of the government? How supportive of tourism entrepreneurs is it?

Compared to the past, we are quite happy with the government's policies. We are trying to promote Nepal all over the world with the help of important carriers operating into Nepal. Foreign carriers are selling Nepal as one of the major destinations through their network. The foreign carriers, I must say, have big contribution to the tourism industry here. More than marketing, we should be giving more facilities to these foreign carriers. With their help, we can promote Nepal in a big way.

Qatar is one of the big foreign carriers operating in Nepal. What are your experiences as its GSA? And how is the airways' booking for the new year?

We are also preparing for Destination Nepal as announced by the government. We have started selling Nepal through Qatar Airways' network around the world. The response actually looks very good and we hope we will be able to generate more traffic than in the past. But the thing is, again, before we invite guests, we have to prepare ourselves. We have to keep our house in order first. Promoting Nepal is not a big deal, as we already have been doing this. We are confident we can generate more traffic. That is why Qatar Airways has applied to the Civil Aviation Authority for permission to operate more flights. At present, we

Most of the holidaymakers do not want to take any risk on their holidays. That is why law and order is very important for the tourism industry.



are operating daily flights. We are planning to operate 14 flights a week in the near future. Even if that does not work out, we will definitely operate 10 flights a week. That announcement has been made by the head office of Qatar Airways. This, itself, is evidence that there is a market and there is a demand.

Tourism entrepreneurs are projecting a bleak picture of the industry's future. What do you say?

We do not know what is going to happen tomorrow- and that really worries us. As long as the government is stable and can maintain law and order and concentrates on building infrastructure, future is fine. Everything depends on the government-how they guide us. It is very important for the government to look into these problems.

What about the role of political parties in the opposition?

We cannot look only to the government. John F. Kennedy once said "Ask not what the country can do for you, ask what you can do for your country". We have to work as a team. It is not a question of the party in power alone. We need the support of opposition parties, too. If the opposition continues with strikes, that will definitely affect the industry. Without the support and help of opposition parties, we cannot be successful in generating more traffic.

What steps are needed to increase tourist volume?

Again, this depends on marketing. We now have a tourism board in which the private sector and the government work hand in hand. We have to do more marketing and have plans lined up to penetrate into new markets. Therefore, I think we

should have a proper plan and work with airlines operating here to increase the tourist volume.

Are you satisfied with Nepal Tourism Board? Could it have done anything more?

Nepal Tourism Board is trying its best. The board has worked with Qatar Airways in the past. We had programs in the United Kingdom, Germany and elsewhere. They also have their limitations. As I already mentioned, we have to work closely with the government and with the airlines - this is not the age of working individually. The board can achieve something by working hand in hand with other organizations.

As marketing Nepal in the international arena is quite costly, how do you think we should work in this direction?

In fact, we are already working on this. If you cannot afford marketing overseas, there are other ways of doing that. What we can do is organize familiarization trips for people from different countries where we see the potential of selling Nepal. We should invite big tour operators from abroad along with the media people from those countries as guests. We can give them product knowledge, they will see Nepal and go back and promote Nepal. That is one very good way of marketing the country abroad.

What are the major issues and challenges before airline operators?

I am not trying to flatter the Civil Aviation Authority. As far as the authority and the Ministry of Tourism and Civil Aviation are concerned, they are beginning to get more liberal. In the past, there were many bottlenecks and they were heavily protecting the national carrier. Therefore, we got the message across to them that they should put the national carrier in open competition, whether it dies or survives. And that they should encourage more foreign airlines to operate here. Nepal being a landlocked country, the airlines have much significance. and that is why I say it is very important for the government to give more facilities to airlines. They should increase air-seat capacity, air-service agreements and upgrade the facilities at the airport. The current facilities are fairly satisfactory as per Nepalese standard. Of course, we cannot compare ourselves with the standard of Hong Kong or Singapore. And they are indeed on the verge of upgrading facilities at the airport.

We do not know what is going to happen tomorrow - and that really worries us.

#### CHITWAN FESTIVAL

## **Showcasing Strengths**

By organizing a major trade fair, Chitwan expects to accelerate economic development

By SANJAYA DHAKAL in Narayangadh

his sprawling district in the inner terai region went through a unique festive moment for seven days in the wake of Chitwan Festival 2000 — a biennial

trade fair (December 26 till January 2) — that began amid a colorful ceremony at the Campachaur, Narayangadh. The fair was inaugurated by Crown Prince Dipendra to mark the 56th auspicious birthday of His Majesty the King.

True to the district's strength in the field, the trade fair had an impressive presence of tourism and agrovet-related products. From a sample chepang house to stalls showcasing machines to mix poultry-feeds, the fair detailed the basic reasons behind the district's leading role in the country.

About 75 percent of the total tourists visiting Nepal come to Chitwan, making it one of the top-three destinations, after Kathmandu and Pokhara. Likewise, the district leads in the agrovet sector, including maize production and poultry and hatchery industries.

The trade fair included 290 stalls displaying various consumer items, furniture, herbal medicines and machinery. "This festival gives the true picture of our district and we hope to become a leader in the country in economic prosperity by promoting trade and industry by organizing such events regularly," said Prachanda Lal Pradhan, coordinator of the program and the president of Chitwan Chamber of Commerce and Industry (CCCI).

The Chitwan festival has been organized every two years for the last six years. This year's event was organized jointly by the CCCI, Chitwan District Development Committee (DDC),

Ratnanagar Municipality, Bharatpur Municipality and Ratnanagar Chamber of Commerce and Industry. The Nepal Tourism Board (NTB) promoted the festival.

"Chitwan being one of the favorite tourist destinations, the NTB has pro-



A scene of the festival: Helps economic growth

moted this event to further strengthen its tourism potential," said Diwakar Rana, an official at the board.

The fair had a separate Agrovet Pavilion with 40 stalls showcasing various

products and services. "The development of Chitwan in industry and commerce, specially in poultry-farming and feeds, has been exemplary. We need to replicate Chitwan's progress elsewhere," said Pradeep Kumar Shrestha, president of the Federation of Nepalese Chamber of Commerce and Industry (FNCCI).

Big rivers like Narayani and Rapti run through this district, making it one of the most fertile regions of the country. Still there are many parts of the district that are yet to get irrigation facilities. "Because of the absence of irrigation, the eastern and western parts of the district are slowly turning into deserts. If only

we could develop irrigation facilities in the Narayani river, this district could become a rich storehouse of foodgrains," said Bishnu Ghimire, president of Chitwan DDC.

According to the organizers, the total cost of organizing the festival was around Rs 30 million. They expected more than 150,000 people to visit the fair. Apart from tourism and agrovet, the festival also displayed several cultural programs. Glimpses

of the unique Tharu culture were the highlight of the show. Rafting and motor boating in the Narayani, food festivals and display of various ethnic dances a were held during the event.

## Speed Boating In Narayani

Tourists know Chitwan because of its rhinos, tigers and elephants. Now there is one more reason why they will not forget this inner-terai district. The thrills of water sports have arrived here in a big way. River Excursion Tours recently introduced speed boating in the Narayani river near Pulchowk. This water adventure sport has begun with only two speed boats, but the operators plan to increase the number. "We believe Chitwan holds tremendous potential for water activities and adventure tourism," said Raj Kumar Shrestha, managing director of the agency. Shrestha's organization had been operating similar facilities for the last one year in the Thimaura Village Development Committee near Ramnagar of Chitwan district. Now they have introduced this sport to the heart of Chitwan - Narayangadh - since December 26, coinciding with the inauguration of Chitwan Festival. The tickets for the speed boat carry life insurance worth Rs 100,000 each. "In fact, I have a plan to introduce ski-boating and paraglide-boating, too, but I have not been granted permission yet," said Shrestha. He hopes that by introducing such new services, the average duration of a tourist's stay in the district can be increased. Shrestha, however, added that travel trade operators like him need support from local authorities like municipalities to bring in more tourists. "The municipal authorities could do well by building necessary infrastructure and keeping the city clean so that tourists will want to visit the place," he said.

#### **EXHIBITION**

## An Artist's Diary

An long-time resident of Kathmandu creates portraits of the city's people

BY AKSHAY SHARMA

he quest to understand colors has always baffled humans. Painters to capture color and express it with a punch. Regardless of the medium, creating the right colors and capturing the textures are surely are not tasks cut out for amateurs.

Last week SPOTLIGHT spoke artist Carolyn Boch, who launched "A Diary Of Portraits" in the capital. A resident of Nepal for 20 years, Carolyn created these portraits over five years. She spontaneously invited people in Kathmandu to pose for her and tried to capture the characteristics that their faces radiated. Explaining how art came to her life, Carolyn says, "Even as a child, I used to scrape on my mother's furniture, so I think art was inborn in me."

Referring to a painting entitled "Rainy Day Women", which has a price tag of thousands of rupees, and its relevance to the Bob Dylan song, Carolyn says, "The woman in the painting is very solemn. There is a rainy sadness to her, which is the reason for the title. I also saw a part of myself in there as in the Bob Dylan song, which has a meaning similar to that of the painting and the subject."

Describing what attracted her to the Nepali people as the subject of her paintings, Carolyn says, "Perhaps it's the same thing that attracts me to Nepal. The open hearts and honesty of the Nepali people. They don't hide their own true character that I hear they do in the West. And because of that, it's easier to pick out Nepali subjects."

She says her paintings "are not

Nepali paintings, it's only the Nepali people that I paint. When I look at these people I am not looking at superficial looks, I'm looking for what's inside them."

"Because of Westernization, people tend to look at an image that they think is attractive and they lose their own truth within themselves. And the Nepali people I have painted are not trying to



Artist Boch: Inspired by people

look like anything but themselves."

Carolyn organizes creative Mandals workshops at the Himalayan Buddhist Center at Kamaladi in Kathmandu and abroad. Asked how she visualized art in childhood, Carolyn says, "I have strong feelings for colors and I think I'm a very

visual person. As a child I was moved by colors. Words and intellect moved me less than what I saw. I was moved more by the visual aspects in life."

"1981, I was sitting in a restaurant overlooking Rani Pokhari and I was looking at the pond and the fences that surround it. I was looking at people walking past it. Some people were moving pretty fast and other people moving as they would — and that was about the first time three-wheelers came into the valley. People started to move in their pace as the influx of these vehicles increased," says Carolyn.

"I can still visually connect to that point," she remembers of the old Katmandu. "It was like watching a filmstrip where one person is moving really fast and the others are walking behind them, as if Kathmandu was just another village. It must have been the beginning to what we have now."

Which of her paintings would she describe as her best? "I wasn't respecting my work. I was just using it as an exercise. Later on, I began to accumulate these works and realized I could earn respect for what I'm doing. I think my later paintings are more developed and more respected."

Asked how she sees the future of Nepali artists, Carolyn says, "I am excited that art has become so important to Nepal and there are so many venues for artists to exhibit their work. Years ago there were only a couple of galleries, but now there are so many promising young artists who are very actively organizing show. I find this very interesting."

She adds, "I think the Nepali people are creative and that is very healthy."

"I just came back from the United States and put together this exhibition in three days. I invited a lot of people. I would have liked to have an opening, but I didn't. This is my first art show and I have a whole new perspective on the people's points of view towards art shows. "Carolyn's paintings were on exhibition until December 31 at the New Restaurant at Summit Hotel.

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#### **TRANSITION**

RETURNED: Jigmey Y. Thinley, Foreign Minister of Bhutan, after participating in the 10th ministerial-level talks with his Nepalese counterpart, Chakra Prasad Bastola, in Kathmandu.

Chandra Shekhar, after completing a private visit to Nepal.

AWARDED: Natikaji, senior musician, with the Image Lifetime Achievement Award, by the Image FM Pvt. Ltd.

FORMED: Mahashivaratri Management Main Commit-

tee, to manage arrangements for pilgrims visiting the temple of Lord Pashupatinath during the Mahashivaratri festival.

A committee under the chairmanship of **Bhoj Raj Pokharel**, to investigate the recent violent incidents in Kathmandu.

#### HOSPITALIZED

Hrishikesh Shah, human rights activist, after suffering from asthma and heart ailments.

Arjun Narsingh K.C., former minister and Congress leader, after suffering from back pain.

#### **DRUG ABUSE**

## **Spiritual Treatment**

The use of yoga to deal with the problem of drug addiction is showing signs of success

By AKSHAY SHARMA

arendra Nath Bhattarai, who describes his post-retirement pleasure as teaching yoga, is in the front line in the battle against drug abuse. A master of the ancient practice, Bhattarai says, "Yog is pronounced as Yoga as Ram is pronounced as Rama."

He is a yoga 'guru' at Asra Sudhar Kendra, a residential camp for the treatment and rehabilitation of drug addicts. "The belief that once an addict always an

addict is wrong," is the theme of the camp, which Nepal Police on the June 15, 1997.

Bhattarai studied in Calcutta during the Rana era. He came back trained as a stenographer and a journalist in 1951. He worked as a stenographer in the Foreign Ministry. He was appointed as a member of Nepal's first parliament during the B.P. Koirala government.

The camp's rehabilitation program includes a strict daily routine. Guards are posted to prevent the people from escaping. Asked how many people have managed to come out of their diseased habits, Bhattarai says, "Studies show that people who went through the rehabilitation program have had good A man performing yoga: Healthy behavior results in life. Thirty to 35 per-

cent of the patients have succeeded in quitting drugs while 60 to 65 percent have relapsed."

The objective of Asra is to give new life to a very sensitive part of society that fallen into drug addiction. The objective behind Asra's new approach is to turn misguided youths into respectable citizens. The Police Family Women's Association has been running the program from September 17, 1997.

"The process of rehabilitating drug addicts was initiated by the CRC (Community Research Center) from 1991 to 1992. They picked up people suffering from drug abuse. People in prison for drug-related crimes are dealt by the Richmond Fellowship," Bhattarai says.

"Teenagers suffer the brunt of the disease. But there are seven or eight people in the 30-40 age group. The highest age we have had is 56 years. Profes-

sors, teachers, doctors have gone through rehabilitation."

The admission procedures at Asra follow a prescribed norm and it takes up to 18 months to fully cure a drug addict. An addict is usually kept at the center for six months. Visitors are not allowed for the first 30 days. After that, family members can visit from 10 am to 5 pm every Friday.

In order to maintain the discipline needed to continue the rehabilitation program, the center takes stern action against those who violate the camp's rules or those who try to run away. Admission is granted if the applicant passes the medical tests.

An admission fee of Rs 15,500 includes lodging-fooding and study expenses for three months at the rate of Rs 4,000 per month, Rs 2, 000 for medical treatment, and Rs 1,500 for the camp uniform. After that, a monthly fee of Rs 4,000 is charged.

"We teach students how important they are and make them aware of what they could do to make their lives merric which is the theoretical aspect," Bhattarai says. "We stress physical aspects like sports and exercise to keep the mind in tune to deal with this theoretical aspect."

Asked how he sees the western approach toward yoga, Bhattarai says, "The West has created a virtual heaven as you get everything you could ever possibly

want. But there is no inner peace. Eastern philosophy is older than western philosophy. Some people have discovered yoga but others have managed to exploit yoga into places like massage parlors in Thamel.

"His Majesty the King's heart specialist has done many bypass surgeries through the help of you He wrote, 'It is ironic when eas ern civilization has to copy western civilization.' He has also written that calcium clogged in blood vessels can be removed through yoga."

What is it like to be in the camp? "When addicts are brought here, they have to wake up at six in the morning for exercises. They are not used to the discipline they are suppose to observe at the camp," Bhattarai says.

He is troubled by the misuse of funds by some INGOs and NGOs. "This has been a setback to our program. We have to survive on the meager amount that gets filtered to us."

Bhattarai says he feels utmost joy when he sees people who have been cured of drug addiction. "I don't go to temples. I consider what I am doings my religion."

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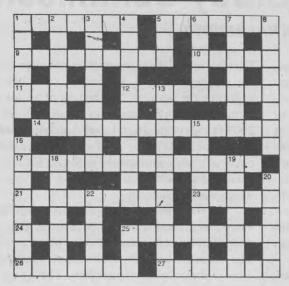
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#### ACROSS

- 1. Established colony around a port (7)
- 5. American marksan watched a man from the east (7)
- 9. Tours to Paris will take you along one such (9)
- 10. Used bad language, being angry about wife (5)
- 11. A judge having to worry constantly about illegal drug (5)
- 12. A handicap, being ill with tibia broken at beginning of year (9)
- 14. Prime Ministerís distress about end of moral high ground in England (9,5)
- No lass in a times spread? Such is a tabloid specialty (14)
- 21. Philosopher upsetting to realist (9)
- 23. Go round about one Italian City (5)
- 24. Irish playwright, a little hot in the head? (5)
- 25. One of the peaks traversed in Straussís Alpine Symphony? (9)
- 26. Hunter with the staggers? (7)
- 27 Encouragement given couples starting typical holiday to pack everything (5-2)

#### DOWN

- 1. Like some canine relations? (6)
- 2. What has insect queen on head? (7)
- 3. Theorize airís iamb as showing alternative thyme scheme? (5,4)
- 4. Performer whose professional standing is in the balance? (11)
- 5. Rightful leader ousting Conservative (3)
- Very musical attack in concert, but lacking line (5)
- Unusual things sexy notice may contain
   (7)
- Each person is always over there getting drug (8)
- 13. Scottish island to receive outside males for settlement (11)
- 15. Characteristic of the life and soul of the party? (9)
- 16. Former capital, but mainly destroyed with Stalin (8)
- 18. Not one from two in three ñ thatís confusing (7)
- 19. Tough and mean ñ thatís about right (7)
- 20. Completely interested in historic center (2,4)
- 22. Fish has smell, beginning to go off (5)
- 25. Lift compartment needing a lot of attention (3)

Down: I. Shaggy 2. Antenna 3. Terza Rima 4. Equilibrist 5. Due 6. Assai 7. Exotica 8. Everyone 13. Arrangement 15. Political 16. Istanbul 18. Neither 19. Stringy 20. In toto 22. Tench 25. Car

Across: 1. Seattle 5. Deadeye 9. Auto route 10. Swore 11. Ganja 12. Liability 14. Salisbury plain 17. Sensationalism 21. Aristotle 23. Turin 24. Behan 25. Crescendo 26. Lurcher 27. Talloy ho

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SATHYA SAI BABA

## Vicious Circle Of Study Commissions

By YUBA RAJ PANDEY

The politics of study commissions is one of the major characteristics of the political and administrative systems of different societies, especially those in the developing and underdeveloped world. In the case of Nepal, if someone responsible for tackling a problem is pressured to come up with a solution, the result generally comes in the form of a study commission. People in close contact with decision-makers are appointed members of the commission.

They hold discussions and conduct seminars in one of the top-notch hotels in the capital. The commission members organize study tours to gain an in-depth understanding of the problem. The members often receive large monetary benefits on a monthly or lump-sum basis. The time given to the commission to complete its study is often extended more than once, generally at the request of the members. The expenditure incurred on the commission is far more than what has originally been allocated. The commission's report is submitted to the responsible person or organization, which becomes headline news for the state-run electronic and print media. But the report is destined to become part of the countless files stored in government record rooms. Gradually, the entire exercise disappears from memory. After some time, the decision-maker, often newly appointed or transferred to the post, constitutes another study commission and seeks a new set of recommendations on the same problem. The new commission often repeats the procedures of its predecessor.

The new members may re-open old files and even find papers considered to have been lost. Most of the findings and recommendations of the old commission are diligently copied and presented in the form a new report. After it is presented, this report, too, goes on to gather dust in the record rooms. A circle is completed, and a new cycle of commissions and reports begins.

There are different reasons why this vicious circle exists in developing countries. Decision-makers use such commissions as tools of brushing aside immediate problems. In this way, the panels become a way of hiding the dishonesty of decision-makers. Sometimes, those in power form commissions only to bestow supporters with hefty remuneration, allowances and facilities or to purchase the continuing support of individuals.

Even if a commission is formed with an honest intention to solve a certain problem, the recommendations are not implemented because they cannot be done so. The report is based on directives given by advisers and experts coming from abroad, especially from developed countries. Their suggestions are often impracticable or inappropriate to conditions prevailing in developing and backward societies.

It has become a tradition in developing countries for members of a study commission to disguise their personal wishes, interests and beliefs as suggestions in the final report. This fact makes the recommendations even less practicable. If the recommendations are carried out, they only go on to aggravate the problem. The history of all Administrative Reform Suggestion Commissions - from the Buch Commission of 2009 (1952) to the High-Level Administrative Reform Commission of 2048 (1991) - presents a glaring example of a vicious circle of study commissions in Nepal. Each of these commissions had submitted study-reports with suggestions, some of which were carried out.

The problems in Nepal's administration have rather agging vated over the course of time. Most of the suggestions given by these different commissions were based not on an objective analysis of the situation but on the personal beliefs and prejudices of the commission members. These personal beliefs and prejudices were largely shaped by the information largely gathered from the writings and advice of so-called specialists from the developed societies, including the donor countries.

The well-known Mallik Commission report also is emblematic of this vicious circle. The report of the Internal Migration Commission headed by Dr Harka Gurung in 1983 has perhaps been forgotten. That is why the Ministry of Population and Environment constituted a study team on migration policy in Nepal last year. A Citizenship Commission headed by Mahant Thakur was constituted soon after the submission of a report by a Citizenship Commission headed by Dhanpati Upadhya towards the middle of the 1990s.

Decentralization commissions provide another evidence of a vicious circle. The High-Level Administrative Power Decentralization Commission of 1963 (2020), the Decentralization Committee of 1967 (2024), the Decentralization Committee of 1969 (2026), the Decentralization Sub-committee of 1982 (2038), the High-Level Decentralization Sub-committee of 1983 (2039) and the High-Level Decentralization Coordination Committee of 1996 (2053) were all constituted to find out the proper way of implementing decentralization programs. But the reports presented by these panels have largely been forgotten.

Furthermore, decentralization has become a contentious issue and the problems associated with it have become more acute. If certain steps are taken incidentally, they are nullified or weakened by the implementation of explanatory rules such as the Directory of Rural Self-help Program formulated in the middle of the 1990s. Decentralization in Nepal has always remained a popular slogan to disguise the internal character of centralization of authority. As this vicious circle represents specific political and administrative behavior, it has almost assumed the form of a new theory of governance in developing countries.

Pandey is director general at the Department of Information

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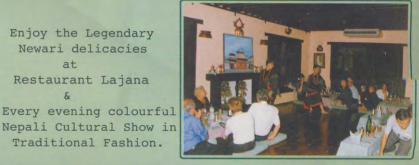






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