

## BACKGROUND

"If the expression 'Wonderland' has any justification to-day, apart from the world of romance and fairy tales, then it is here in Nepal"<sup>1</sup> (Tony Hegen). This beautiful expression of the writer is in fact, a mirage. Nepal to-day is listed as one of the least developing countries with a per capita income of \$ 150, and average annual growth rate of GNP per capita of 1.9 percent (World Bank Report 1988). The main hurdles in the path of its development, is the rate of population increase by 2.6 percent and the fast depletion of its forest resources. Hence two major challenges lies ahead of Nepal, one is family planning and the other reforestration<sup>2</sup> (Edmund Hillary).

The land locked country exhibits geographical, racial, ethnic, linguistic and cultural diversity within a very small span. Covering 57.563 square miles, it incorporates flatlands, valleys, alpine meadow, jungles and also the highest peaks in the world. Hence the climate ranges from tropical heat of the low lands to the arctic cold of the high altitude. Unfortunately seventynine percent of the country's land resources belong to the Himalayas, the mountaineous regions and the hills and only 21 percent lies in the tarai that is plain land. Thus limiting agricultural expansion and making economic development costly.

Ninetysix percent of Nepals population live in small villages, many of them in remote mountain valleys, accessible only by trail.

The density of the population decreases, with the increase of altitude, the highest being in the tarai and midlands. Viewing the racial and ethnic variations the inhabitants can be broadly divided into the Tibeto-Nepali and the Indo-Nepali groups. More than 30 languages and multitudes of local dialects are spoken. Nepali (Devnagric script), however, is the national language, understood and spoken throughout the country.

Basically an agrarian economy, with 93% population depending on agriculture, and its contribution of 60.3% in G.D.P. Nepal has a very low production per hectare land with poor irrigation and low consumption of fertilizers, credit and HYV seeds and the majority using traditional technology. Increase of agriculture production cannot be expected. Hence the agricultural sector still hinges on the vagaries of nature.

On the industrial front, the country is still largely dependent on imports, specifically of Indian origin. Though recently the country has announced self-sufficiency in 22 manufactured goods, this sector has absorbed only about 4,000 workers annually, as against an increase in the labour force of about 100,000 per year<sup>3</sup>.

Even with the completion of its VIth Five Year Plans and huge investments on infrastructure development no significant impact has come forth. Main highways run in accessible places only, and in many parts of the country transportation is difficult as well as costly. Education and health facilities are enjoyed by few. Life

expectancy is at 47 years (1986) infant mortality is high (17 per thousand 1986) and literacy rate only 39.6 percent (1988).

In spite of Nepal's trade diversification policy from the 60s, dependency on India has not reduced. And with the recent confrontation and reconciliation between the two countries, this dependency is sure <sup>to</sup> increase. The Economic Survey of fiscal year 1984/85 showed that trade deficit increased by more than five-fold during the ten years period (Nepal Rastra Bank Report 1974/84).

With this economic scenario, the best option for Nepal's Development lies in its huge hydro power (83,000 MW), labour resource and tourism. There is no doubt that, Nepal is on the forward march in socio-economic and political field. The hindu kingdom with 30 years of partyless panchayat system as its political base, on April 1990 discarded this system. After some unpleasant occurrence, centering around the capital, the king complied with the peoples demand for a multi party system. Though the panchayat polity professed the diffusion of democratization and decentralisation critics described it as a bunkum and empty expression. The system encouraged nepotism favouritism, redtapism and widespread corruption, in the polity, bureaucracy, and in the business community. Rishikesh Shaha while focussing particularly focussed on corruption and resulting non-performance of government argued that, no technical and administrative changes would reverse the situation, without change in the political system<sup>1</sup>. Hence it is hoped that the multiparty system of government, will be competitive enough to face and over come the economic challenges the country faces to-day. Strategically poised between the two Big Bosses of Asia, i.e. India and China having

contrasting political set up, Nepal has been capable to balance its existence, with non-aligned foreign policy. The opening up of the country to the outside world (1950) increased diplomatic relations throughout the world. Nepal has succeeded in drawing attention of the world community to the sad economic plight of her people. This has resulted in the flow of grants and aids through bilateral, multilateral, private and public sources for Nepal's development.

Looking at the bleak state of the rural economy, where majority of its people live in sub human condition, the country introduced Integrated Rural Development Programmes way back in 1970. These programmes had been also financed by bilateral and multilateral aids. At present there are eleven IRDP covering 23 districts, ~~Out~~<sup>of</sup> 75 districts of the country. The programmes are launched on sectoral, functional as well as geographical basis.

These projects generally have the following objectives:

1. Increasing the production of various rural productive sections, with emphasis on agriculture.
2. Bringing equity in sharing the fruits of development.
3. Fulfilling the basic (minimum) needs of the common people.
4. Providing opportunities for gainful employment on a sustained basis.
5. Ensuring peoples participation in the development process.
6. Maintaining ecological balance in the project region.
7. Ensuring self-sustained type of development through the development of viable rural institutions.

## 8. Maintaining the cultural heritage of the social environment<sup>5</sup>.

Our study is concerned with only two IRDPs, namely Rasuwa/ Nuwakot project and Sagarmatha Project. (Annex. A). The organisational structure show that in the Apex there is the National Planning Commission which formulates these plans. At the district and village level the respective Panchayat institutions were made the vehicle for its plan formulation, implementation and evaluation. Dissolution of the Panchayat system has brought this responsibility to the district development committee and village development committee. The supporting agencies, are different committees at the centre, zonal and district level. The responsibility of coordination and monitoring lies with the Ministry of Panchayat and Local Development at the centre. At the local level the responsibility rests with two Project Co-ordinators, assisted by the Local Development Officer (L.D.O) at the district level. The technical help is provided by technical sub-committees at the district level and service centres at the village level. In reality main brunt of responsibility for implementing IRDP rests with the concerned agencies that operate at the district level headed by the LDO. At the village level, Multi-purpose development worker is to monitor all development works. Popular Participation in the development activities is assumed through Co-operatives (Sajha) and Users Committees.

R E F E R E N C E S

1. Hegan, Tony, Nepal, The Kingdom in the Himalayas, Oxford & IBH Published Co., New Delhi (Preface).
2. Hillary, Edmund, Himal Magazine, Kathmandu, 1988, p. 17.
3. Baral Lok Raj, The Politics of Balanced Interdependence NEPAL & SAARC, Ratna Pustak Bhandar, Kathmandu, 1988, p. 58.
4. Shaha, Rishikesh, Action Aid-Nepal, The Manichur Community Development Project in association with the Social Service National Co-ordination Council, Kathmandu, 1985, p. 18.
5. Baral, Jagdish, R., State of the Art; Integrated Rural Development in Asia-Pacific, Centre on Integrated Rural Development for Asia and Pacific (CIRDAP), Dhaka, 1987, p. 63.