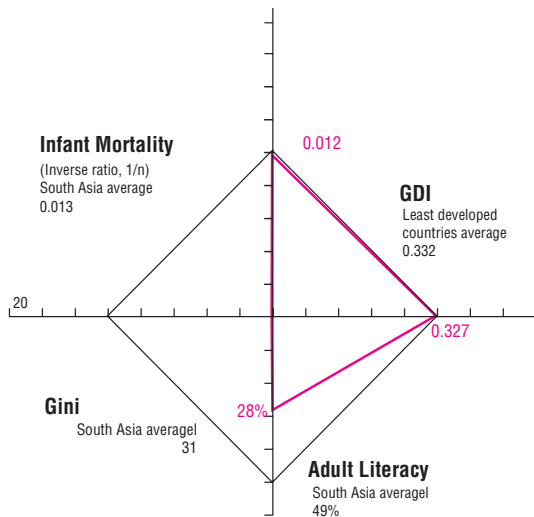


N E P O R T

• DR. RISHI ADHIKARI
USHA JHA

AMONG PLANS AND HOPES



The Equity Diamond: National values in terracotta compared to regional ones in blue.
Source: **Infant mortality:** UNICEF, *The State of the World's Children, 1998*; **Adult literacy:** UNICEF, *The State of the World's Children, 1998*; **GDI** (Gender Development index): UNDP, *Human Development Report 1998*; **GINI:** World Bank, *World Development indicators 1998*. (The regional average for this indicator was calculated by *Social Watch*).

Economic growth is not meaningful if it does not reach the needy. The Eighth Plan (1992–97) set poverty eradication as one of three major objectives and included national policies for poverty reduction. These efforts were bureaucratic rather than oriented towards the poor; they failed to generate local initiative, ignored local and poor people's organisations, were badly targeted, and lacked multi-sectoral, long-term vision. Perhaps the Ninth Plan will be more successful.

Government agencies, financial institutions and NGOs have implemented programmes aimed at helping poor and vulnerable members of society. These include: safety nets and subsidies for the poor; integrated rural development projects; programmes on food and nutrition; targeted credit; employment and income-generation; rural development banks; technical education and vocational training; settlement of landless people; a small farmer development programme; abolition of the «Kamaiya» (bonded labour) system and the Kamaiya Loan Relief Fund; the Participatory District Development Programme (PDDP); the Syangja Poverty Alleviation Project (SPAP); and the Local Governance Project.

As many of these programmes are small in outlay and coverage, their overall impact on poverty eradication is limited. Success has also been limited because the government lacks political will, and because there is a lack of networking among organisations working in the field.

The percentage of people living in absolute poverty increased from 40.3% of the population in 1976–77 to 42.6% in 1984–85 and 49% in 1992. The government's claim that this number was reduced to 42% at the beginning of the Ninth Plan (1997–2002) needs careful assessment by independent sources.

Important factors contributing to increased poverty in Nepal are: inequality in the distribution of productive resources; the unequal exchange rate between agrarian and industrial products; and the high rate of population growth. Peasants and small landowners who are obliged to lease extra land to support their families bear the full cost of production but have to pay 50% of their gross product to landlords.

The situation of peasants can become so unbearable that they migrate to India in search of employment and higher wages and, ultimately, Nepal loses its skilled labour. In this context, a new generation of poverty alleviation policies should lead to the formulation of plans and programmes that visualise poor people as assets rather than liabilities. (Table 1.)

THE NINTH PLAN

Nepal's Ninth Plan aims to reduce the percentage of people living in poverty to 32%. The aim of reducing poverty by only 10%

TABLE 1.

Population below poverty line (%)			
Regional description	Total	Poor	Poorest
Geographical			
Himal	56	29.3	26.7
Hills	41	21.3	19.7
Terai	42	28.7	13.3
Village & town			
Town	23	13.2	9.8
Village	44	26.4	17.6
National average	42	24.9	17.1

Source: Ninth Plan 1997–2002

(from 42%) seems inadequate, but in Nepal's context, developing a process for alleviating poverty is an important first step as it will enable the country to move forward on a defined track. The New Rural Development Infrastructure with the participation of people at the grassroots level should provide a long-term model for poverty alleviation.

TABLE 2.

Ninth plan for poverty eradication		
Particulars	1997-98	Target
1. Reduction of poverty (%)	42	32.5
2. Adult literacy (%)	40	70
3. Life expectancy		
male	55.9	60
female	53.4	59
4. Infant mortality *	79	50
5. Under 5 child mortality *	118	70
6. Maternal mortality **	539	400
7. Total fertility	4.6	4.1
8. Gross enrollment		
Primary	70	90
Lower secondary	45	55
Secondary	36	45

* per 1,000 live births

** per 100,000 live births

Nepal's Ninth Plan aims to: raise the living standard of people living in poverty; introduce special programmes for people having no source of income and production; strengthen socially and financially people who are deprived, isolated and weak; develop physical, social and financial infrastructures in remote areas.

Unemployment and high under-employment in Nepal results from the imbalance between low-income growth and high population growth, which has caused the labour force to grow beyond the absorptive capacity of the labour market.

Female unemployment is nine per cent in urban areas and 3.2% in rural areas. For men, unemployment is 7.7% and 2.2% respectively. **The magnitude of under-employment is appalling.** The proportion of households that are under-employed by net work-days is estimated at 46.4% for urban and 33.3% for rural Nepal. Similarly, the under-employment rate in the country for men and women is estimated at 41.8% and 51.1% respectively. In urban Nepal, an estimated 23.8% of men and 46.6% of women are under-employed.

In 1993, about 650 thousand people were unemployed and one million were under-employed, raising the number of job seekers to 1.65 million (19.3% of the total labour force). Since an estimated 200 thousand people enter the labour market each year, today's number of job seekers in Nepal is estimated to be 2.65 million.

The Eighth Plan aimed to reduce unemployment and under-employment by maximum utilisation of human labour in development activities. The plan emphasised the need to create productive employment opportunities for 200 thousand new job seekers each year, and the need for one million additional jobs for the under-employed. The plan aimed to create 1,449,000 jobs in various sectors. While it has made some progress, it is very slow and has not made any positive impact so far.

The most important factors for employment expansion are: planning, design and implementation; market-oriented educational, vocational and skill development programmes; allocation of more resources to employment expansion; establishment of a strong and capable secretariat for the Employment Promotion Commission, which is chaired by the prime minister.

The Ninth Plan envisages generation and expansion of employment opportunities to unemployed and under-employed people. It aims to increase opportunities for productive employment in the different economic sectors for the economic and social development of the country.

SOCIAL INTEGRATION

The strength of Nepal lies in the commitment and capacity to nourish those elements that constitute the very basis of the Nepali society. **Ethnic, religious and cultural pluralism seems to be the most sensitive aspect of national social integration.**

An integrated society seeks unity not only in protection and respect for its culture, religion and ethnic diversity in which children, women, aged and disabled persons find greater security and care. It also seeks unity through achievement of equitable socio-economic development with partnership among various segments of its population. **Social classification and segregation are widespread in rural Nepal, particularly among Hindus. Although segregation on the basis of caste has been declared illegal, so-called low caste people are still marginalised.**

In the last four decades, some progress has been made in laying the physical infrastructures for the transport, telecommunications, education and health sectors. Development of productive sectors, eg, agriculture and industry, has not met expectations, although some service sectors such as tourism, finance and trade have developed to a greater extent. As a result, growth of gross domestic product and *per capita* income is less than targeted. Development in the social sector is also limited in coverage, quality and service delivery.

In Nepal, women face the worst problems. Women's labour in the home does not count and women are discriminated against in the productive sector. The level of women's participation in politics and in the socio-economic mainstream is very low. Early motherhood, high fertility rates, unattended deliveries, overwork and malnutrition, male chauvinism, domestic violence, and denial of inheritance rights are some of the reasons why women are held back. Various efforts are being made at governmental and non-governmental levels to improve the conditions of women in terms of literacy, skill development and income generation. **In recent decades, trafficking of women has become a serious concern, but no effective steps have been taken to halt trafficking.**

Youth, another important sector in society, is full of potential, but young people are losing their commitment to society due to frustration. As a consequence, crime and drug addiction are increasing particularly in urban areas.

Many children in Nepal are deprived of primary health care and basic education. Young children are often forced to do household chores and work for wages, making child labour in Nepal a major problem. The number of homeless and street children has recently increased.

Disability, ageing and homelessness are additional problems that need special attention in the context of social integration. Over ten per cent of the population in Nepal is disabled. The Council for Special Education provides support to schools that educate the blind, deaf, mentally retarded and the other disabled students. Efforts so far are inadequate due to lack of government commitment and resources.

Refugees have become a serious concern, in particular the recent influx of refugees from Bhutan. Various international organisations provide refugees with essential supplies. Nevertheless, they are having a negative impact on their host populations. The Bhutan government is not taking responsibility in this matter.

The Ninth Plan shows that efforts are being made to solve some of these issues with the help of donors. Some important issues that still need to be covered are:

- More funds for human resource development;
- More mass media programmes promoting intra-ethnic respect and dignity;
- Identification and preservation of moral and traditional values;
- Fostering a sense of cultural harmony and national integration in the education system;
- Programmes for the welfare of disadvantaged groups;
- Promotion of the integration between public and private institutions through better collaboration between public and private sectors; and,
- Consolidation of social security measures.

The National Planning Commission in its Ninth Plan seems to be committed to sustainable social development through eradication of poverty, social integration and employment. Poverty is concentrated in particular segments of society that have not been reached by government programmes. The Ninth Plan aims to bring economic activities to 25 needy districts as a pilot case. Implementation of this plan should be monitored and watched by all concerned.

- Nijgadh, Bara, and Rural Reconstruction of Nepal.