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Review of Discourses on Nepal's Development

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Abstract

The book "Discourse on Nepal's Development" focuses on understanding the history, current status, implications, problems, and prospects of Nepal's economic development. The primary goal of the study is to explore and present the implementation status of development initiatives from the beginning of the development process through a diverse set of empirical papers. This paper thoroughly reviews all the articles in this edited book and concludes its main argument with critical analysis results. The development initiatives were compelled to begin primarily as a result of shifting global politics, when the then-Rana regime recognized the threat from citizens. The then-Rana dictatorship was able to create economic development alliances with the Global North camps after getting development support from them. However, the state faced numerous consequences and policy issues in agricultural growth as the foundation for economic development. Aside from policy issues, lack of technological advancement, mechanization, coordination and collaboration among ministries, corruption, underutilization of the capital budget, misuse of resources, adverse lawsuits, vested interests, and politicization within the bureaucracy, unstable and weak government performance and disasters affect overall economic development. Besides highlighting obstacles, widening infrastructure roads, improving health and education facilities, and achieving self-sufficiency in eggs and chicken, including drastic improvement in electricity management, showed a leadership willingness that remains a major factor in Nepal's economic development.

Keywords: Discourse, Economic, Agriculture, Development,

Introduction

Discourse is a long and serious action of a subject in speech or writing (Hornby, 1995). So, discourse on development is a long talk or lecture or discussion or debate about its

meaning, understanding, sector/theme, trends, and history from a different angle. Regarding the development discourse, scholars have separated the world development era into two sections, i.e., before and after World War II. Most of them agree to sum up development as classical, neoclassical, and Keynesian economic thought, and economic growth is understood as a commentary on development until the mid-1950s, which mainly focuses on capital formation, production, technological advancement, labor division, and population expansion within the tied-up colonial administration (Engel, 2010).

However, following the war, the development paradigm within the academic discipline evolved rapidly along with the independence of numerous nations, and it adjusted accordingly. Under modernization and a dual economy, conventional agriculture was shifted towards industrial society in support of technological advancement, industrialization, urbanization, and capital investment. Then, after the green revolution, basic needs, structural adjustment programs for open markets, women in development, gender and development, sectoral and integrated development, poverty eradication, decentralization, good governance, a rights-based approach, sustainable development, etc., remained key development initiatives (Ellis & Biggs, 2001) until 2030 as sustainable development goals. The review here is concerned only with discourses of Nepal's development based on these themes from its early time to the present, by reviewing an edited "Discourses on Nepal's Development Volume I" book that collects empirical papers published by Nepalese scholars, academicians, development actors, and policy experts on many development concerns facing Nepal.

The book covers a wide range of four article topics. Beginning of development assistance in Nepal by Dwarika Nath Dhungel; Obstacles to economic development in Nepal by Siddhi B. Ranjitkar; India's guidelines on cross-border trade of electricity vis-à-vis Nepal's Electricity Development Decade 2016-2026 and 2017/18 budget: Nepal's pursuit of Gross National Happiness by Santa Bahadur Pun; and Agriculture Development in Nepal: Emerging challenges and opportunities by Devendra Gauchan. The two scholars, K. Suman and Mantu Khatri, edited this book, both of whom have extensive experience working in the development sector in Nepal. Nepal Policy Research Centre, Kathmandu, published this book in 2018.

Methodology

This paper is mainly based on secondary information; it reviews all the empirical articles in the edited book and presents its main argument as its key results. The major challenges and opportunities of the arguments are thoroughly reviewed, and gaps are highlighted in the discussion section.

Key results

The first article highlights that development efforts started in Nepal during the pressures that occurred to the Rana regime after changing global political power camps (the

US camp and the Soviet Union camp after World War II) and after becoming independent in the neighboring country, India, and during ongoing people's wars in China. The then prime minister, Juddha Samsher JB Rana, quickly took steps to improve the living standards of people by establishing Uddhyog Parisad and Gharelu Adda in 1934, Nepal Bank Ltd. in 1937, the Nepal Bureau of Mines in 1941, and the National Economic Planning Committee in 1948 as the first development initiatives to divert citizens' concerns from global political changes. The article also claims that Nepal opened its doors to the donor community in 1951, when the then-Prime Minister Mohan Shamsher JB Rana signed an agreement with the United States Operation Mission (USOM) for the first official development assistance from the United States. But more than thirty years ago, the British government already gave a development aid grant of 140,000 sterling pounds (2.1 million NPR) to Nepal under the leadership of Prime Minister Chandra Shamsher JB Rana, the father of Mohan Shamsher, in 1920. This grant was used to build a 14-mile ropeway line from Dhursingha to Matatirtha, a 30-mile motorable road from Amalekhagunj to Bhimphedi, and a 24-mile narrow-gauge railway line between Raksaul and Amalekhagunj.

The main aim of the USOM assistance is to fight against communism from South Asia through this mission by showing the objectives of long-range economic development. The US government provided a lump sum of \$300,000 to Nepal through the USOM. To fulfill such a main objective, this mission aims to increase agricultural food production through agriculture extension services, irrigation, health and education facilities, roads and tracks, etc. for the economic development of Nepal. Afterward, various donor communities like India, China, UN agencies, the World Bank, etc. were entered as development partners of Nepal. The article also emphasizes that the development activities were compelled to start by the then Rana prime minister after getting into trouble to save their family rule from the political leaders due to awareness and movement against colonialism, independence in the neighboring country, and World War II (Dhungel, 2018).

The second article, "Obstacles to Economic Development in Nepal," states the various reasons include the state not having been able to use the taxpayer's money for economic development; underutilization of the capital budget for national pride projects such as infrastructure development, irrigation systems, and hydropower projects due to the loopholes of policies; civil servants' and contractors' performance, fraud, corruption, misuse of state resources; quake impacts; and so on. Likewise, the article indicates that the use of the capital budget has been in the last quarter of every fiscal year by trying to finish the whole year's budget deliberately. Thus, the planned budget of every development project has little chance to work on the scheduled time. At the same time, this article also criticized the way of working practices of the public accounts committee of the parliament. This committee has the authority to sort out any irregularities in state business and is compelled to reimburse any loss of state money but has never attempted to take action until now. The article again emphasizes the

obstacles of the public procurement act, land procurement process, forest act, and labor act for the large-scale infrastructure development project in Nepal by giving some examples of a delayed project that was broadcast through the national newspaper *Gorkhapatra* on November 17, 2016. Preferences given to low bids by the public procurement act, lengthy compensation processes and consensus of landowners while acquiring the land, getting approval to cut the trees from the minister level, protecting the trade union of bureaucracy, labor exploitation, etc. are stated as major problems for the economic development of the state.

Similarly, in the name of economic liberalization without creating an environment and foundation for the private sector and cooperatives, various state-owned industries were not only closed, but the revenue received by the state and the livelihood of the people were also gone. However, later the effective management of the Nepal Electricity Authority (NEA) was only able to improve, somehow, the economic condition of the state rather than other public entities like Nepal Oil Corporation, Nepal Airlines, Food Management and Trading Company Ltd., etc. Other major barriers to the economic development of the state are lack of coordination and cooperation within the ministries and state agencies doing the same work; adverse lawsuits; frequent changes of government; major trade and transit with India; neighbors' countries' role in the development and political sectors; natural disasters; misuse of resources, etc. Another blockade imposed by India on the economy made life more difficult for the people after the earthquake and heavily affected the economic growth of the state. Besides the barriers, the article also emphasizes the possibilities of economic development, like what the willingness of the NEA leaders could do in a short span of time. With the widening of roads, changes in infrastructure development, health facilities, and education facilities; self-sufficiency in the egg and chicken poultry industries; and much more, the agriculture sector has been doing well. Likewise, the remittance has contributed to the economic development of the state as well as improved the purchasing power of Nepalese people and brought various skills in different trades. But at the same time, it has adversely affected the agriculture sector due to the lack of an agricultural labor force and made the agricultural land barren. Eventually, the article also stated the various development efforts made in the different time intervals of Nepal, like the Rana period, after democracy to before the rise of the Panchayat period, during the Panchayat period, after the restoration of democracy to before the Federal Republic period, and after the Federal Republic period (Ranjitkar, 2018).

Another article, India's guideline on cross-border trade of electricity, Nepal's electricity development decade 2016-2026, and budget 2017/18, emphasizes two major agreements, i.e., the Indo-Nepal Power Trade Agreement on 21 Oct 2014 and the SAARC Framework Agreement for Energy Cooperation (Electricity) on 27 Nov 2014. These two agreements have provisioned "non-discriminatory access to cross-border power trading"

within and outside the country, including among the SAARC member states as well. However, the "Guideline on Cross-Border Trade of Electricity" on 5 Dec 2016 issued unilaterally by India violated the clauses of both previous agreements. This guideline has provisioned that any other participating entity shall be eligible to participate in the cross-border trade of electricity after obtaining approval from the Designated Authority on a case-to-case basis. Even after the visit of PM Sher Bahadur Deuwa to Delhi on 23-27 August 2017, the joint press release of the two PMs surprisingly fails to mention neither the discriminatory December 2016 Guideline of India nor the facilitation of the Nepal-Bangladesh transmission line over the Indian territories. Which has adversely affected Nepal's Gross National Happiness through the Electricity Development Decade 2016-2026 and Brighter Nepal 2017/18 Budget to produce 10,000 MW within 10 years (Pun, 2018).

In the last article, "The Emerging Challenges and Opportunities of Agricultural Development in Nepal," critically analyze the status of agricultural growth, productivity, public support measures, and their importance in the economic development of Nepal. The article revealed that the major challenges of agricultural development are the decrease in the agrarian structure (the average size of land owned by the household decreased from 1.1 ha in 1995 to 0.70 ha in 2010), difficulty and complexity of the farming system with the adoption of specific crops due to wide agro-ecological and socio-economic diversity, seasonal food insecurity in the rural hills and mountains due to limited availability of land for cultivation, failure to prioritize and emphasize food production in the past, and so on.

Furthermore, the article stated that the new 2016 agriculture development strategy is also unable to address institutional modality and provincial issues with the local-level structure of the federal system; low agriculture growth due to erratic rainfall and disasters; the national average yield of major cereal crops (maize, wheat, and rice) is below 50 percent of the attainable yield in the farmer's field due to two-thirds of agricultural lands being under rainfed conditions; farmers located in remote hills and mountains are not able to get a subsidy, support, and incentive measures (like chemical organic fertilizers, improved seed, lack of research and development, agriculture mechanization and tools, equipment, loss of agrobiodiversity, and environmental pollution due to excessive use of pesticides, weak agriculture initiative research and development, and shortage of skills for youths and labor force due to foreign employment) are the major challenges for the agricultural development of Nepal.

Besides challenges, the article stated the opportunities and way forward for the economic development of Nepal. Such as mechanization and modernization of agriculture to increase production, productivity, and profitability; promote public (technology, coordination, and regulation), private (efficient delivery and marketing of inputs and outputs), and community (scaling-up and multiplication of inputs, technology, and output) partnerships

in agriculture research and development, encouraging the non-state actors like cooperatives, community-based organizations (CBOs), international/national non-government organizations (I/NGOs), producer groups, etc. for participation and support; introducing climate-smart agriculture technology and practices; and formulating the realistic policy through research and development in the agricultural development of Nepal (Gauchan, 2018).

Discussion

These empirical articles provide a detailed analysis of a particular aspect of Nepal's development challenges and offer insights and recommendations for addressing it. The strength of this book is trying to address the diverse perspectives of development practices, current policies with their gaps, and the way forward in one shape. The book has introduced the history of Nepal's development and development aid from the oligarchic Rana period until now and disclosed the ground reality of development practices in the public and political sectors of Nepal by presenting secondary data and information to support the argument. Similarly, it emphasizes infrastructural development, including improved health and education facilities, significant changes in electricity supply, and self-sufficiency in eggs and chickens through poultry industries. However, the development aid grant data mentioned in the article about the 140,000 sterling pounds (2.1 million NPR) assistance grant in 1920 from the British government, as an expression of gratitude for Nepal's support of men and materials during World War II, differs from the reported amount in the book "Tyas Bhakatko Nepal." Vol. II. Pande mentioned the total amount of 3.33 crore (33.3 million NPR) in that book (Pande, 2076, p. 96).

The articles of the edited book are too experimental for the academic reader and unable to clarify the development of Nepal by aligning with the different development theories. By focusing on its experimental nature, there is still insufficient information reported, such as those civil servants who have been suspended and accused of corruption cases are finally reinstated by the court order, and there is no mention of any deformity of the judiciary, negative implication of excessive hiring of employees on a contract basis, political affiliation of bureaucrats in the name of trade unions, lack of vocational and apprenticeship education and skills in agriculture from the schooling period, etc. deeply, which needs to be raised in the articles.

It would be better if the article could raise the major agricultural sector policy gaps towards industrialization development processes, such as being overlooked in the categorization and plan of land by the government based on the possibilities of topographical diversification of agricultural commodity production, like pockets of cereals, vegetables, fruits, dairy, meats, nuts, spices, forest products, fibers, etc. In a similar vein, it would have been preferable if the paper had addressed the current syndicate consequences in the trade of vegetables and in the growth of overall agricultural production based on supply or value

chains. Tisakok (2020) made it clear that domestic value chains (DVC) are crucial to the agricultural economic development of developing nations because they allow smallholders' agriculture to become more industrialized, which increases productivity, productive growth, and profitability for the development of agriculture through the expansion of global trade through the global value chain (GVC) system.

In another article about the NEA, the paper has only explored the hydropower cross-border trade agreement but has been unable to mention its maximum utilization of surplus production for green hydrogen energy production opportunities. According to Niroula et al. (2024), Nepal would have 3.8 TWh of surplus electricity during the 2028 rainy season, with an average annual rise in electricity of 8%. Additionally, the paper stated that installed capacity will exceed peak load by 3500 MW in 2028. Despite challenges faced from Indian permits, the excess electricity is being managed through cross-border trading and recovered during a period of high domestic industrial demand. In this case, producing hydrogen from the electricity that would have otherwise been lost could be a useful solution. Eventually, the article would have been better if it had raised more issues against the obstacles and malfunctions of the justice system in the development sector of Nepal.

Conclusion

Overall, "Discourses on Nepal's Development" is a valuable contribution to students, scholars, policymakers, and the development practitioners working in the field of development. It provides a comprehensive view of the development issues under the evolution of development trends, foreign aid, the economic development sector, the energy sector, and agriculture sectors only, rather than other detailed communication and technological infrastructure sectors, climate change, the environment, and inclusive socio-cultural development sectors faced by the country and a way forward for the future development of Nepal. After all, this book has precisely analyzed the evolution of Nepal's development assistance, the challenges and prospects of agricultural development, electricity policies and trade status, and economic development discourses and is critically presented and recommended for the way forward.

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