Issues and Challenges of Modernization in Nepal: A Development Perspective

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Abstract

This paper aims to explore the issues and challenges of modernization in development practice in Nepal. The paper is based on the synthesis of secondary sources of information for generating and validating the argumentation. Modernization is indeed an essential aspect of socio-economic progress. Nepal, being a developing country, faces numerous challenges in its pursuit of modernization. This paper discusses the key challenges encountered in the process of modernization, including infrastructural limitations, cultural and social barriers, political instability, and environmental sustainability. By understanding and addressing these challenges, Nepal can effectively navigate its path toward sustainable development and ensure the well-being of its citizens. It therefore concludes with the immediate correction of the mainstream paradigm of modernization making it more micro, small and people-friendly. The paper could contribute to the wider spectrum of development studies in the particular context of Nepal including research scholars, policymakers and development practitioners.

Keywords: Modernization, development, issues and challenges, limitations, Nepal

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1. Introduction

Modernization generally refers to the progressive change in a society that takes its routes from a state of ‘backwardness’ to an ‘advanced’ state. It implies leaving the old (traditional) practices and therefore adopting the new (modern) practices. Modernization is popularly described along with the classical evolutionary approach. The concept of modernization emerged in literary criticism as the movement of modernity and modernism; while the term ‘modernization’ became popular in development studies, sociology and economic sciences in the early 1950s. Modernization in development practice refers to the process of adopting new technologies, systems, and approaches to promote economic growth, social progress, and overall development (Rostow, 1960). It involves the transformation of traditional practices and systems to embrace modern methods that can enhance productivity, improve living standards, and address social, economic, and environmental challenges.

Initially, modernization theory emerged as an advocacy agenda of capitalistic system by the first world countries to compete with the second world countries thereby exploring the influence over the third world countries. However, many countries even second and third-world countries started this paradigm of development in the 1970s which further became phenomenal with the rise of the Deng era in China in the 1980s and the ending of the Soviet era in the early 1990s (Blokker, 2005). The significance of modernization in development practice lies in its potential to drive sustainable development, reduce poverty, and improve the well-being of individuals and communities. By embracing modernization, countries can harness technological advancements, improve infrastructure, and enhance institutional capacities to create positive change and overcome development challenges. Sen (1999) also gives credit to modernization that has expanded human capabilities, enhanced freedom, and promoted overall development, though he equally indicates the need to extend its software part in development. It has explored many opportunities for low-income countries which are also coupled with globalization and sustainable development. However, critics also maintain that dependency syndromes and world system hegemonies are reproducing to derailed development processes in many countries, particularly in the Global South.

Nepal remains no exception for such tragedy of modernization though it claims to have completed many revolutions and political changes in a short period. What causes this development of underdevelopment and continuous flux of challenges despite having a dominant paradigm of modernization as a single approach to development in the country? This paper attempts to discuss the challenges of modernization in Nepal holds significant importance for several reasons. There are some critical remarks highlighting the importance of studying the challenges of development practices in Nepal which have been devised as a modernization school of thought. These remarks can lead to more informed decision-making, policy interventions, and targeted actions, ultimately contributing to Nepal’s sustainable development and improved quality of life for its citizens. In this context, the paper problematizes the rationale of critical thinking and theorization of the development hurdles that Nepal is facing in its modernization agenda. The analytical themes are best articulated to understand and address these challenges to foster inclusive development, overcome conflicts, and create opportunities for sustainable progress in the country. The purpose of this work is to analyze the challenges of modernization in development practice in Nepal and its mitigation measures. It employs a review-based strategy, as well as a critical assessment of carefully chosen scientific papers. A manual type of meta-analysis approach for secondary sources of information was followed and combined with the analytical write-up in distinct themes demarcated by various headings and sub-headings.

2. Theoretical Framework of Modernization

This section sets some critical remarks and theoretical foundations for understanding the modernization theory and its relevance.
to development practice. In philosophy, the root of modernization goes to the movement of modernity. Modernity is a metaphysical proposition that assumes reality as a grand project, often manifested in a singularity and objective form. Grand theory, mega narrative, big center, and scientific innovation are some of the ontological standpoints of modernism. The modernization theory, in development study, hence seeks for a unilinear and dominant meta-narrative of development. Issues and problems of development are similar all over the world and therefore the solutions are also general and unilinear. It further maintains that a standard and grand theory can be an authentic approach to understanding development.

Contrary to this, the post-modern approach to development assumes that there are different realities, often expressed subjectively in diverse contexts, the multiplicity of development problems (and hence their understanding and solutions) and post-structural, non-standard, micro-narratives of development. Postmodernists often discard the ‘universalization’ of the dominant paradigm of development, rather leaving room for a diverse world of alternative paradigms, discourses and approaches. Modernization is to explain the process of societal development and transformation from traditional to modern forms. It emphasizes economic growth, technological advancement, social change, and cultural shifts as key drivers of modernization. It is a gradual and continuous change of not only structures (e.g. society, economy and politics) but of individual and group behavior. As a theory, it is a grand theory and as a perspective, a mainstream perspective.

“The Stages of Economic Growth: A Non-Communist Manifesto,” is a seminal work that presents the modernization theory and its framework for understanding the process of economic development (Rostow, 1960). There is a five-stage model of economic growth that societies pass through on their path to modernization. These stages are the traditional society, preconditions for take-off, the take-off, the drive to maturity, and the age of high mass consumption. Each stage represents a distinct phase of economic and social transformation, driven by increasing investments, technological innovation, and changes in societal attitudes. Investment, market, infrastructure, capital accumulation, industrialization, and the diffusion of modern technologies as critical factors in the modernization process. “The Stages of Economic Growth” has been highly influential in shaping modernization theory and has been widely referenced in the field of development studies. It provides knowledge for understanding the patterns and dynamics of economic development and the factors that contribute to or hinder the modernization process. However, Rostow’s growth model has been criticized as being just contextual for industrialization and the development of capitalism in Europe.

Inglehart’s “Modernization and Post-modernization” explores the cultural, economic, and political changes associated with modernization in different societies (Inglehart, 1997). He explores the complex interplay between tradition and modernity in societies undergoing processes of social and cultural change. Traditional societies are characterized by fixed social structures, hierarchical relationships, and a strong emphasis on conformity to established norms and values. In contrast, modern societies are marked by social mobility, individualism, rationality, and a focus on innovation and progress (Eisenstadt, 1973). Modernity has been an outcome of the complexities of societal change and how tradition and modernity can coexist or clash in the modernization process. Nevertheless, the modernization process is an unavoidable component of societal transformation.

In a classic work of sociologist Talcott Parsons, “Societies: Evolutionary and Comparative Perspectives (1966), he offers a comprehensive analysis of societies from an evolutionary and comparative standpoint. In a way, this is a critique of the Weberian method of functional synthesis of society and thereby a theorization of the ‘social action’ theory of Parsons himself. The processes of social change and modernization are related to different societies across time and space (Parsons, 1966).
Parsons discusses the transition from traditional to modern societies and the factors that contribute to societal evolution. He emphasizes the role of social institutions, cultural patterns, and functional differentiation in the modernization process. Parsons argues that as societies modernize, they experience shifts in social structure, values, and roles, resulting in increased complexity and differentiation. Development cannot remain in isolation, and it interacts with various social elements, behaviors and structures. This theory will contribute to our understanding of the theoretical underpinnings of modernization and its implications for development practice (Harrison, 2003). However, it also requires more theorization in terms of power and political regime, which in effect, could shape the social structure (Weber) and the behavior of people in those structures (Parsons).

Yet, the theory of modernization in development studies is not out of criticism. Nevertheless, one cannot undermine the implication of modernization theory in history. It has paved the way for development in liberal schools of thought and later assimilated with neo-liberalism and globalization. In particular, it has contributed largely in three domains: the revival of Europe after the catastrophic damage in the Second World War, the renaissance of democracy in newly independent/ decolonized countries, and fostering the of global partnership in development. However, the political motivations, anti-communist campaigning and ‘west is the best’ syndrome of modernization (both in theory and practice) need to be critically observed (Tausch, 2010). Firstly it was severely criticized as the failed agenda of development in Latin American countries particularly in the context of the 1960s. It seems ahistorical and controversial, equally being too political propaganda of the capitalistic school of thought led by the United States and her allied countries. The tragedy is that the UN system also paved the way of modernization projects all over the world making a single agenda of global peace, partnership and development.

In consequence, modernization has not led to the development of development; rather evoked an underdevelopment of development with massive poverty, westernization, dependency and uneven global power hierarchy (Frank, 1967, 2013). This is how dependency theories and world system theorists maintain critique over the triumph of ‘modernization’ (Amin, 2011; Wallerstein, 2015).

3. Contested Issues in Development of Nepal

There is debate among scholars whether the modernization era of development began in Nepal or not. Theoretically, if modernization resides with a massive process of industrialization and infrastructure development, we should say that the era of modernization is yet to be introduced. However, in terms of the structure of society and political-administrative reforms we witnessed in the country, we must say that it got institutionalized in the 1950s as the world did. The end of the 104-year autocratic Rana regime, the establishment of democracy in 1951, the institutional setting of the state (including the establishment of the National Planning Commission, Supreme Court and National Bank in 1956), enhancement of the Constitutions in 1951 and 1959, and the launching of mega project of the national east-west highway in 1961 were some of the milestones for the beginning of the era of modernization in Nepal. Bist also argues that modernization in Nepal was formally introduced in the 1950s though its root was again entwined with the fatalistic mental and socio-political construct of Nepali society (Bista, 1991). Mishra (2011) also observes this phenomenal development from a neo-Marxist perspective as modernization could not solve the root issues of Nepal’s underdevelopment.

Despite having nearly a second decade of planned development in Nepal (initiated in 1956) and having experience with different political regimes (from absolute monarchy to the constitutional monarchy and republican system; and from party less system to the multiparty liberal democracy), Nepal has not made a significant destination of development in global power order. With the end of the 30-year party less Panchayat era in 1990, almost 33 years have been completed which is sufficient
to ‘restructure’ the development or to redirect/correct the course of development’. However, the existing scenario both in statistical terms and narrative reflections does not ensure the path of ‘correction’. The issue of rejuvenation is more undeniable than this. It is a time of ‘contested experience’ with multiple and contrasting worldviews (Sapkota, 2020; Sharma et al., 2014). Whether it is a paradigm shift or continuity of the pseudo-regime of the modernization era is yet not discussed critically in Nepalese academia. It is another tragedy amidst the fact that the country has experienced the governance system from a unitary system and now with the federal system. It has led to severe pessimism in the country, which could not be a good indicator of nation-building. In this context, Panday (2011) has already warned that Nepal’s development is turning into a ‘failure juncture’ due to loss of hope, faith, trust, moral and planning in politics, society and economy.

In this regard, a question is critically rooted in this setback: who is responsible for this underdevelopment: the people, the leaders, the development strategies, the political systems or anything else? Nevertheless, we should not deny the fact that the political economy has gradually improved in Nepal in terms of economic indicators (i.e. poverty reduction, increase in the per capita income); development of some pride projects (particularly in the hydro sector); establishment of different private and public institutions (i.e. banks, hospitals, schools and universities); and significant progress in extension of electrification, road and transportation, digital services, drinking water services, and many more. However, do these changes represent the expectations of people? Do these reforms in ‘number’ guarantee the ‘quality’ of public life? The answers may come with ‘No’. It is critically real, not essentially a pessimism. There was immense hope among the people with the promulgation of the new Constitution in 2015 which made the country inclusive, a federal and a republic. The idea of ‘new Nepal’ was made as popular as it would create a miracle in Nepal’s development just aiming it to be like Singapore and Switzerland. Ten years of armed conflict between Maoists and the government came into mainstream politics in 2006 which became institutional in 2015.

However, the root causes were never settled and elitist transformation was just maintained with the status quo feudal setting of the state. The working-age population in particular youths are leaving the country rapidly, universities are not getting sufficient numbers of students and many programs are being phased out due to lack of enrollment; and middle-class and lower-class people are not being able to afford the existing service charges claimed in education and health services. The pessimistic scenario may have a large picture, including frequent changes of government at federal and provincial levels, increase in public mistrust over the leadership and bureaucracy of the country; increase in debt, import-export imbalances, trade deficit; political disorder and violation of rule of law; complex geo-political relations; loss of self-dignity and esteem of people; misuse of political rights and inclusive agenda by the petty elites in society; and increase of institutional crime and corruption with different scandals, etc. In this context, some critical issues of contested development in Nepal from a modernization perspective can be pointed out below:

First, examining the challenges of modernization helps policymakers and development practitioners identify the specific areas that require attention and intervention (Adhikari, & Hobley, 2010; Regmi & Walter, 2017). It provides insights into the barriers and limitations that hinder the modernization process, enabling the formulation of appropriate policies and strategies to overcome these obstacles. Second, identifying the areas with the most significant obstacles to modernization allows for targeted investment and prioritization of resources, leading to better utilization of available funds and a higher likelihood of successful outcomes (Joshi et al., 2019). Third, like many developing countries, Nepal faces the dual challenge of modernization and sustainability (Chhetri & Gurung, 2017; Khatri & Bhandari, 2019). By studying the challenges of modernization, a balance can be struck
between economic growth and environmental preservation. This understanding facilitates the adoption of sustainable development practices that minimize negative environmental impacts while promoting progress.

Fourth, examining the challenges helps shed light on social disparities and inequalities that can arise during the modernization process. It provides an opportunity to identify marginalized communities and ensure their inclusion in the development agenda, promoting social justice and equitable progress (Devkota & Upadhaya, 2014; Lamsal, 2020). Fifth, there is an issue about knowledge sharing and learning. By studying the challenges faced by Nepal in modernization, valuable lessons can be learned and shared with other countries undergoing similar processes. This promotes knowledge exchange, international collaboration, and the development of best practices that can benefit global development efforts (Sharma, 2017). Sixth, Nepal needs a departure in the refinement and adaptation of development strategies. It provides an evidence-based approach to addressing obstacles, improving implementation, and achieving more effective and sustainable development outcomes (UNDP, 2019, UNDP/ NPC, 2020).

3.1. Infrastructural limitations

Infrastructure limitations are one of the significant challenges in the modernization of development practices in Nepal. Inadequate transportation networks, limited access to basic services, and insufficient energy infrastructure hinder the progress of modernization efforts. The World Bank report highlights the infrastructural limitations in Nepal, including the need for improvements in transportation networks and energy infrastructure to support modernization and economic growth (World Bank, 2018). The challenges of infrastructure development in Nepal should be properly ruled out. It would re-emphasize the need for adequate transportation networks and access to basic services to promote socioeconomic development (Chhetri & Gurung, 2017). Meanwhile, Poudel and Dewan (2019) examine the progress, challenges, and prospects of infrastructure development in Nepal. They urge the need to address the limitations in transportation networks and the need for improved infrastructure to support modernization and sustainable development. Their study identifies infrastructure limitations as one of the challenges to economic development in Nepal.

In another study, Devkota and Upadhaya (2014) emphasize the need for investments in transportation, energy, and other basic infrastructure to foster modernization. Infrastructural limitations are significant challenges that Nepal faces in its modernization and development efforts. Yet, there are some infrastructural limitations in Nepal that we cannot deny. Nepal’s rugged terrain and inadequate road networks pose challenges for connectivity and transportation. Many rural areas are poorly connected, making it difficult to access markets, services, and resources (Sijapati, 2015). On the other hand, Nepal faces significant energy shortages and a lack of reliable and accessible electricity. Limited access to modern energy services hinders industrial growth, affects healthcare facilities, and limits educational opportunities (Ministry of Energy, Water Resources and Irrigation, 2023). Inadequate access to clean drinking water and sanitation facilities remains another challenge, particularly in rural areas in Nepal. This affects public health, hygiene, and quality of life (Department of Water Supply and Sewerage, 2023). Limited access to reliable and affordable telecommunications services, including internet connectivity, hinders communication, e-commerce, and access to information and technology. Rapid Hill to Tarai, and rural-to-urban migration in Nepal have put pressure on existing urban infrastructure, leading to overcrowding, inadequate housing, and inadequate provision of basic services.

Meanwhile, Nepal’s history of conflict and vulnerability to natural disasters has further strained its infrastructure. Rebuilding and rehabilitating infrastructure in post-conflict and disaster-affected areas require significant investments and long-term planning (UNDP, 2013). Policies and investments targeting the development of transportation networks,
basic services, energy infrastructure, and communication technology can enhance connectivity, promote inclusive development, and support the overall modernization agenda in Nepal. These infrastructural limitations pose challenges to modernization and development efforts in Nepal, affecting economic growth, quality of life, and the overall development process. The importance of addressing these limitations is to ensure the smooth progress of development practices.

3.2. Cultural and social barriers
Cultural and social barriers pose significant challenges to the modernization process in Nepal. Deep-rooted cultural traditions, resistance to change, and socio-economic disparities create hurdles in adopting and implementing modern practices. Some of the key issues regarding the cultural and social barriers in Nepal can be discussed below:

First, a deep-rooted cultural tradition is a critical challenge as well as a potential asset for development. Nepal has a rich cultural heritage with diverse ethnic groups and traditions (Bista, 1991; CBS, 2023). Traditional cultural norms and practices often prioritize community values, customs, and rituals over individualistic pursuits (Fisher, 2010). These deep-rooted cultural traditions can sometimes resist or clash with modern practices and development initiatives. Second, resistance is seen in Nepali society to change the status quo and adapt to modern practices. Cultural conservatism and resistance to change can hinder the adoption of modern practices (Pradhan, 2013). Traditional beliefs and practices may be deeply ingrained, leading to skepticism or reluctance to embrace new technologies, ideas, or development initiatives (Shrestha & Bista, 2019). Resistance to change can be rooted in fear of losing cultural identity or uncertainties regarding the potential impact on social structures.

Third, socio-economic disparities and inequality have polarized Nepali society. Nepal faces socio-economic disparities and inequalities, particularly between urban and rural areas, as well as among different ethnic groups and castes (Dhungana & Tamang 2017). Unequal distribution of resources, opportunities, and access to basic services can impede the modernization process. Socioeconomic disparities contribute to limited access to education, healthcare, and other essential services, hindering social mobility and overall development (Limbu, 2019).

3.3. Political instability
Political instability is a significant challenge to the modernization efforts in Nepal. Frequent changes in government, lack of policy continuity, and governance challenges have hindered progress in various sectors and impeded the country’s overall development. Nepal has experienced political instability with frequent changes in government, including the transition from a monarchy to a republic and the establishment of a federal democratic system. Political instability often leads to policy discontinuity and delays in decision-making, affecting the implementation of development plans and hindering progress towards modernization. There are some key points to consider when discussing the political instability in Nepal.

3.3.1. Frequent changes in government
Nepal has witnessed frequent changes in government, resulting in political instability and a lack of consistent policy implementation (Bhattarai, 2018). Nepal has witnessed frequent changes in government and political systems, with various political parties and alliances taking turns in power (Baral & Gautam, 2019). In the 72-year history of democracy since 1951 in Nepal, governments have been changed 52 times and not a single PM has had a chance to celebrate the full tenure. Governments were changed 8 times during the pseudo-democratic era (1951-19960), 15 times during the Panchayat (1960-1990), 16 times in the parliamentary constitutional democratic era (1990-2008) and 13 times after the declaration of the republic system in the country (2008) till date. Political transitions, coalition governments, and frequent elections have disrupted the continuity of development plans and hindered long-term vision and strategic planning (Adhikari, 2017).
The unstable political environment creates uncertainty for investors, affects economic growth, and slows down modernization efforts (Pandey, 2018).

### 3.3.2. Lack of policy continuity

Political instability in Nepal often results in a lack of policy continuity, as different governments may have varying priorities and agendas. Frequent changes in policies and development strategies disrupt long-term planning and hinder the effective implementation of modernization initiatives. As argued by Subedi (2018), political instability in Nepal has created a situation of policy inconsistency and discontinuity, hindering long-term development planning (p. 256). Yet, Nepali academia needs to engage further in a debate to analyze whether the political stability in terms of changing the government is the main hurdle of development, or the underdevelopment is incubated by the historically rooted feudal and exploitative political economic structure of the state.

### 3.3.3. Corruption and governance challenges

Corruption is a persistent challenge in Nepal, affecting the efficiency and effectiveness of development efforts. Weak governance systems, lack of transparency, and institutional corruption impede progress in key sectors, such as infrastructure development and service delivery. Gurung and Paudel (2015) critically observed that corruption has been a significant challenge in Nepal, hindering modernization and development initiatives (p. 154). This is yet another part of critique even after the federal restructuring of the state and making the local governments’ doorsteps of people.

### 3.3.4. Ethnic and political fragmentation

Ethnic and political fragmentation in Nepal has contributed to political instability, with competing interests and ideologies among different groups. Ethnic tensions and political divisions can hinder policy consensus and cooperation, further impeding modernization efforts. In this regard, Adhikari and Hobley (2010) argue that the ethnic and political fragmentation in Nepal has led to political instability. It has consequently hindered the implementation of modernization policies and initiatives (p. 101). It is further a critical discourse to analyze whether identity politics would ensure the emancipation of marginalized and poor communities of Nepal or not (Bogati et al., 2017). Sapkota (2017) recalls this discourse as an assimilation of ethno-elites with the ruling elites at the center to ensure their hegemony over the subalterns.

### 3.4. Environmental sustainability

Environmental sustainability is a crucial aspect to consider when addressing the challenges of modernization in development practices in Nepal. Rapid industrialization, urbanization, and natural resource exploitation can have detrimental effects on the environment, ecosystems, and the well-being of the population.

Nepal’s forests are under threat due to deforestation, primarily driven by unsustainable logging practices, land encroachment, and the expansion of agricultural activities (Department of National Parks and Wildlife Conservation, 2022). Deforestation contributes to biodiversity loss, habitat degradation, and soil erosion, which undermine the sustainability of ecosystems and the availability of natural resources for future generations (Laudari et al., 2022). Nepal is highly vulnerable to the impacts of climate change, including increased temperatures, changing rainfall patterns, and the melting of glaciers. Though some achievements have been made by the National Adaptation Program of Action (NAPA), its localization and scientific assessments have not been made. Rather, bureaucratic pessimism on climate change issues contrasts with the activism of the non-governmental sector including NGOs and INGOs. Climate change affects agricultural productivity, water availability, and natural disasters, posing significant challenges to sustainable development and modernization efforts (Aryal & Chalise, 2016). Following this, Nepal’s water resources are crucial for agriculture, hydropower generation, and freshwater ecosystems. Challenges in water resource management include over-extraction, inadequate irrigation practices, water pollution,
and inadequate access to safe drinking water, which hinder sustainable development and modernization.

Urbanization in Nepal is a critical issue for modernization in Nepal where almost two-thirds of the total population (i.e., 66.17%) reside in the urban areas (municipal regions). Bhattarai et al. (2023) assert that the causes, consequences and planning of urbanization should be re-assessed. Rapid urbanization and industrial growth contribute to increased waste generation in Nepal. Inadequate waste management practices, including improper disposal and lack of recycling infrastructure, lead to pollution of land, water bodies, and air, posing health risks and environmental degradation (Ministry of Urban Development, 2023). This issue further needs to comprehend the existing pollution status, the possibility of health hazards and pandemic diffusion. The government of Nepal needs to discourage unscientific urbanization as an outcome of rapid migration from rural to urban areas. A crowd of people or concretization of the houses and buildings cannot make an area urban. The urban area should also carry an urban characteristic. In this context, the government needs to promote sustainable urban planning practices, including the development of green spaces, efficient public transportation systems, and waste management infrastructure (Tiwari & Dhakal, 2019).

Nepal is rich in natural resources such as minerals, forests, and wildlife. Ensuring their sustainable management and conservation is essential for biodiversity preservation, ecosystem services, and long-term economic benefits (Shrestha, & Bhattarai, 2019). The urgency of exploring and addressing environmental sustainability issues can’t be avoided. For this, strategies such as promoting sustainable agriculture, enhancing renewable energy sources, implementing proper waste management systems, and strengthening ecosystem conservation efforts are essential for achieving sustainable development goals and integrating environmental considerations into modernization practices.

There are some specific examples highlighting the challenges faced in Nepal’s modernization efforts. The examples show some specific challenges faced by Nepal in its modernization efforts across different sectors. The complexities and specific obstacles that need to be addressed to foster sustainable development and enhance the modernization process in the country.

First, challenges exist in the energy sector including its infrastructure, production, supply and market. Nepal has significant hydropower potential, but the development of energy infrastructure faces challenges such as limited financial resources, technical expertise, and land acquisition issues (Suman, 2021). Nepal has not developed properly because of the insufficient development of the energy system. The discussion is not properly done about the potential of electric and nuclear energy in Nepal which can replace the use/import of petro-products. A good achievement is that we just came out of a long period of hours-to-hours load-shedding era and we have now produced almost 4000 MW of electricity in the country with 90 percent of households having access to electricity. To a tragedy, however, data released by the Department of Customs, Government of Nepal shows that Nepal imported petroleum products (including diesel, petrol, kerosene and liquid gas) worth Rs 320.33 billion from India in the FY 2021/22. The government needs to enhance energy efficiency measures and promote energy conservation practices (Lohani et al., 2023).

Second, the challenge lies in the sector of transportation. The difficult terrain and limited road networks pose challenges to transportation infrastructure development in Nepal, particularly in remote and hilly areas. Though there are around 65000 km of road joined within the network, issues like quality and safety have been undermined in policy contexts. Expansion of the market and frequent transportation services need to be strategically linked with the road network. Third, access to basic services at the doorstep of people is
another critical challenge. Providing access to basic services such as healthcare, education, clean water, and sanitation remains a challenge in remote and marginalized areas of Nepal (Marahatta, et al. 2019).

Fourth, the challenge remains in terms of e-governance and digitalization. Limited internet penetration, particularly in rural areas, poses a challenge to digital connectivity and the adoption of digital technologies for modernization (Koirala et al., 2020; Giri, & Shakya, 2019). Fifth, and the most important is the issue of agriculture modernization. Though Nepal claims to be an agricultural-dominant economy, its transformation remains almost feudal and non-scientific. For the FY 2022/2023, the share of the agriculture sector (including forest and fisheries) in the national GDP remains about 25 percent (in a declining trend every year), though the contribution of the industrial sector (13.5%) and service sector (62.8%) is also not supporting the economic growth of Nepal due to poor industrialization, dependent economy and deficit budget (GoN, 2023). The data shows that the import of agricultural products was about Rs 187.65 billion in 2019/20, which increased to Rs 212.72 billion in 2020/21 and again Rs 284.98 billion in 2021/22. Modernizing agriculture practices and improving productivity face challenges such as inadequate access to credit, limited irrigation facilities, and climate change impacts (Dhungana & Bhattarai, 2018; Shahi, 2022). It further requires further actions to promote sustainable agriculture techniques, such as organic farming and water-efficient irrigation systems (Karki, et al, 2018).

5. Mitigation Strategies
5.1. Restructuring of planning commission
There is an immediate need to debate the relevancy of the National Planning Commission in Nepal (though it is constitutionally provisioned). The structure of the commission, its expertise, the appointment system of the vice chair and member and the working strategies of the commission are not justified. Either this commission (along with the central planning system) needs to be dismissed or restructured. The provincial planning commissions in the seven provinces are another part of the tragedy that largely fulfills and settles the party cadres. The discourse of planning has been also distorted at the local levels where petty cadres, pseudo-experts and relatives are making an elitist circle to grab the opportunity. The ritualistic celebration of the planning could not lead to modernization and sustainable development.

5.2. Infrastructure development plans
A comprehensive infrastructure plan needs to be formulated and executed in line with the periodic plan. The infrastructure development plan can be developed as a ‘master plan or perspective plan’ in the long run at the national level, and specific plans can also be proposed for provincial levels. Developing effective infrastructure plans is crucial for promoting economic growth, improving living standards, and ensuring sustainable development. For this, potential areas of investments need to be first explored and listed out; then lead sector (single or a few) can be proposed in specific contexts of different tiers of government including federal, provincial, and local levels. It focuses on sectors such as energy, transportation, water resources, urban development, and information and communication technology. The infrastructure development plan could be institutionalized along with implementation modality, formation of an infrastructure bank and public-private partnership (PPP) model. While doing this, SDG-9 is crucially important for consideration as it emphasizes the importance of building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation.

5.3. Strengthening governance and policy framework
Strengthening governance and policy frameworks in Nepal is crucial for effective and sustainable development (Dahal, 2020). It involves improving the capacity, transparency, accountability, and responsiveness of institutions responsible for governance and policymaking. There is some strengthening governance and
policy frameworks in Nepal are described as:

First, the issue lies in the institutional capacity building and enhancing the capacity of government institutions, including civil service, judiciary, and regulatory bodies, which is essential for effective governance. It requires the re-scheduling the working strategy of the Ministry of General Administration, and allied departments. A strong policy think tank in different sectors can be formed with defined tasks and guidelines. This involves improving skills, knowledge, and professionalism among public officials and ensuring efficient service delivery. Second, there is a critical need to reschedule the working modality of local palikas in federal principle. Principles of federalism, decentralization and local governance need to be localized and contextualized to them. Promoting capability and empowering local governments enables greater citizen participation, decision-making, and accountability at the grassroots level. It strengthens local governance and ensures responsiveness to local needs and priorities. Strengthening anti-corruption mechanisms, promoting transparency, and enforcing strict accountability measures contribute to a more transparent and accountable governance system.

Third, enhancing policy formulation and implementation processes is crucial for effective governance. This includes evidence-based policy development, stakeholder consultation, monitoring and evaluation mechanisms, and ensuring policy coherence across sectors. These aspects of strengthening governance and policy frameworks in Nepal highlight the importance of building institutional capacity, promoting decentralization, addressing corruption and improving policy development and implementation processes. Focusing on these areas, Nepal can foster good governance, enhance public service delivery, and support sustainable development.

6. Conclusion

The challenges of modernization in development practice in Nepal are multifaceted and require careful consideration for sustainable and inclusive development. The paper has explored various dimensions of these challenges and their implications for Nepal’s socio-economic transformation. Nepal’s modernization journey is characterized by a complex interplay of social, economic, political, and cultural factors. While modernization has brought positive changes and opportunities, it has also presented significant challenges that need to be addressed. One of the key challenges is the infrastructural limitations, including transportation, energy, water supply, telecommunications, and urban development. Inadequate infrastructure hampers connectivity, economic growth, and access to basic services, particularly in rural and remote areas.

Addressing these limitations is crucial to support modernization efforts and promote inclusive development. Political instability is another significant challenge that Nepal faces in its modernization process. Frequent changes in government, governance issues, and political conflicts create uncertainties and hinder long-term planning and policy implementation. Stable political institutions and effective governance mechanisms are essential for creating an enabling environment for modernization. Socio-cultural factors pose challenges to modernization in Nepal. Traditional norms, values, and practices may resist or slow down the adoption of modern ideas and practices. In sum, addressing the challenges of modernization in development practice in Nepal requires a holistic approach that considers the interrelated nature of social, economic, political and cultural factors. It necessitates effective governance, inclusive policies, infrastructure development, social empowerment, and environmental sustainability.

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