

Engaging Communities in National Development: The Experience of Nepal

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Abstract

With nearly 40 per cent of the population living below the poverty line and a per capita income of US\$269, Nepal is one of the poorest countries in South Asia. With a view to addressing the problem of acute poverty, His Majesty's Government of Nepal (HMGN) has been implementing a number of social mobilisation programs since 1951. These programs can broadly be categorised as holistic and targeted, the former covering all members of the community and the latter only the target communities.

One of the major strengths of such programs is their ability to make significant positive impact on livelihood, gender, distribution of benefits, socio-economic status and capacity to make decision of the target community. Despite these strengths, however, the ultra poor have remained indifferent or apathetic to most social mobilisation programs for a number of reasons. The reasons can be subsumed as lack of capacity, debt trap, social and economic exploitation, low credit worthiness, loss of land and other assets, expensive service delivery, feeling of insecurity, high population growth, wasteful consumptive habits, cultural barriers, health hazards, farming trap and fatalism.

This paper elaborates the strengths and shortcomings of the social mobilisation programs implemented in the country and the underlying reasons. It also consolidates a series of relevant suggestions made by earlier studies to make the social mobilisation programs in general and the participation of the ultra poor in particular more effective. This paper assesses the suggestions from the pragmatic perspective and recommends that, among other things, there be extensive growth of rural infrastructure, the poor have enhanced access to resources, donor support come in concerted form and the country be brought back to peace.

Keywords

Donor/international community, insurgency, Nepal, poor, social mobilisation

1. Introduction

Nepal, a landlocked Himalayan country, is located between India to the south and China to the north. Administratively, the country is divided into 75 districts of which 19 are very remote, rugged, cold and barren high mountain districts. At the local, or grassroots, level are approximately 4000 Village Development Committees (VDCs) and municipalities for political administration. Nepal is one of the poorest countries in the world, with nearly 40 per cent of its population living below the poverty level. As of 2001, the country has a per capita income of US\$240. However, some of the high mountain districts have a per capita income as low as US\$142. The Human Development Index (HDI) in year 2001 is recorded as 0.471, but some high mountain districts have a HDI value as low as 0.304. Similarly, the Human Poverty Index in the country in the same year is 39.6, but in some remote high mountain districts, it is as high as 63.8.

2. Underlying causes of poverty in Nepal

The ancient and medieval history, which placed heavy emphasis on arts and architecture, particularly building temples and displaying culture, paid little attention to the development of technology on which economic development could take off. Until about two and a half centuries ago, the country was divided into a number of small principalities, causing lack of strong national unity to realise economic growth and to solve the national problems. At the same time, it was fraught with struggles for power among its rulers, which made the country vulnerable to the vested interests of larger international powers, particularly the British–India. The luxurious life that the rulers lived also drained out the national treasury, thus leaving nothing for the country's development.

Since Nepal is essentially a mountainous country, the rugged terrain made it extremely difficult and expensive to develop infrastructure, particularly roads and irrigation canals. Its landlocked position between India and China prevented it from diversifying its international relationships. Because of this, it was literally cut off from the rest of the world. Agriculture constituted the major source of living, but land distribution was highly skewed, as a handful of population owned most of the productive land, whereas the vast majority of population owned marginal land. This legacy continues even today.

There are nine religious, 100 ethnic and 92 linguistic groups in Nepal. Hinduism is the dominant religion. Within this religious system are four caste groups, including Dalits — the so-called untouchable groups — who constitute about 13 per cent of the population. Throughout the Nepalese history, the caste system discriminated and stigmatised the Dalits and forced them to do menial work in the pretext of maintaining social and religious order. Ethnic groups, who constitute about 37 per cent of the population, were also largely excluded from development

programs and policies of Nepal until a few decades ago. As such, their active participation in building a nation could not be realised.

Because of their relatively low position in social hierarchy, the ethnic and untouchable groups had little opportunity to build their capacities or assets. This way they became trapped in the vicious cycle of misery and poverty. A nation composed of such deprived groups of people is economically weak and, in turn, such a weak nation is unable to address the concerns of the deprived groups and rescue them from the grip of poverty in turn. Poverty, thus, seems both a cause and effect in Nepal.

In the chain of unfavourable historical, geographical and cultural factors as causes and human misery as a consequence are a number of factors called immediate causes. These causes include low agricultural productivity, poor development of physical infrastructure, particularly roads, high population growth rate, high pressure on natural resources, lack of non-agricultural employment opportunities and weak governance (UNDP 2004).

3. Introduction to Nepal's social mobilisation programs

Social mobilisation is not a recent phenomenon in Nepal. Even before the emergence of social mobilisation agencies, largely non-governmental organisations (NGOs), a number of informal indigenous institutions used to mobilise societies for local development. But the scope of such social mobilisation initiatives was limited to developing and repairing infrastructure such as village trails, irrigation canals, drinking water schemes and temples. Although there were a few Indigenous institutions that generated capital through formation of savings and credit groups, group membership was limited to a system defined by close circles of friends and relatives. Formal or modern forms of NGOs emerged only after 1951, when the king and the people joined their hands to overthrow the autocratic Rana regime, which had ruled the country for about 104 years.

The country entered the planned development phase in 1956. It has completed nine five-year plan periods, and is currently implementing the tenth. All plans aimed at alleviating poverty, explicitly or implicitly. It was since the ninth plan (1997–2002) that social mobilisation became explicitly recognised as the main vehicle for poverty alleviation.

Under social mobilisation programs, basically two types of program are implemented in rural communities: holistic and targeted. The former programs are intended for all members of society irrespective of their socio-economic conditions, while the latter are intended only for the vulnerable members of the community.

4. Strengths and weaknesses of social mobilisation programs at the grassroots level

A study undertaken by IIDS (2004) indicates that the level of empowerment of grass roots organisations as induced by social mobilisation programs is encouraging with respect to leadership, the decision-making process and the feeling of trust and solidarity among members.

In general, such programs were found to have united the once unorganised members of the community, raised their level of awareness and built their institutional capacity. Additionally, they increase people's access to resources or loans, foster the habit of saving among them, create for them opportunities for participation in training and employment, and improve their livelihood conditions. Besides, they encourage gender equity, participatory decision-making, equitable distribution of benefits, improvement in socio-economic status and capacity of self-decision-making (IIDS 2004).

Particularly with respect to livelihood, social mobilisation programs make positive impact in the areas of education, information, natural resources, access to loan, technology, market facilities, public facilities, training, employment, household income, dependence on traditional moneylenders, mutual work, mutual trust, socio-economic status of women and economic conditions of marginalised groups. Additionally, these programs have generated noteworthy positive impact on women with respect to improving gender equity, reducing household workload, improving literacy, enhancing employment, decreasing discrimination against girl children, increasing community participation, improving control over household decisions, enhancing income, improving control over resources and ensuring access to property. However, with respect to control over community decisions, equitable distribution of benefits and capacity of making decisions independently in the life of group members, the impact is moderate (IIDS 2004).

Despite such positive impact, the organisational capacity, level of transparency, development of partnership, particularly with the group federation of groups and financial institutions, and the capacity of the grass roots organisations to manage their organisations are weak. Accountability within groups, too, is not satisfactory (IIDS 2004).

Furthermore, even though some social mobilisation programs have contributed to reducing social evils such as gambling, alcoholism, child marriage and polygamy, their impact in terms of reducing social evils is poor. Although a number of social mobilisation programs have empowered the communities adequately to propel their development efforts independently, dependence on social mobilisation agencies has not reduced significantly (IIDS 2004).

5. Factors influencing the impact of social mobilisation programs at grassroots level

Relying on the results of a stepwise regression analysis, the study (IIDS 2004) concludes that impact on livelihood is mainly caused by ten factors: impact of conflict on group functioning; usefulness of training; usefulness of entry point activities; the decision-making process; knowledge of the social mobilisation process; transparency in decision-making; intra-group responsiveness; quality of group leaders; relationship with partner organisations; and the feeling of mutual trust.

6. The poor and social mobilisation programs

UNDP/UNOPS/AAS/TU (2002) shows that the poor, particularly the ultra-poor, have not benefited much from social mobilisation programs. The reasons for this are subsumed as lack of capacity, debt trap, social and economic exploitation, low credit-worthiness, loss of land and other assets, expensive service delivery, feeling of insecurity, high population growth/large family size, wasteful consumptive habits, cultural barriers, health hazards, farming trap and fatalism among the poor. To elaborate, the ultra poor are usually reluctant to try out new technologies and are either not eligible or incapable of benefiting from the training offered by agencies. Hence, members of community organisations doubt the capacity of these poor to come out of the poverty trap even when given priority.

It has also been found that whatever additional income the ultra-poor make goes towards repayment of old loans, which never seems to come to an end. At the same time, the local elite and moneylenders exploit the poor by way of usurious interest rates, demand for free labour, extortion of livestock/cash that the poor borrow from community organisations, embezzlement of funds meant for community infrastructure, etc. Also, due to the lack of good repayment record or misuse of loan, community organisations hesitate to give large amounts of credit sufficient to pull the poor out of the poverty trap.

Loss of land and other assets due to natural calamities and the exploitative behaviour of moneylenders thrust the ultra poor further into the debt trap, and the scattered and isolated nature of settlements renders services expensive and unaffordable. Still another finding is that the ultra-poor do not scale up their activities or undertake new activities of adequate size due to the fear of enterprise failing and their inability to repay thereafter.

Furthermore, generally, the ultra poor have large family size and this reduces their per capita access to family income. Similarly, because of frustrations and hard physical labour, they indulge in wasteful consumptive habits such as alcoholism. The occupational castes and tribal communities are afraid of raising their voice in their favour. Health-wise also, they tend to fall ill

more often and once the income-earner is ill, the family easily falls deep into the debt trap. The situation is aggravated by the fact that, even though they possess skills related to agriculture and livestock, in the absence of land and grazing facility of their own, they are forced to work solely for their employers. Finally, the poor continue to be poor because they believe that they are destined to be so and that nothing can change their fate.

7. Social mobilisation programs at the national level

7.1 The salient features of social mobilisation

First, the social mobilisation programs in Nepal are of short duration. Thus, before a project matures and generates desirable impact, another replaces it. This means, new projects often start from scratch.

Second, even though social mobilisation programs in Nepal bring about some positive changes, as discussed above, they have yet to cover remotely located geographic areas and population groups. Geographically speaking, population groups that have benefited the most from the social mobilisation programs basically include those that live in easily accessible areas or districts surrounding Kathmandu, the country's capital. This means, a vast majority of the population living in remote rural areas is grossly neglected by social mobilisation programs.

As of 2001, about 29 per cent of the households in Nepal are covered by social mobilisation programs (UNDP 2003). However, the coverage is as high as 85.54 per cent in Tanahu district — a district that is very close to Kathmandu — and as low as 0 per cent in the very remote mountain districts of Humla, Jumla and Kalikot. The major reasons for this neglect include the high program cost in remote areas as such areas have scattered and isolated settlements. The second major reason is the implementation difficulty as such areas have rugged terrain, hostile climate, and lack even rural roads.

Third, there is a tendency among social mobilisation agencies to cover as many districts as possible to give the impression that they have covered a large geographic area, whereas in reality they cover only a few VDCs or pockets of areas surrounding the district headquarters.

Fourth, there is duplication in both geographic and sectoral coverage of social mobilisation programs. According to NPC and UNDP (2003), in a study done in 16 districts, about 68 per cent of the VDCs and municipalities were found covered by at least one social mobilisation program. But surprisingly, duplication was observed in 52 per cent of these VDCs. Program duplication takes place because it is much easier to implement them in those areas where other programs

already exist or the preconditions that are needed for their functioning have already been satisfied.

Last but not least, social mobilisation programs as already discussed, are not very poor-friendly. This is because the poor are either deliberately excluded from the programs based on the assumption that they will not participate or because those who join them leave them as soon as they realise that the program does not immediately solve their most pressing basic needs.

7.2 Factors impeding social mobilisation programs

A number of factors have impeded the spirit of social mobilisation programs in Nepal. One of them is the ongoing political instability in the country. For example, democracy was restored in 1990, but it now seems to have slipped away because the intra-party struggle for power, orthodox type of parliament and the democracy based more on preaching than on good commitments were unable to address the expectations of the people rising in the wake of restoration of democracy.

Since 1996, insurgents, called Maoists, have taken advantage of the growing political and economic chaos in the country (UNDP 2004). Thus far, the insurgency has claimed over 11,000 lives and destroyed property worth over a billion dollars. To a once peaceful and poor country, this loss is colossal. Because of the insurgency, the social mobilisation programs have been greatly affected as program personnel are fleeing rural areas; the banks in which groups make regular deposit are either looted by the Maoists or are closed down and/or relocated in safer areas; the rural masses are leaving their villages for fear of their lives, and the tradition of participatory planning and monitoring has been adversely affected. At a time when Nepal is totally paralysed by the insurgency, the international community is divided over solving it through peaceful negotiations or through the use of armed force. Not only this, but those proposing peaceful solution at one time propose the use of force the next time, and vice versa. This ambiguity about whether the Maoist movement is a political movement or a terrorist one has additionally created confusion about its prompt solution. Social mobilisation programs cannot be implemented smoothly and are not expected to yield tangible results under these conditions of political uncertainty.

Foreign aid plays a major part in financing development in Nepal. In fact, from the very beginning, the development priorities of Nepal have been primarily guided by foreign aid. Particularly since the entry of multilateral donors, the whole state policies and priority sectors of public expenditure are being influenced by foreign aid. NEFEJ and NNSD (2004) even generalises that the foreign aid component is basically responsible for the success or failure of the development process in the country and that the entire socio-economic changes occurring in the country can be viewed

as a direct impact of foreign assistance. Any study of social mobilisation would be incomplete without covering the aspect of foreign aid, which inspires and provides support for the social mobilisation agencies.

In recent years, however, Nepalese have expressed some reservations about the relevance of foreign aid in Nepal. A vast body of literature (e.g. AAN 2002; AAN 2004; NCSF 2004; NEFEJ; NNSD 2004) exists, suggesting that most donor technical assistance flows back to donors in the form of salaries and perks of experts; development programs are not as per the needs of the people but as per the vested interests of donors; donors reject peoples' voices and home-grown ideas; they are not transparent, lack coordination among themselves, and most importantly, are unable to reduce poverty in Nepal. NEFEJ and NNSD (2004) even suggest that donor aid is opposite to what it was conceived to be as a process for independence and self-reliance in terms of impact it has caused. It further indicates that the economy suffers from a heavy burden of foreign debt service and, as an example, cites that, in 2001 and 2002, the amount spent on debt service was equivalent to 65 per cent of inflow of foreign loans that year.

8. An overview of the past suggestions

To minimise the effects of the above-mentioned causes associated with extreme poverty in rural communities, UNDP/UNOPS/ IAAS/TU (2002) has offered a number of suggestions. In particular, the suggestions emphasised building the capacity and confidence of the ultra-poor and encouraging them to prove their abilities; allowing members from the same family to be included in training; introducing special institutional credit to free the ultra-poor from old loans; motivating the elite and moneylenders to be considerate towards the ultra-poor; setting up provisions for credit in kind and receding from imposing income-generating activities when the poor need consumptive loans.

The suggestions also emphasise making the repayment duration and instalment frequency ultra poor-friendly, setting up provisions of credit in kind, rehabilitating and ensuring access to land and training related to debt management strategy, expanding and introducing a low-cost service delivery system and raising income of the ultra-poor, and providing insurance for any activity undertaken by the ultra-poor.

Additional suggestions include: enhancing access to resources; regularly involving the poor in population education; encouraging community organisations and other people of high social status to motivate and counsel the ultra-poor; motivating and sensitising people of all castes and community groups; providing low-cost health insurance, followed by improved sanitation, drinking water and other such preventive measures; providing the ultra poor with access to land

resources/grazing facilities; encouraging non-farm sector activities among the younger generations; and motivating and providing exposure to success cases.

In the line of recommendation, another report (UNDP 2004) suggests that targeted programs within holistic framework be implemented to ensure that both the common and marginalised groups of rural people benefit. This suggestion was made with the view that even if the elite of the community try to hijack the holistic program for their own interest, it will not affect the targeted programs that are focussed exclusively on marginalised groups.

9. Recommendations

The author adjudges that many of the suggestions, as advanced by UNDP/UNOPS/IAAS/TU (2002), are normative and, given the poor economic and political conditions of Nepal for many years, they are very difficult to implement. They nevertheless serve as ideals to strive for. This paper offers the following additional recommendations to make the social mobilisation programs in Nepal more effective:

1. Highest priority should be laid on to the development of rural infrastructure, particularly roads, to ensure wider replication of social mobilisation programs in remote rural areas and to cover the rural masses
2. Since lack of assets, particularly agricultural land, is a major cause of poverty, the government of Nepal should impose ceiling on the size of landholding and redistribute the surplus land among the hardcore poor. At the same time, the degraded land of the country should be rehabilitated and distributed amongst the rest of the poor. These efforts should be accompanied by introducing reforms, particularly in irrigation sector.
3. Social mobilisation programs should be properly coordinated to ensure that there are not any gaps or overlaps in terms of sectoral and geographic coverage
4. The international community should support Nepal on a much larger scale so that all needy communities are covered by at least one social mobilisation program
5. The support should come in the form of grant aid as the country has already suffered much from debt servicing
6. For bringing about positive changes in Nepal, the donor programs should be implemented in a concerted manner
7. The donor/international community should become sensitive to the many allegations made against them, outlined in the preceding sections
8. The donor/international community must be honestly committed to bring about prosperity in Nepal by introducing programs that are germane and best suited to the expectations and aspirations of the Nepalese people

9. There must be peaceful solution to the insurgency for the smooth functioning of social mobilisation programs and realisation of tangible benefits.

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