

Governance and citizenship from below: Views of poor and excluded groups and their vision for a New Nepal

Nicola Jones with Binod Bhatta, Gerard Gill, Sara Pantuliano, Hukum Bahadur Singh, Deepak Timsina, Shizu Uppadhaya, and David Walker

Working Paper 301

Results of ODI research presented
in preliminary form for discussion
and critical comment

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and their vision for a New Nepal**

A participatory governance assessment by NPC, NEPAN and ODI
Commissioned by DFID

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Acronyms

B/C	Brahmin and Chhetri
CDO	Chief District Office
CSC	Citizens' Report Card
CSP	Community Support Programme
DACAW	Decentralised Action for Children and Women
DDC	District Development Committee
DFID	Department for International Development (UK)
FGD	Focal Group Discussion
GSEA	Gender and Social Exclusion Assessment
GTZ	Gesellschaft Technische Zusammenarbeit (German Technical Cooperation)
KIRDARC	Karnali Integrated Rural Development & Research Centre
MDG	Millennium Development Goal
MIMAP	Micro Impacts of Macroeconomic and Adjustment Policies
NCP	Nepal Communist Party
NEPAN	Nepal Participatory Action Network
NPC	National Planning Commission
ODI	Overseas Development Institute (UK)
P&E	Poor and Excluded
PAF	Poverty Alleviation Fund
PMAS	Poverty Monitoring and Analysis System
PPA	Participatory Poverty Assessment
PRA	Participatory Rural Appraisal
PRSP	Poverty Reduction Strategy Paper
RCIW	Rural Community Infrastructure Works
REDP	Rural Energy Development Program
RPP	Rastriya Prajatantra Party
TRPAP	Tourism for Rural Poverty Alleviation Program
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
VDC	Village Development Committee
WDO	Women's Development Office

Executive summary

This is the first community-level participatory research endeavour with poor and excluded groups since the peace process. It focuses on grassroots experiences and understandings of governance and citizenship, and the implications thereof for state building in post-conflict Nepal. Many of the findings about poor people's priorities and blockages in the system are consistent with earlier participatory research undertaken during the decade-long Nepal Communist Party (NCP) insurgency (NEPAN, 1999, ActionAid 2004) and also with several more recent qualitative research initiatives (GSEA 2005, UNDP 2006). On the one hand, these commonalities should be seen in a positive light as they represent the development of a growing body of evidence that lends support to a range of policy recommendations aimed at tackling poverty and social exclusion. On the other, they should be viewed with concern and urgently addressed, as it suggests that many of the original sources of the conflict remain unresolved.

It is important to emphasise that although this study included some poverty assessment components, its primary emphasis was on governance and state-citizen relations. The study's starting point was a conviction that a more nuanced understanding of how poor and excluded groups interact with the state has much to offer policy makers and development practitioners interested in questions of state building and governance, especially in the context of a fragile peace. How do poor people understand citizenship, how do they experience and practise it, what barriers do they face and how do they think these could be overcome? It also explores poor and excluded groups' vision for a New Nepal following Jana Andolan 2 (the People's Movement 2), the November 2006 peace agreement and the emergence of the democratically elected government in May 2008.

Findings that are consistent with earlier work include:

- Addressing deeply entrenched social hierarchies (caste, ethnicity, gender, class) is an important priority for poor and excluded groups, as social exclusion is an important impediment to poverty alleviation and political representation.
- Community user groups constitute one avenue to increase the representation of poor and excluded groups' voices in local policy processes, but there are also important limitations (especially representation in decision-making roles) and the danger of elite capture that need to be creatively addressed.
- Important impediments in poor and excluded groups accessing services include both demand and supply side factors. On the supply side, they are expected to pay for services that are supposed to be 'free', find limited presence of qualified service providers in rural villages, and delayed service. Language presents another barrier for the illiterate and for those whose mother tongue is not Nepali. On the demand side, community disunity and a failure to understand that the new language of citizen's rights also entails citizen responsibilities are important obstacles to collective action approaches to poverty reduction.
- Age specific concerns merit greater policy attention. On the one hand, there is a serious lack of employment opportunities, especially for youth in rural Nepal, thus accounting for high rates of international labour migration, including among the poorest communities. On the other hand, in poor and excluded communities, the elderly are often especially vulnerable, and thus value access to senior citizen and widow pensions.
- Regional inequalities and geographical isolation heighten poor and excluded groups' experiences of poverty, and were intensified during the conflict as less developed areas became more insecure. This is especially the case in the Far West, mountainous regions and rural cf. urban communities, suggesting that geography constitutes a critical part of many people's experience of poverty.

Findings that are either new or emerged particularly clearly in this study include the following:

I. Strong support for peace

- There is very strong support for peace among poor and excluded communities, regardless of their experiences during and views of the decade-long conflict. Poor and excluded groups are not calling for revenge, retaliation or even transitional justice, but rather for sustainable peace and renewed development efforts.
- Urban communities and some Terai communities are less optimistic than rural communities about the peace process, and are particularly concerned about the potential for violence, especially in eastern Terai.
- Although concerned about the fragility of the current peace process, due to very negative experiences with security forces during the insurgency, few communities were demanding greater police presence and a number of communities were categorically opposed to bringing police closer to their villages. Exceptions included some urban communities and villages where young men had returned from the army or Maoist forces and were struggling to reintegrate into the community.
- Consultation processes between government and citizens such as this research study generated considerable enthusiasm. Many poor and excluded groups emphasised that they had not previously been consulted by government (in this case the National Planning Commission), but that they were eager to contribute to dialogues on restructuring the state.
- Although levels of awareness about current state restructuring efforts were relatively low, especially among Dalit communities and women, many participants expressed an interest and willingness to be involved in the process of restructuring the state, but complained about a lack of information and absence of awareness-raising/educational initiatives at the village level.

II. Support for strengthening meaningful decentralisation

- There is strong support among poor and excluded groups for greater decentralisation (more substantive local decision-making and budgetary resources), but also an awareness that this will need to be balanced by a strong yet accountable central government to prevent political fragmentation.
- Despite myriad criticisms of the state and of specific government agencies, poor people nevertheless have frequent interactions with a considerable number of government agencies. Moreover, they maintain surprisingly high expectations of government, and specifically of the Village Development Committee.
- The importance of access to information – a major component of poor people's sense of social exclusion is based on their lack of access to information about entitlements, services, procedures to access the resources available through new projects, opportunities for civic participation, avenues through which to channel demands for change, legal rights and political reforms. There is a strong sense that local elites control information flows (especially district level vis-à-vis village level governments) in order to maintain their positions of power. Improving communication channels between government officials and service providers on the one hand, and citizens, on the other, emerged as a critical first step in strengthening citizen-state relations, and reducing elite capture of incoming resources and opportunity.
- Although there are more than four hundred thousand community user groups in Nepal, their coverage in very poor communities is low, and participation of women and Dalits in such committees even lower.

III. Limited presence of non-state organisations

- There was very limited donor and NGO presence in the study communities, as evidenced by the low levels of reliance on non-state organisations. This suggests that many poverty alleviation efforts are not reaching the poorest. It also highlights the urgency of improving programme design and targeting, as well as improving aid effectiveness and accountability in Nepal more generally.

- Private sector presence was extremely limited (even in urban areas), and was underscored by a high demand for employment opportunities, but perception that these would either be in the form of self-employment options or government jobs.

IV. Experiences of social exclusion are complex and multi-layered

- Poor and excluded groups are not habituated to social exclusion, domination and injustice. Rather they have developed coping strategies to deal with exploitative and unequal power relations in their daily lives, as very limited alternatives largely preclude risk-taking actions. Addressing caste, ethnic, gender, regional and economic inequalities is seen as an important priority by poor people: being treated with respect and dignity would significantly lessen their sense of exclusion and make a significant contribution to their experience of well-being.
- In order to address the multi-layered power inequalities (class, caste, ethnicity, gender) that many poor people identify as major impediments to improving their quality of life, a common policy priority that emerged was for awareness raising and civic education initiatives. Poor people emphasised that it would be important to direct these efforts not only for those who face discrimination, but especially to those who benefit from systems of dominance and injustice – men, the wealthy, ‘upper caste’ groups.
- Although practices of gender discrimination are multiple and well-known in Nepal, the significant finding from this study was the recognition by most women and also significant numbers of men of the problems stemming from unequal power relations between men and women, boys and girls. Existing gender differences were not seen as natural and acceptable, but rather important to address in order to tackle household and community poverty.
- The importance of awareness raising/educational initiatives and joint community dialogues on issues of inequality and discrimination was further reinforced by the observation that patterns of caste and gender discrimination were partially reverting after the exit of the Maoists from many communities since the April 2006 People’s Movement. This suggests that behavioural change is only likely to be sustainable if accompanied by changes in attitudes and values.¹
- Priorities and concerns of poor Janajati communities are highly varied and there is no common pan-Janajati sense of identity. However, there were clear signs of increased debate and organising around these issues as evidenced by the number of ethnic, political and non-political groups formed in research sites since the peace process.
- Poor Bahun, Chhetri and Yadav (Terai middle caste) communities expressed a strong sense of social exclusion – both because of cleavages within their own community between ‘the cunning’ and ‘the simple’, and because of a perception that they are being excluded from development programmes, which are largely targeted at Dalits and Janajatis. This not only suggests that income poverty should be included as an important eligibility criteria for development programmes, but that efforts to communicate the rationale behind affirmative action measures to address caste, ethnicity and gender-based social exclusion will also be important if the government and other development actors are to minimise a sense of resentment among other groups and address possible sources of tension/conflict.
- Poor people from religious minorities (Buddhist, Muslim, Christian) have yet to experience the benefits of Nepal government’s declaration of a secular state in 2006, including equitable access to public funding for religious facilities. This study suggested that poor Muslim communities are especially vulnerable, experiencing multiple and overlapping sources of social and economic exclusion. Moreover, the study’s research findings suggest that religious tensions exist beneath the surface in parts of Nepali society and that there is thus a need for more research and sensitive monitoring of this situation as well as policy efforts to promote greater social inclusion.

¹ Interestingly, this reversion was predicted in the DFID sponsored study of ‘Conflict and Social Change’ carried out in 2003 during one of the cease fire periods.

V. Poor people's priorities are largely context-specific

- Poor people's priorities were first and foremost context-specific, suggesting that local level decision-making is critical to ensure that people's development priorities are effectively met.
- Important caste differences, however, emerged in terms of poor people's priorities – whereas poor people overall emphasised roads, education and health services and employment opportunities, the most important concerns among Dalit communities were land insecurity and lack of access to water.
- Lack of land title and landlessness cannot be ignored. They constitute major grievances, especially among excluded groups who tend to view the CPN Maoists more favourably. This points to an urgent need for meaningful land reform.
- Connectivity, including better roads, accessible and affordable telecommunications and reliable postal services, also emerged as an important priority, highlighting the fact that geographical isolation constitutes a critical part of many people's experience of poverty.
- Lack of access to services emerged as an important concern, but was not limited to access to education and health services, but rather encompassed a wider range of services including access to drinking water, sanitation, veterinary, agricultural extension, vocational skills training, electricity and credit/financial services. Poor people commonly felt that their limited access to these services stemmed from their lack of education, poverty, low political and social standing, geographical isolation and lack of access to timely information.
- The area in which poor people regardless of caste/ethnicity/gender/ geography/ religion feel most excluded is access to formal justice. This goes beyond the problems of discriminatory laws or weak law enforcement to a more profound sense of lack of awareness and lack of confidence that poor people would be able to access legal redress.

VI. Border issues – opportunities and risks

- Remittances from migrants to India (and to the Persian Gulf) play an important role in supporting household livelihood security, and do not seem to be diminishing following the peace process. Although communities reported that male relatives were returning home more frequently following the conflict, few were staying permanently due a persistent lack of local employment opportunities.
- Cross-border migration also emerged as an important influence in terms of social and political learning. Caste cleavages were more easily overcome when living abroad, and understandings of alternative governance systems were often based on observations of Indian federalism, targeted development programmes and state subsidies. There were also significant cross-border ties among some Hindu and Muslim communities, including financing of religious institutions and exchange of religious teachers.
- The open border with India provides economic and marriage market opportunities for poor and excluded communities but the benefits are mixed. Although cheaper goods can be purchased in India, small-scale Nepali merchants are often subject to bribe-taking by border officials and also struggle to compete with larger Indian competitors in Nepali markets. India provides a large and more lucrative marriage market for Nepali families, but some families expressed concerns about being unable to meet increased dowry expenses and supervise the treatment of their daughters by foreign parents-in-laws.

1. Introduction

‘Effective states and better governance are essential to combat poverty. States which respect civil liberties and are accountable to their citizens are more stable, which in turn means they are more likely to attract investment and generate long term economic growth...[Conversely,] poor governance breeds disillusionment, grievances and conflict’ (UK DFID White Paper, 2006: 46).

1.1 Background

Latent and violent unrest has plagued Nepal since the process of parliamentary politics was re-introduced in 1991 after 50 years of monarchical rule. The multi-party system emerged out of widespread protests, popularly known as the ‘Jana Andolan’ (People’s Movement), after growing dissatisfaction with the party-less ‘Panchayat’ system. These grievances were based on the systematic failure of government structures to adequately represent a highly diverse population based on varying regional, religious, caste and cultural identity issues, underlying all of which was the tension created by a narrative promoting national homogenisation toward Hindu values.

The reforms introduced by the new congress in the early 1990s, however, coincided with an economic crisis, a deepening dependency on foreign assistance and a continued fragmentation of national identities. In 1992 a Joint People’s Agitation Committee was formulated by a number of groups to impose strikes and apply pressure for stabilising policies but violent clashes and a failure to introduce promised land reforms served to further radicalise much of the population.²

In 1996, unmet expectations led to a civil war as the Communist Party – Maoist (CPM), a splinter of the Communist Unity Centre, bid to introduce a socialist republic. The ensuing conflict lasted ten years and claimed 13 000 lives. It also had a devastating effect on following infrastructure and the economy, including the country’s large tourism sector and development programmes. During the conflict, civil liberties became increasingly restricted, and the government refused to conduct elections for a constituent assembly. In 2002 and 2005 the monarchy reassumed itself in order to control the peace process and confront increasing Maoist threats. In contrast to previous efforts, an agreement on a gradual path to democratisation between the CPM and the United People’s Front was finally secured in 2005. In addition, a deal allowing the Maoists to take part in governance processes under conditions of UN weapons monitoring was concluded with the Nepali Congress Party in 2006. These shifts were partly influenced by a significant groundswell of activity in civil society, known as the Jana Andolan 2 (the 2nd People’s Movement), in 2006.

Given this background, it is notable that Nepal is now entering a new phase of constitutional development and experiencing an emerging peace process. Where government services had previously been limited in reach by lack of access to non-urban areas due to ongoing armed rebellion by the Maoist guerrilla army (except for funding to health and education institutions), the ‘People’s Movement 2’ has heralded in significant change, with high public expectations and a strengthened public willingness to protest against perceived government failure and human rights abuses. The movement has brought a renewed commitment to democracy—but in a context where principles of participation, accountability and transparency remain weak and where the emphasis on citizen rights has not been balanced by a sense of citizen responsibility.

However, the movement has highlighted the persistence of social exclusion in a political culture where the identity of the Nepali citizen has been narrowly defined.³ In the early stages of the peace process,

² Nepal News, ‘Nepal at the Helm Again’, vol 22, no.31, 2003

³ Nepali citizenship has historically been associated with being male, Nepali speaking, of Hill origin and Bahun, Chettri or Newar caste, especially during the state consolidation phase of the Panchayat Government 1960-1990 (Bhasker Gautam, 2007 personal correspondence).

this led to some progress on the proportional representation of marginalised communities in the lead up to, and results of, the 2008 constituent assembly elections won convincingly by the CPM. However, currently there remain a number of latent tensions making the peace process fragile, such as the process of finalising a new constitution, where there are competing demands from ethnic, religious, caste and regional groups, as well as from the estranged opposition Nepali Congress (NC). There are also issues concerning the existence of dual armies and a wider context of food and general economic insecurity. These factors suggest that the government will continue to operate in a challenging environment as the peace process moves forward. It is here that the paper, a synthesis of the findings of a national participatory governance assessment undertaken in 2007, seeks to contribute by offering a window on grassroots citizens' views on the key priorities to tackle in this early post-conflict era.

1.2 Purpose

In 2007, the National Planning Commission (NPC), aware that the causes of conflict were related to poor governance and exclusion, requested the support of the Department for International Development (DFID) to carry out a participatory governance assessment (PGA), so as to incorporate key corrective measures in the Three Year Interim Plan 2007/08 to 2009/10 (TYIP). In particular, the aim of the study was to assist the government to respond more effectively to poor and excluded groups' priorities, and to ensure a broader state building process leading to the creation of a 'New Nepal'. Equally importantly, by undertaking a participatory assessment of state-citizen relations in poor and excluded communities there was an explicit aim to identify common incentives between the government and the grassroots for positive change. Although the primary research for this paper was conducted over 2006/7, its content is still relevant for both contextual understanding and longitudinal mapping, It also provides a timely contribution to current exercises of political consensus-building.

It is important to emphasise that this study was neither designed as a participatory poverty assessment that looks at poor people's understanding of poverty, nor as a poverty monitoring exercise. Instead it was conceptualised as a participatory governance assessment that aims to provide policy makers, donors and non-governmental actors with a better understanding of local power relations and how these enable or constrain the realisation of poor and excluded groups' (women, Janajatis, Dalits, Madeshis, religious minorities) tangible and intangible priorities. Tangible priorities were broadly defined as access to services, infrastructure, livelihood security and the basic prerequisites for development such as law and order. Intangible priorities tapped into the more relational dimensions of deprivation and vulnerability, including the unequal and often multi-layered power relations that poor and excluded groups confront in their daily lives.⁴

As the first community level participatory research undertaken since the peace process, the study constitutes an important first step in understanding governance from the point of view of poor people (from the 'bottom-up') in a post-conflict environment and why this is critical for long term state building.⁵ Although subject to very tight time constraints, it sought to explore how poor and excluded Nepalese understand citizenship, how they practice it, the barriers they face when interacting with the state and their views on how these could be overcome.

⁴ Here our analysis was informed by de Haan's (1997) emphasis that the concept of social exclusion 'takes us beyond mere descriptions of deprivation, and focuses attention on social relations and the processes and institutions that underlie and are part and parcel of deprivation' (26). See also DFID 2005.

⁵ See NPC, UNDP and UNICEF (2006) and ADB (2008) for a very interesting participatory studies focusing on individual case studies.

1.3 Methodology

1.3.1 Participatory research approach

A considerable amount has been written about priorities for poor people in Nepal (MIMAP, 1996, DFID, 2007) and there have also been a number of important individual case study approaches to understanding poor people's experiences in recent years.⁶ However, since NEPAN's 1999 Participatory Poverty Assessment (which was undertaken prior to the escalation of the conflict in 2002), there have been no national level participatory research endeavours that have sought to understand broad trends in state-citizen relations among poor and excluded groups.⁷

The strength of participatory research is its ability to compile and collate information that quantitative techniques leave out. In particular, its emphasis on visual and oral methods of enquiry (as opposed to written and numerical methods) means it is able to be informed by poor people's real-life experiences and their context-specific knowledge (Pratt, 2001). As such, participatory analysis is suited to a society as diverse as Nepal where poor people still comprise 31% of the population (Nepal Living Standards Survey, 2003/4), but where each community's experience of poverty, and their engagement with the state, is different.

1.3.2 Research design

Drawing on modified PRA techniques and tools, this participatory governance assessment was designed as a series of focus group discussions.⁸ It was framed as a consultation on behalf of the Nepal National Planning Commission with poor and excluded groups and as the beginning of a dialogue on national development priorities on how best to strengthen social inclusion as a key pillar of poverty reduction. Local government officials were also consulted in order to triangulate findings about governance practices at the sub-national level.

1.3.3 Sampling and fieldwork

Research was carried out in 21 communities spanning 10 districts (see figure 1 below). These were selected in order to cover the five regions of the country, the three main agro-ecological belts and both urban and rural sites. Within each district communities were purposefully selected in order to ensure the inclusion of diverse Terai and Hill Janajati, Dalit and poor Brahmin and Chhetri groups. In addition, one Middle Caste Terai group (Yadav) and one Muslim community were also included (see Tables 1 and 2 below).

The selection process was aided by key informants from local NEPAN network members, field workers of local NGOs and local district government offices. Before the field exercise, field teams underwent four days of training in order to develop a sound conceptual understanding of the study's objectives, especially with regard to state-citizen dynamics, how processes of social inclusion play out in this relationship and how this affects the ability of poor and excluded people to trust and access government services, broadly defined. The training provided a brief refresher course on participatory approaches in general, and on the specific PRA tools used in the study.

In each community, separate focus group discussions involving 10-15 participants were held with women and men in order to better capture gender differences and to ensure that women would feel

⁶ UNDP/UNICEF, 2006; Action Aid, 2004, Pratt, 2001, NEPAN, 2006

⁷ It is critical to emphasise from the outset, however, that this research was subject to very tight time constraints because of a concern to influence particular time-bound policy windows. It should therefore be viewed as a useful complement but certainly no substitute for more in-depth longer-term qualitative research work undertaken in studies such as the DFID/World Bank Gender and Social Exclusion Assessment (GSEA) and the Measuring Empowerment and Social Exclusion (MESI) studies. (In this vein, the concluding section of the report includes suggestions about future areas for investigation).

⁸ Time Lines, Communications Linkage Matrix, Venn Diagrams, Scoring and Ranking, Citizen Score Cards

more at ease to voice their views given a cultural tendency for men to dominate group dynamics.⁹ The team leader and project coordinator also visited a selection of sites in order to ensure quality control.

The study team also invested a considerable amount of time debriefing and conducting plenaries with field researchers to better understand the dynamics underpinning the findings. Many of the views required careful contextualisation of the diverse locales as well as an exploration of the possible reasons behind the silences and gaps in focus group discussions.

1.3.4 Research questions

The field research focused on five broad sets of questions, aiming to provide a first-hand picture of poor and excluded groups' realities in post-conflict Nepal, as well as their expectations of the State in the immediate future:¹⁰

- poor and excluded groups' views on the peace process and the ways in which their lives have changed (or not) in the post-conflict period
- poor and excluded groups' (tangible and/or intangible) priorities and their perceptions of state performance (both national and local) around access to services and infrastructure, and the delivery and quality of those services.
- poor and excluded groups' feedback on weaknesses in policy implementation (the 'blockages' in the system), including specific problem areas in recent service delivery mechanisms, and possible means of redress;
- poor and excluded groups' perceptions of - and interaction with - the state, including an understanding of what political processes enable or constrain positive engagement with the state for poor and excluded people
- poor and excluded groups' understandings of the current political reform and state restructuring processes and the extent to which they are involved or are interested to be involved in this process.

⁹ In two cases (Kapilbatsu and Kanchanpur Districts) focus group discussions were held in separate villages or wards due to the limited availability of participants. So a male focus group discussion was held in one ward/village and a separate female focus group discussion in different ward/village. Although the study also sought to understand the age-specific priorities and citizenship practices of youth and elderly, due to time constraints we were unable to hold separate age disaggregated focus groups discussions. However, an effort was made to ensure a balance of age groups in each discussion (youth, middle aged, elderly).

¹⁰ In interpreting the findings of this study, it is important for the reader to bear in mind several methodological caveats. Given the urgency of consulting with poor and excluded groups in order to feed into the first post-peace process national development plan, the study was undertaken within a tight timeframe. This meant that we were not able to cover all dimensions of social exclusion, and there are a number of areas that particularly require additional investigation and analysis. First, just as mixed gender groups often makes it more difficult for women to voice their views, it would be valuable to carry out follow up research with separate age groups in separate focus group discussions in order to better explore emerging generational differences and potential tensions/ conflicts. In a number of discussions, differences between especially younger men and village elders were hinted at, but require additional exploration. Second, although disability constitutes an important dimension of social exclusion, the research design was not able to capture the particular concerns and needs of disabled people and we would argue merits a focused study of its own. Third, because this is the first participatory *governance* assessment of its kind in Nepal, we would recommend that future initiatives allow for extended training sessions in order to enhance field researchers' understanding of the key concepts and study objectives, and therefore their ability to probe effectively. Lastly, it would be fruitful to triangulate poor people's views with those of local government authorities and governmental and non-governmental service providers and development practitioners in order to develop a holistic and nuanced understanding of governance and citizenship at the local level.

1.3.5 Participants' views on the research process

Overall field researchers were struck by the high level of interest and enthusiasm that this participatory governance assessment generated. Many communities, especially poor Bahun and Chhetri groups, reported that this was the first time they had been consulted by the central government about their priorities and views on state-citizen interactions. Participants were largely eager to participate and have an opportunity to voice their opinions. For example, a poor Bahun/ Chhetri squatter settlement in Kanchanpur District emphasised that they had 'never been visited by government, NGOs, donors or the media', while a Dalit community in Bhaktapur asked for the telephone number of the National Planning Commission in order to 'follow up once the study report is released'.

Table 1. Study Districts and their Key Characteristics

Region	Agro-ecological Belt			Urban	Rural	<i>Caste/Ethnicity/ Religion</i>
	Terai	Hill	Mountain			
	Name of District					
Eastern	Siraha				✓	Madheshi Dalit-Mushahar Terai Janajati-Tharu Middle class-Yadav
			Taple-jung		✓	Hill Janajati - Limbu, Brahmin/Chhetri
Central		Makawanpur			✓	Hill Janjati - Chepang
		Bhaktapur		✓		Urban Dalits –Sarki
Western	Kapilbastu				✓	Muslim Madeshi Dalit - Chamar
		Tanahu		✓	✓	Hill Dalit - Kami Urban Janjati-Gurung
Midwestern			Jumla		✓	Hill Janjati - Gurung Brahmin/Chhetri
		Pyuthan			✓	Hill Janajati –Magar Hill Dalit-Sarki
Far Western	Kanchanpur			✓	✓	Madhesi Janjati- Tharu Urban Brahmin/Chhetri
		Aachham			✓	Hill Dalit - Damai Brahmin/ Chhetri
Total	3	5	2	3	9	

NOTES:

1. Three of the selected districts (Siraha, Pyuthan and Tanahu) were also included in the DFID/World Bank "Measuring Empowerment and Social Inclusion" study, in order to facilitate cross-checking in the analysis stage.

2. Information in the last column is taken from *District Demographic Profile of Nepal*, Informal Research and Study Centre, Kathmandu, 2002

Table 2. Basic population data for social groups in the study districts

	District name	Total pop.	Total %	Selected caste/ethnicity/religious minority	Total % in selected district	Total pop. of the selected caste/ethnicity/religious minority in district
1	Taplejung	359379 6489973	1.58 28.54	Hill Janajati Bahun Chhetri	15.64 0.46	56234 (Limbu) 29956 (B/C)
2	Siraha	172434 1533879 895423	0.76 6.75 3.94	Madheshi Dalit Terai Janajati Madheshi middle caste	18.27 1.77 15.36	31519 (Musahar) 27252 (Tharu) 137622(Yadav)
3	Makawanpur	52237	0.23	Hill Janajati	29.39	15353 (Chepang)
4	Tanahu	895954 543571	3.94 2.39	Hill Dalit Urban Janajati	2.27 7.25	20411 (Kami) 39418 (Gurung)
5	Kapilbastu	971056 269661	4.27 1.19	Muslim community Madheshi Dalit	9.63 9.60	93602 (Muslim) 25893 (Chamar, Harijan, Ram)
6	Jumla	543571 6489973	2.39 28.54	Hill Janajati Hill Bahun Chhetri	0.02 0.77	128 (Gurung) 50298(B/C)
7	Kanchanpur	1533879 6489973	6.75 28.54	Tharu community Urban Bahun Chhetri	5.74 2.47	88155 (Tharu) 160949 (B/C)
8	Aachham	318989 6489973	1.40 28.54	Hill Dalit	1.86 27.78	5954 (Sarki) 147856 (B/C)
9	Pyuthan	318989 1622421	1.40 7.14	Dalit Hill Janajati	0.10 4.01	7837 (Sarki) 65123(Magar)
10	Bhaktpur	318989	1.40	Urban Dalit		

Table 2a: Percent composition of the population by caste/ethnicity, 2001

Caste hierarchy	Name of caste/ ethnic minority group	%
Caste Hindus (57.5%)	A Hill/Tarai B/C+ (a.1+a.2)	32.8
	a.1 Hill B/C+ (1+2)	30.9
	1 Brahman (Hill)	12.7
	2 Chhetri, Thakuri, Sanyasi	18.1
	a.2 Tarai B/C+	1.9
	3 Brahman, Rajput, Kayastha, Baniya, Marwadi, Jaine, Nurang, Bengali	1.9
	B Tarai Middle Castes (Include 4-7)	12.9
	4 Yadav	3.9
	5 Teli, Kalwar, Sudhi, Sonar, Lohar	3.2
	6 Koiri, Kurmi, Kanu, Haluwai, Hajam/Thakur, Badhe, Bahae, Rajbhar	3.6
	7 Kewat, Mallah, Nuniya, Kumhar, Kahar, Lodha, Bing/Banda, Bhediyar, Mali, Kamar, Dhunia	2.2
Dalits (11.8%)	C Dalits (c.1+c.2)	11.8
	c.1 Hill Dalits (8-11)	7.1
	8 Kami	3.9

		9	Damai	1.7
		10	Sarki	1.4
		11	Gaine, Badi	0.0
		c.2	Tarai Dalits: (12-15)	4.7
		12	Chamar	1.2
		13	Musahar	0.8
		14	Dhusadh/Paswan, Tatma, Khatway, Bantar, Dom, Chidimar	1.6
		15	Dhobi, Halkhor, Dalit/Unidentified Dalit	1.1
		D	Janajatis (d.1+d.2)	37.2
		d.1	Hill Janajatis (d1.1+d1.2)	28.5
	Newar & Thakali (5.5%)	d1.1	Newar/Thakali (16+17)	5.5
		16	Newar	5.5
		17	Thakali	0.1
		d1.2	Other Hill Janajatis (18-28)	23.0
		18	Magar	7.1
		19	Tamang	5.6
		20	Rai	2.8
		21	Gurung	2.4
		22	Lismbu	1.6
		23	Sherpa	0.7
		24	Bhote, Walung, Byansi, Hyolmo	0.1
		25	Gharti/Bhujel, Kumal, Sunuwar, Baramu, Pahari, Adivasi Janajati	1.5
		26	Yakkha, Chhantal, Jirel, Darai, Dura	0.2
		27	Majhi, Danuwar, Thami, Lepcha	0.7
		28	Chepang, Bote, Raji, Hayu, Raute, Kusunda	0.3
		d.2	Tarai Janajatis (29-32)	8.7
		29	Tharu	6.7
		30	Dhanuk	0.8
		31	Rajbanshi, Tajpuriya, Gangai, Dhimal, Meche, Kisan, Munda	0.7
		32	Santhal/Satar, Dhangad/Jhangad, Koche, Pattarkatta/Kusbadiya	0.4
		E	Religious Minorities (33-34)	4.3
		33	Muslim, Churoute	4.3
		34	Panjabi/Shikh	0.0
		35	Unidentified/Others	1.0
			Total	100
			Source: Census 2001, Acharya et al.2004 ; reproduced from DFID/World Bank, 2005.	

2. Poor and excluded people's priorities

Ascertaining poor and excluded groups' priorities is a critical first step in designing an effective state building policy plan. It is particularly important in a post-conflict context where relations between citizens and the state have frequently broken down, and the original sources of the conflict (e.g. resource scarcity, social exclusion) have not been addressed (Hachhethu, 2004). Interestingly, many of the priorities identified by poor and excluded groups over the course of this study were consistent with those found in other participatory and qualitative research studies undertaken prior to the 2006 peace process.

This is perhaps not so surprising given that particularly following the escalation of the conflict between the Maoists and the army in 2002 there was often an absence of government in rural (especially geographically isolated) areas and many development programmes had to be discontinued. In other words, the emergence of similar findings suggests that many of the priorities identified in earlier PRA studies still need to be tackled. Indeed, one of the key reasons why the participants in this study were positive about the peace process was that they were optimistic that the end of frequent disruptions to their daily lives by occupying armed forces from both sides in the conflict would provide the space for renewed attention to development programmes. It is however important to point out that the relative importance accorded to different priorities differs somewhat across studies, perhaps in part due to different research methodologies employed and different questions asked (see Table 4). Moreover, there are some important differences between priorities for poor people as mapped out in DFID's Poverty Priorities for Nepal report (2007), and poor people's priorities. For example, the former emphasised access to family planning services and measures to combat trafficking of women and prostitution, but these did not emerge in this participatory assessment.¹¹

The following section is organised as follows. It begins by presenting the overall trends that emerged. It then discusses four broad sets of priorities identified in the study's focus group discussions – livelihood security, free and accessible services, connectivity and equality, respect and dignity – pointing out differences among groups and/or sites where relevant and community suggestions for improvement.

2.1 General trends

It is important to emphasise from the outset that the greatest variation in tangible priorities was across communities and districts, reinforcing the importance of local decision-making. For example, a key priority for the Gurung in Tanahu is the construction of a Buddhist temple which has been stalled several times by local authorities; the Mushuar Dalit community in Siraha wanted a community house to conduct community activities and to house guests; while Limbu and poor Bahun/Chhetri communities in mountainous Taplejung wanted a school playground for their children due to a dearth of playing areas in their VDC. Women in the Western mountain districts were anxious to have access to a flour mill to reduce their domestic work burden and smokeless stoves to reduce health hazards associated with traditional stoves, whereas for communities in Makwanpur district soil erosion control and a bridge emerged as important concerns. These variations notwithstanding, there were also important commonalities. The most frequently cited basic services and infrastructure priorities across the 10 districts are presented in Table 3,¹² and include roads, education, health services and water in descending order of importance.¹³

¹¹ This is not to argue that these issues are not important, but rather to point out that they were not identified by poor people themselves.

¹² Calculations were based on the top five priorities identified by focus group participants, even though some groups constructed a more extensive priorities list.

¹³ It is important to note that employment opportunities as one of the top intangible priorities and is therefore discussed below.

Table 3: Most common tangible priorities (in descending order)

Roads	Connectivity to markets and services, overcoming geographical isolation
Education	Remove user fees, unequal access to scholarships
Health	Remove or reduce user fees, expand range of treatment and medicines
Water	Expand access, and remove source of daily humiliation for Dalits
Electricity	Remove sense of deprivation and expense and inconvenience of kerosene for those without access: increase hours of productivity (women)
Irrigation	Janajati, Muslim and B/C landowners
Land	Dalits and B/C squatters
Toilet	Higher priority for women, user fees
Vet services	Limited personnel, expensive medicines

There was, however, a significant difference along caste/ethnicity lines. For Dalits and sukumbasi (squatter) populations the most important priority was land security (either land title or increased land size), whereas for poor Bahun and Chhetri and Janajati communities, most of whom are small landholders, irrigation was a major concern. Dalit communities were also particularly worried about access to water (for bathing and drinking) due to the daily humiliations they have to face as 'untouchables' in accessing water from public water sources or 'higher caste' private residences.

Although there was considerable discussion about unequal power relations between men and women, there was a surprisingly limited gender gap in terms of poor and excluded groups' tangible priorities. Differences that did emerge included the importance to women of toilet facilities, telecommunications (due to the high level of international migration and desire to be in contact with relatives), flour mill (to reduce mountain women's domestic labour burden), adult literacy and skills training. Access to veterinary services and affordable irrigation emerged as more important to men.

Urban/rural differences were also difficult to pinpoint (e.g. land and motorable roads were as important for urban squatters as they were for poor rural and urban Dalits) due to significant variation across both urban and rural sites. However, demands for a garbage dump and street lights were unique to urban communities (see table 4 for particular similarities and differences on research findings for poverty and social exclusion).

2.2 Livelihood security

A large number of male and female focus group participants identified a range of priorities that can be clustered into the general category of livelihood security. For rural communities, inputs to improve the productivity of their land (irrigation, agricultural extension services), the health of their livestock (veterinarian services) and improving land security (either through land title or larger, more consolidated land plots) were all of critical importance. But few of these small landholders and land tenants enjoyed more than four months of food security per year and were thus also equally anxious about a lack of employment and market opportunities, which were in turn compounded by limited access to skills training opportunities and credit and financial services. Urban communities were similarly concerned about a lack of land title (Dalits and sukumbasis) and a dearth of employment options. This is not surprising in light of high underemployment in the country and more than one million people working as international labour migrants.

Table 4: Similarities/differences in research findings on poverty and social exclusion in Nepal

Study	Similarities	Differences
NEPAN 1999 PRA	<p>Importance of unequal power relations as a dimension of poverty (caste, class, gender, nepotism)</p> <p>Importance of increasing understanding about root causes of poverty among officials and more advantaged social groups</p> <p>Limited NGO presence in poorest communities</p> <p>Relative importance of VDCs in people's lives</p> <p>Importance of land insecurity</p>	<p>Limited gender differences in NEPAN 1999 but mixed group FGDs</p> <p>Emphasis on access to family planning and limiting family size – but didn't emerge as an issue in this participatory governance assessment</p> <p>NEPAN 1999 didn't focus on governance issues, but recommended the need for participatory governance assessments</p>
DFID and World Bank Gender and Social Exclusion Assessment (2006)	<p>Complexities of social exclusion and intersection with poverty and vulnerability</p> <p>Importance of respect and dignity</p> <p>Importance of institutionalising participatory poverty monitoring as part of the Poverty Monitoring and Analysis System (PMAS)</p> <p>Improve the governance of community user groups</p>	<p>Access to services focuses on education and health services only</p> <p>Observed few households for whom food security and survival issues are critical, in contrast to high proportion of households suffering from food insecurity in this participatory governance assessment</p> <p>Policy solutions focus on national policy and institutional changes; less emphasis on citizenship education, awareness raising and legal literacy.</p>
NPC, UNDP and UNICEF Voices of the Poor on Development 2006	<p>Geographical isolation as an important dimension of poverty and exclusion</p> <p>Poverty entails experiences of humiliation, distrust, exploitation, ignorance and isolation</p> <p>Lack of access to information is critical</p> <p>Importance of gender inequalities</p> <p>Access to broad range of services and livelihoods opportunities are critical</p>	<p>Strong sense of fatalism but in this participatory governance assessment the emphasis was on coping strategies</p> <p>Reluctance among participants to discuss conflict</p> <p>Focus on MDGs rather than local power relations and practices & understandings of citizenship</p> <p>Focus on individual case studies rather than community participatory assessments</p>
Action Aid 2004	<p>Attention to poor Bahun/ Chetris and plight of urban squatters</p> <p>Eagerness among poor and excluded groups for their voices to be heard</p> <p>Weak communication links between citizens and the state</p>	<p>Relative importance of NGOs in poor and excluded groups' lives (but partly due to sampling of some case studies from Action Aid partners' areas of work)</p>

2.2.1 Market access

Improving access to markets emerged as an important priority in two ways. First, many study participants who ranked improved road infrastructure as a top concern did so in part because of the difficulties in getting their products to markets efficiently and on time. Other communities, however, had more specific concerns: in Kanchanpur the Ranatharu were anxious for stronger and more equitable regulation of cross-border trade as they were struggling to compete with larger Indian merchants in Nepal while simultaneously denied access to markets in India. In Taplejung, the Limbu community were keen to improve local infrastructure in order to access the foreign tourist market which was relatively active in their district but their village was yet to benefit due to its geographical remoteness and poor road connections.

2.2.2 Land title

Squatter and Dalit communities strongly emphasised the importance of land title during this consultation.¹⁴ For poor Bahun/Chhetri squatters in Kanchanpur district it was the most pressing concern in their lives, as it meant they were subject to a permanent sense of insecurity and vulnerability vis-à-vis officials.¹⁵ The longer-term residents in the squatter settlement had been the victim of frequent changes in land legislation, while more recent arrivals were accused of belonging to the land mafia. Discriminatory treatment by service providers, dismissal of infrastructure improvement demands by government officials (e.g. requests for maintenance of drinking water pipes and adequate road drainage to prevent the overflow of city sewage into the settlement during the monsoon season) and intra-household violence were all blamed on the absence of land title. In order to address this marginalisation, focus group discussants suggested the need for sukumbasi to be identified as an excluded group that receives subsidised access to services and targeted development programmes.

For poor urban and rural Dalit communities, land insecurity is similarly perceived to be at the centre of their vulnerability. Although many had been given small plots of land over time by rich landowners in exchange for their labour, this land was often made up of very small scattered plots. In some villages this fragmentation impeded community life as Dalit families were living spread apart with no community centre of which to speak. More importantly, because the land was not usually registered in their name, there was a fear that it could be confiscated according to the whim of the landlord. Dalit communities' general sense of precariousness has therefore been exacerbated by the lack of land title, which until very recently had been a prerequisite for citizenship and access to services. It should also be noted that of the five Dalit communities in the survey, only in one were Dalits participating in a community forestry user group where they had access to communal land and natural resources.

2.2.3 Irrigation

Among impoverished landowners, sentiments about access to affordable irrigation were very strong.¹⁶ Improved irrigation would improve land productivity, increase the number of potential harvests per year, and address chronic food insecurity (few communities we visited had more than 4 months food

¹⁴ This issue has also been emphasised in other studies (e.g. Community Self Reliance Center, 2003). Although it may be true that this sense of attachment to the land is because Nepal is only very recently transitioning away from a feudal rural society and subsistence agriculture is the mode of livelihood security with which poor, uneducated communities are most familiar, the perceived significance of land ownership should not be underestimated. Although land consolidation became a central plank of agricultural policy with the adoption of the Agricultural Perspective Plan in 1995, there has never been a serious attempt to address this issue, presumably because of a combination of lack of will to drive the process forward, combined with its administrative complexity. It is therefore critical that going forward this issue is addressed in a transparent manner, and that alternative sources of livelihood security are provided to landless households until the problem is adequately tackled.

¹⁵ It is worth pointing out that we do not know whether sukumbasi from other caste or ethnic groups face even greater economic and social exclusion. This is an area that could benefit from further research.

¹⁶ For example, a poor Bahun/Chhetri community in Aacham district was initially unwilling to participate in this study consultation unless the researchers were connected to potential irrigation service providers, insisting that a lack of irrigation was their sole development problem. Although at the end of the focus group discussion they later admitted that they had not realised how multi-faceted and complex their poverty situation was, this anecdote highlights the acute importance attached to irrigation by many poor farmers.

security per annum). Many communities had heard—often via examples of India’s irrigation revolution—of a variety of technological solutions to their irrigation problems, but lacked the necessary capital to invest in such technologies.¹⁷

2.2.4 Veterinary services

Few poor and excluded communities had been able to access qualified vets and affordable medicines for their livestock, but their households had suffered a significant financial blow when their animals had succumbed to disease. Many participants complained that they seldom encountered vets in their clinics; were compelled to pay bribes in order to secure a home visit; and even when they did receive service it was often untimely and the prescribed medicines either unavailable or excessively expensive.

2.2.5 Agricultural extension services

Many rural communities emphasised the importance of agricultural extension services to increase the productivity of their land and increase household food security. However, few had regular access to agricultural extension workers and up-to-date information flows, and there were a number of complaints about receiving poor quality and/or inadequate quantities of seeds, fertilisers and pesticides.

2.2.6 Skills training

In order to overcome their economic dependence (either on rich landowners or in the case of women, male relatives), many study participants emphasised the importance of access to skills training. Women were most interested in opportunities for skills training leading to self-employment as e.g. tailors or weavers, while Dalits were aware that their traditional skills had become outdated in many cases and were so eager to receive training in market-appropriate skills that build upon existing skill sets.

2.2.7 Local employment opportunities

Given the limitations of subsistence agriculture, there was strong demand for local employment opportunities, e.g. micro-enterprises, agro-processing factories etc. Although many families had at least one relative working abroad, family separation often exerted a high price (e.g. limited ability to communicate due to poor telecommunications connections, security/vulnerability concerns for remaining women and elderly) and did not always result in reliable remittance flows. For others a dearth of employment options left no choice but to engage in illegal activities – e.g. one Musahar community in Siraha district’s only income-generating option was illegal timber collection from a neighbouring forest, while in Kanchanpur some households were involved in smuggling in goods from India to sell at lower prices than local Nepali goods. (See Box 2 for further details).

2.2.8 Access to longer-term financial credit

A common concern was limited access to reliable longer-term credit and being at the mercy of exploitative moneylenders (who charge up to 70% interest per annum). Although some participants were involved in savings and credit groups or had received loans from targeted development programmes, the benefits were generally thought to be of limited value. In the case of savings and credit groups, group dynamics could be problematic and exclusionary, while targeted development programmes tended to provide inadequate loan amounts with excessively short pay-back periods. Few communities had access to banking services (and even when they did, they were often subjected to condescending treatment by bank officials) but this was usually seen as the most desirable option.¹⁸

¹⁷ The single most important barrier to increasing the irrigated area in Nepal is the fact that the great majority of farms consist of a relatively large number of small, scattered plots. This makes efficient water management exceptionally difficult. It was for this reason that the Agricultural Perspective Plan of 1995 made land consolidation a central plank of its irrigation policy. However there has never been a serious attempt to address this issue, presumably because its administrative complexity combined with a lack of political will to drive the process forward.

¹⁸ Nepal could benefit from closer study of Bangladesh’s experience with micro credit, since that country was the world leader in this field. The same negative issues have arisen there, but Bangladeshi micro credit organisations are now beginning to

2.3 Free and accessible services

Service access was a common priority across all communities, and was defined predominantly as availability of cost-free services close to one's settlement. Free access and proximity were much more common concerns than service quality, with the exception of education services where language of instruction emerged as an important dimension among some Janajati and Muslim communities.

Communities tend to think that it is the government's duty to provide a range of services free of charge, so that even when fees are low there is still a sense of resentment. This goes against the increasingly popular view that even the poor will value services more when they have to contribute to their financing. It is also worth remembering that many households have very limited and irregular access to cash and that daily labourers are paid as little as 40 to 50 rupees for a day's work. In other words, seemingly low user fees from a donor's or Kathmandu central government official's perspective are not viewed in the same way in many parts of rural Nepal. This suggests the need for greater provision of income-generating employment opportunities and better access to credit for the poor. The emphasis on proximity of service provision must also be set in the context of very limited road infrastructure and an absence of transportation options in many of the communities under study.

2.3.1 Education

The two most frequent concerns about local schools were costs (uniforms and user fees to cover stationary and books) and the limited number of grades in local village schools. Although there is now a programme to provide Dalit children and all girls with scholarships to cover school tuition costs, these scholarships were not being universally received by the target population, with school management committees sometimes distributing the money as they saw fit. By contrast, parents of children from poor Bahun and Chhetri communities were often resentful that their children were being excluded from such benefits as they also struggled to meet their children's expenses. In several communities, it was reported that parents and/or children had gone so far as to 'wish they were Dalits' in order to access such government subsidies—a powerful statement among poor Bahun or Chhetri communities, many of whom still practice rules of 'untouchability'.

Another component of user fees was the pressure to pay for private school teachers employed within public school systems. Although school management committees are able to fundraise for and employ private teachers in order to tackle problems of excessively high teacher:pupil ratios, poorer parents often feel under unwelcome pressure to contribute to these costs.

The limited number of grades in many local schools serves as a powerful obstacle for many children receiving education beyond the third or fifth grade, especially girls who are often subject to mobility constraints due to fears for their safety (and reputation). (This problem was particularly acute in Muslim communities – see Box 1 below). A number of communities had pooled resources to establish community run primary schools that cater to pupils above fifth grade, but faced constraints when trying to register these schools with the District Education Office which was concerned about ensuring adherence to existing teaching standards.

Compared to other service providers, there were fewer concerns about teacher attitudes. Nevertheless, there were still a number of complaints about teacher absenteeism, discriminatory attitudes towards poor students and inadequate information about student performance provided to parents. In the case of the Chepang community, there was also a very strong demand for teachers who could speak the local language and provide sufficient guidance to the students. Although the Makwanpur district community involved in this study had sought to have the teacher replaced because of the communication difficulties faced by their children, they withdrew their demand when the teacher

address them seriously, and some promising models are beginning to emerge. Serious analysis of this experience could help "fast track" the design of more appropriate policy instruments in Nepal.

became emotional and urged them to reconsider. They later suspected that district level officials had been bribed to accept this teacher's posting despite inadequate language skills.

Box 1: The role of the *Madrasa* in shaping citizenship

An important difference between Muslim and other communities is the fact that many children are educated through a separate school system, the Islamic-informed *madrasa*. Typically local village *madrasa* run to grade 3 or 5, and after that children need to transfer to a larger *madrasa* near the district headquarters or across the border in India. In the study community, a few boys transfer to government run schools, assisted by the recommendations of several Muslim teachers working in neighboring government schools. Girls are not allowed to attend the government school which is 1.5 kms away due to restrictions on their mobility and fears for their safety. As a result most girls do not have a chance to study beyond grade 5. Those girls who do transfer to the larger *madrasa* near the district headquarters emphasised the strict dress code imposed on female pupils. Community-run and financed *madrasa* are not registered with the government, and the curriculum differs significantly from government-run Nepali schools. Children learn four languages – Nepali, Urdu, Arabic and English, with explanations provided in their mother tongue, Awadhi. Other subjects are taught in Urdu – Urdu philosophy and literature, religion (Koran and other Islamic religious texts), Pan-Islamic Unity, Nepali Geography, Maths and Science. Interestingly no Nepali history or social studies are taught, and most textbooks are of Indian or Gulf State origin.

In the study community, there are close links between the local *madrasa* and *madrasas* in Qatar and also India. Partial financial support was being provided by Qatar contacts. For boys who continue their education system in the *madrasa* system (up to BA level) the main employment opportunities open to them are as *madrasa* teachers either in Nepal, India, Qatar or other Gulf States. A number of local graduates had been given teaching contracts in Qatar. The local community was satisfied with the quality of the *madrasa* school system, but was concerned about the limited employment opportunities open to graduates within Nepal and thus hoped that Urdu would be officially recognised as a local language so that their sons would have access to civil service jobs. A number of parents also hoped that a government run school could be established in their village so their children could benefit from both school systems.

2.3.2 Health services

Health services emerged as a common priority but only in one focus group discussion did they emerge as the top priority. For most communities access to health services was a lower order priority than improved livelihood security or connectivity. Health services also came under a significant amount of criticism, with the exception of the female community health workers, who tended to be well liked and even viewed as champions of community interests. Although sub-health posts were present in most VDCs, frequent complaints included the lack of qualified personnel (often just an assistant or 'peon' was present), disrespectful treatment of the poor (including pregnant women), and very limited availability of medicines and treatments. Better services and medicines were available at expensive but more respectful private clinics, often staffed by the same healthpost doctors working in private practice. There were also suspicions by some participants that medicines intended for the healthposts were being sold for profit at private clinics.

2.3.3 Drinking water

Access to drinking water emerged as an important concern, and as discussed above was particularly important to Dalit community participants as water handling is a touchstone of untouchability practices. Dalits were often forced to lose their place in the queue at public water supplies in favour of 'higher castes', and/or suffer regular humiliation by being compelled to ask to use the water source of 'higher caste' families.¹⁹

¹⁹ In one Acham community, this experience was particularly galling as the public water well that had been constructed inside the compound of a 'higher caste' household with strong social or political connections.

In rural communities people's priority was to have access to more taps and hand-pumps within their settlement and preferably within their own house compound, whereas in urban communities the concern was more about maintenance of drinking water pipes and monitoring them to ensure that they were safe. There were frequent complaints however that officials ignored demands for improved water sources. For example, in one case in Jumla an official had dismissed petitioners' request for a safe water source by telling them they should make do with the river, which is well-known to be polluted. In urban Kanchanpur, officials refused to maintain the waterpipes even though there was a thick coloured film on water flowing from the local pipes.

2.4 Connectivity

Connectivity was identified as an important priority by many communities, especially those residing in hill and mountainous communities, underscoring the fact that geographical remoteness constitutes an important component of people's experience of poverty. Part of this is no doubt connected to experiences of isolation and vulnerability during the conflict whereby communities were for years subject to frequent harassment and/or house occupation by Maoists and army forces with no possible recourse. It is also related to the daily limitations that people face in accessing markets, employment opportunities and communication channels to loved ones living abroad. This need has been heightened because of the conflict, given that so much infrastructure, particularly bridges, were destroyed.

2.4.4 Roads

Roads emerged as the most frequently cited priority across all the study communities, but demands for improved road infrastructure were most strongly articulated in mountainous districts and the Kanchanpur squatter settlement (which is subject to flooding and sewage overflows on an annual basis due to poor roads and drainage systems). A number of our study communities were more than 50kms away from district headquarters and in the absence of motorable roads, up to a full day's walk away.

2.4.5 Telephone

With large number of family and relatives working abroad, access to affordable telecommunications channels was cited as a priority in a number of women's focus group discussions. The fact that it was a female-specific priority reflects the disproportionate numbers of men working abroad as well as women's role in maintaining family social capital.

2.4.6 Post office

The importance of reliable postal services is also linked to the high numbers of international migrants, and was seen as important both in terms of receiving remittances and communicating with relatives.

Box 2: Border opportunities and risks

Nepal's 900 km long open border with India has long elicited mixed attitudes, presenting both threats and opportunities. This sense of ambivalence was also shared by study participants living in Kanchanpur, Kapilbatsu and Siraha districts.

First and perhaps most importantly India is seen as a source of economic opportunities. *Remittances* from labour migrants to India (and to the Persian Gulf) play an important role in supporting household livelihood security, and do not seem to be diminishing following the peace process. Although communities reported that male relatives were returning home more frequently following the conflict, few were staying permanently due a persistent lack of local employment opportunities.

Goods are often cheaper and more abundant, meeting both household consumption needs and also those of small businesses. But *market access* is not always so unfettered in practice – whereas focus group discussion participants from the Kanchanpur Ranatharu community were often subject to fines from customs officials or police on either side of the border for attempting to bring in bulk goods, they struggled to compete with larger Indian merchants who tended to flood local Nepali markets with cheaper products. In order to ensure greater livelihood security, an important priority identified by this community was better/ fairer regulation of markets in the border vicinity.

A combination of economic opportunities and family ties also encourage large numbers of *cross-border marriages*. Parents of sons are often keen to attract an Indian bride because of the larger dowry she will typically bring to the family, while marrying into an Indian family is viewed as a way to ensure greater economic prosperity for one's daughter. Although some parents in the focus group discussions were aware of the sometimes violent treatment meted out to daughters-in-law in some Indian households and worried that living across the border gave them little chance to intervene in such cases, economic considerations generally won out in marriage decisions.

Cross-border migration also emerged as an important influence in terms of *social and political learning*. Caste cleavages were more easily overcome when living abroad, and understandings of alternative governance systems were often based on observations of Indian federalism, targeted development programmes and state subsidies. Cross-border religious ties also emerged as significant for some Hindu and Muslim communities.

2.4.7 Electricity

The weighting given to electricity was as much related to relative deprivation as it was to clearly articulated needs. In many cases, participants stressed their unhappiness that neighbouring communities were well lit but that they were suffering in darkness. The demand for electricity was also linked to a sense of frustration at the inefficiency of government – in many places poles had been erected a number of years earlier, symbolising the promise of electricity, but the wiring had never been provided. Even in cases where community lines came, house connections were often beyond the financial means of poor households. In several sites there was also mention of electricity transmission pylons having been destroyed during the conflict, and not yet repaired.

Other concerns included the expense and inconvenience of kerosene (which has been subject to rising prices and frequent shortages due to strikes), and the need for women to increase their hours of productivity, especially in mountainous areas like Jumla and Taplejung.

2.5 Greater equality, respect and dignity

As many observers have noted, Nepal is a society characterised by deeply entrenched social hierarchies that permeate daily as well as political life.²⁰ In this study the focus group discussions addressed issues of social exclusion by asking participants to talk about the intangible and relational dimensions of their lives that they would like to improve in order to tackle their poverty and vulnerability. Although these discussions were often difficult to initiate, once started they frequently

²⁰ Refer to the DFID/World Bank GSEA for an excellent and more in-depth discussion of social exclusion and poverty.

elicited very impassioned responses. What was perhaps most striking was the disjuncture between participants' often surprisingly clear sense of inequality and injustice on the one hand, and behavioural practices on the other (particularly among men and poor 'higher caste' participants). Among Dalits and Janajati men, for example, although they were often able to recognise the unfairness of the way in which they treated their wives and daughters, they were reluctant to change for fear of being looked down upon in public for breaking traditional social codes. Patterns of inequality were not seen as natural or 'god-given' or something to which one becomes habituated and immune, but rather the source of often daily upset and loss of dignity.

Overall, inequalities between men and women emerged as the most frequently cited priority area to address, followed by economic inequalities, caste and ethnic cleavages, and regional differences. In this section we also discuss problems of social exclusion experienced by the elderly, religious minorities, and problems of community disunity, which emerged as important issues in several communities.

2.5.1 Inequalities between men and women, girls and boys

Inequalities between men and women emerged as the most common intangible area of concern, especially in the women focus group discussions but also among a surprising number of male groups. Participants were not necessarily advocating full equality, but definitely saw ample scope for improvement. This is in marked contrast to the 1999 NEPAN PPA where gender differences did not emerge strongly. NEPAN argued that this was perhaps because the demands of household survival were so immediate and pressing. Changes over time may be due to a growing consciousness of gender discrimination brought about by an active grass roots women's movement that has emerged through the many local women's groups – and the considerable attention given to gender injustices by the Maoists in the intervening years. But it is also worth noting that this earlier PPA involved mixed group discussions and that women may have felt less confident to speak out about their gender specific grievances in such an environment. This difference may also reflect a general perception among the focus group participants that gender differences are not static but changing over time. Many emphasised that things were worse 'before'.

The first axis of inequality identified by many participants was the unequal gendered division of labour. Women have to shoulder reproductive duties (domestic chores, child and elderly care) as well as productive labour responsibilities, whereas men are largely only responsible for productive labour activities. In Jumla district, for example, women were said to 'be like pack animals' due to their taxing work load, and especially in contrast to men who spend long hours playing games at teashops. There was also a sense that women were more responsible with money (e.g. women were more likely to persist in savings and credit groups over time), whereas men have a tendency to 'squander money' and in some communities to drink excessively and take out their frustrations on their wives and children.²¹ Despite this clearly unequal division of labour, a number of women's focus group discussions were critical of their exclusion from household decision making processes. For instance, despite women having to put in long hours to take care of livestock they were rarely consulted on decisions to sell or purchase new animals, let alone having access to the profits. Similarly, they also complained that their dependence on their husbands was exacerbated by a lack of property rights and land title in their name.²²

Traditional cultural practices were a second important area that men and women alike identified as reinforcing women's unequal status within the family and society. These varied considerably across different regions of the country (see Box 3 below), suggesting that there is no uniform patriarchal

²¹ In this study, problems of domestic violence were expressed in Kanchanpur and Taplejung districts, but other research suggests that the problem of family violence is likely to be much more widespread.

²² Although legislation (the Nepal Citizenship Act 2006 and the Civil Code, 11th Amendment) was passed in May 2006 allowing women equal property and land rights, and the ability to pass on their citizenship rights to their children, awareness of this change is clearly very low among poor and excluded women, suggesting the need for legal literacy initiatives to which we return later in the report.

system, but rather diverse patriarchal practices and belief systems that will need to be tackled through a decentralised, context-specific approach.

In many communities, gender inequalities start very early in life. In Kanchanpur focus group discussion participants pointed out the local simile ‘boys are like orange trees, daughters like dried grass’ which clearly encapsulates a widespread son preference. Equally disturbing is a growing trend in some poor communities to use sex-pre-selection technologies in order to abort female fetuses. In Pyuthan district, participants from a poor Bahun and Chhetri community admitted that it was increasingly common for families to use their meagre savings to finance a trip to the Indian border to visit a clinic they knew of that performed sex pre-selection examinations and provided abortions where necessary. Although there was a sense among these women that this practice was problematic, they were under strong familial pressure to have sons but also to keep family numbers down. Within the Muslim community in Kapilbatsu district, restrictions on girls’ mobility starts as early as age 8 or 9, with many girls never having travelled more than two kilometres from their house. Whereas some boys are allowed to attend the government school after the local Koranic school, this option is not open to their female counterparts.

Box 3: Examples of traditional gender discriminatory practices

In Western mountain districts, under the *chaupadi* system menstruating women are banished for reasons of ritual ‘impurity’ to animal stables or worse far from the house for 5-9 days each month. This was identified as a harmful traditional practice that needs to be curbed through concerted awareness raising efforts. Similarly, the maltreatment of widows who can be the victims of vindictive accusations of witchcraft was also identified as a problem.

In the Terai, the marriage dowry (*daijo or dahe*) system is serving to reinforce inequalities between boys and girls. Parents are reluctant to invest in their daughters’ education beyond the fifth grade as daughters not only leave the family after marriage (with sons taking care of parents in their old age) but also the more educated a girl is the more expensive the dowry needed to attract an equally or better educated husband.

Among the Ranatharu community in Kanchanpur district, women’s position within the family is rendered precarious because of the practice of men taking multiple wives (as long as they can afford ‘two meals a day and sufficient soap for each wife’). Similarly problematic is a custom which sees many child betrothals between a younger boy and an older girl with the objective that the girl will be sufficiently experienced at household management once the boy reaches adulthood. Focus group discussions, however, emphasised that many girls married under such arrangements are later deserted by their husbands who had no choice in this arranged marriage system.

Chepang men from Makwanpur emphasised that one of the barriers to their community’s development was ‘outmoded ways of thinking’. *“Our way of looking at women is very traditional– we doubt them, question them, we don’t educate them because they will marry into another house anyway. We haven’t updated our thoughts but this needs to change”*.

For many women a sense of economic dependence was seen to be at the heart of their inferior status. Key priorities to address this included access to literacy and adult non-formal education classes, skills training (particularly to allow them to become self-employed) and employment opportunities. A related and bitter complaint among both men and women was the ubiquitous gendered wage discrimination – it was reported that women are typically paid one third to one half of men’s daily wage rate, often for the same work.²³ In some cases, they are not even rewarded monetarily, just in kind. Male complaints about this system were related to the fact that even with two working adults in the household it was often very difficult to make ends meet.

²³ The 2004 NLSS II data shows that overall women are paid 73% of men’s wages (which is down from 1996 when they received only 81% of male wages). The 2006 DHS data reveals that 41 percent of working women are paid only in kind – and 23 percent are not paid at all.

Although not mentioned as frequently, there was also a recognition among some women that their priorities were not likely to be addressed as long as they were excluded from community decision-making processes and political representation. In Kanchanpur, sukumbasi women lamented that when they had organised collective action efforts to improve facilities in the settlement, their spouses had accused them of ‘taking over men’s roles’ or ‘acting like men’. Other women, for example the Chepang in Makwanpur, complained that the reservations for women in community user groups were not honoured. Similarly, when identifying blockages in the system that impeded the realisation of local development priorities, several women identified the lack of women’s political representation as a factor.

2.5.2 Caste inequalities

The social exclusion of poor Dalit communities is reinforced in highly visible and degrading ways on a daily basis. Such routine humiliation explains in part why a significant proportion of the CPN support base came from impoverished Dalit communities (Thapa, 2003). Although addressing land and livelihood insecurities emerged as top priorities among Dalits, focus group participants nevertheless spoke passionately about the ‘mental anguish’, injustice and indignity of the untouchability practices to which most—both urban and rural communities—are still subjected.

- In Siraha district, the Musahar community emphasised the beatings to which they were subject if they displeased the landowners for whom they worked, the indignity of having to answer to their whims and work unpaid on demand in ‘high caste’ homes, and the way they are fed on grass leaf plates rather than regular plates by landowners. (In several communities the feudal system of working for the landowner in exchange for a certain amount of grains from the biannual harvests (rather than cash compensation) is still practiced, further reinforcing Dalits sense of dependency and risk aversion.
- In Aacham, the problem of scattered land plots in amongst ‘upper caste’ land holdings means that on the occasion of a Dalit person’s death, families are obliged to seek out long circuitous routes through the hills to avoid sullyng ‘upper caste’ properties.
- In Pyuthan women focus group participants emphasised that their positive feelings towards the Maoist were partly linked to their willingness to accept Dalit hospitality and take the time to enter their houses, sit with them and eat their food.
- In urban Bhaktapur, if a Sarki drinks tea in a local teashop s/he is still obliged to use separate cups and to wash the teacup afterwards, in order to the preserve ‘ritual purity’ of the shopkeeper and other clients .

In all cases, Dalits emphasised that they wanted to be treated with respect and dignity, and to be given a voice. However, the question from one Bhaktapur focus group participant that if the caste system were abolished and all were made equal, ‘who would decide what everyone would do?’ (in terms of occupation), underscores the extent to which the caste hierarchy continues to disempower those at the bottom of the hierarchy and limit their very sense and scope of the possible.

2.5.3 Regional inequalities

The two most heartfelt cases of regional discrimination were found among people from Jumla District in Karnali Zone and the Madeshis from the Terai. In the case of Jumla, large numbers of the Gurung community had been recruited to the army and so had been stationed throughout the country. But there were strong complaints that they were looked down upon and socially excluded due to their origins from Karnali Zone, Nepal’s most under-developed region.

The Madeshi movement has captured widespread attention since the January 2007 uprising led by the Madeshi People’s Forum. The high death toll (40+ fatalities) and persistent security threats particularly in the Central and Eastern Terai have ensured that historical patterns of political exclusion and discrimination by Nepalese of hill origins towards those of the Terai are firmly on the national political

agenda (see e.g. Yadav, 2006). This in turn has led to a broader questioning about popular imaginings of the Nepali national identity – historically defined according to four key pillars: the Monarchy, Nepali language, Hindu religion and bravery as symbolised by the Gurka army.²⁴ Views about these issues were, however, surprisingly diverse (including within caste and ethnic groups) among the poor communities from three Terai districts included in this study, Kanchanpur, Kapilbatsu and Siraha.

- The Ranatharu from Kanchanpur were categorically opposed to the Madeshi movement and its violent tactics (as well as to any broader Janajati movement), claiming to be the indigenous Terai Janajati.
- The Siraha Tharu community by contrast appeared to support the broader objectives of the Madeshi Forum and the women in particular emphasised how poor Madeshis such as themselves had been treated ‘worse than animals’ by government officials.
- Musahar Dalits of Siraha did not self-identify as Madeshi, seemed to be sympathetic towards the Maoists and what they could do to alleviate caste discrimination.
- The middle caste Yadav community in Siraha was very concerned about the potential for communal violence due to the Madeshi movement mobilisation, and was perhaps the least optimistic about the peace process among all the communities.
- In Kapilbatsu district, there was a stronger sense of identity as Madeshis among both Dalit and Muslim communities, but only when citizens were interacting with government officials (typically from hill districts). Whereas the Muslim community in the study had a separate and strong sense of identity as a vulnerable religious minority among neighboring wards and referred to themselves as ‘non-Madeshi’ in this context, in interactions with bank managers and civil servants they complained bitterly about discriminatory treatment by ‘hill people’ against Madeshis. The Kapilbatsu Chamar community expressed similarly multi-layered identities – criticism of exploitative Madeshi landowners but similarly united in their opposition towards hill origin government officials.

2.5.4 Religious equality?

The Interim Government of Nepal declared the country a secular state on May 18 2006 but there was little sense that poor people from religious minorities had experienced any benefits, such as greater ease to practice their religion or more equal access to public funding for religious facilities.²⁵ It is also worth noting that the experiences of the three communities with strong religious identities in the study – Buddhist Gurung in Tanahu, Christian Chepang in Makwanpur and Muslims in Kapilbatsu – were highly varied, suggesting the need for a carefully nuanced understanding of religious identity and how it intersects with broader patterns of social exclusion.

- In the case of Tanahu Gurung, one of their top priorities was the construction of a local Buddhist temple. However, even though they had formed a committee and initially successfully persuaded local authorities to provide financial support and land for the project, this had subsequently been thwarted as authorities identified other priorities they deemed more pressing.
- The Chepang, Hill Janajati from Makwanpur, had converted from Hinduism to Christianity, and were more concerned about overcoming ‘outdated thinking and practices that had prevented the community from developing’ than getting state support for their religious activities. They recognised the church’s positive role in reducing alcoholism in the community and were quietly confident of their different belief system, warning field researchers ‘Don’t think it odd if you see us up at night meditating – sometimes we dream of God and are called to do this’. The community already had a local church, which was used as a community center, likely supported by foreign missionaries active in the area.

²⁴ Key informant interview with Bhasker Gautam of Martin Chauteri Research Institute.

²⁵ Hinduism is the majority religion in the country, with Hindus comprising 81% of the population. Religious minorities include Buddhists (11%), Muslims (4.3%), Kirats (2%), Christians (%) and Atheists (0.3%).

- The findings from the Muslim community in Kapilbatsu district suggest that poor Muslim communities are especially vulnerable, experiencing multiple and overlapping sources of social exclusion.²⁶ This is based on i) their religious identity, ii) status as minority language speakers, and iii) identity as Madeshis when dealing with predominantly hill-origin government officials, and is in turn frequently exacerbated by their education in a separate religious school system that offers only limited employment opportunities. Moreover, this study's findings suggest that religious tensions exist beneath the surface in parts of Nepali society and that there is thus a need for sensitive monitoring of this situation as well as policy efforts to promote greater social inclusion (see Box 4 below for further details).

Box 4: Underlying religious tensions?

Muslims comprise just 4.3% of the total Nepali population, and have received relatively little attention in development discourse to date. In Kapilbatsu district, however, Muslims make up approximately one fifth of the population. Although they identify as Madeshi when confronted by unreceptive Pahadi (hill origin) government officials, they concurrently see themselves as non-Madeshi when explaining local village social and political dynamics. When first asked about religious discrimination or inequality, the Muslim community in this study insisted there were good relations between Hindus and Muslims. However, further probing suggested that the reality was more complex. On the one hand, there was some participation in respective religious festivals, but on the other whereas Muslim community members in the research site had helped other wards in road construction work, when it came time to reciprocate, support was denied on the pretext that their community was better off (including owning a tractor) and so did not need support. Although it may have been in part due to different political party affiliations (a much respected community leader had been a RPP ward chair for 15 years in the past), it is worth noting this was the only majority Muslim ward in the VDC.

Focus group participants further noted that in situations where this community had different views from non-Muslim neighbours, they would be reminded of previous incidents that had resulted in Muslim boys and men throughout the district having to flee across the Indian border. Although the incidents (where a cow had apparently been killed by non-Muslims but dumped outside a Muslim house and attributed to a Muslim slaughterer) had happened between 8 and 10 years ago in a neighboring VDC, the fear associated with those incidents was still sufficiently strong as to leave the community feeling vulnerable. Memories of Hindu/Muslim communal violence in neighboring Uttar Pradesh following the demolition of the Babri Mosque in Ayodhya in 1992 had further exacerbated this sense of insecurity, and were perhaps being reinforced by recent protests by Hindu fundamentalists in India against the declaration of Nepal as a secular state in 2006.

In addition, complex caste and religious dynamics also appear to be operating – the focus group participants sought to emphasise that caste discrimination was insignificant within the Muslim community, arguing that while it might have once existed 'it wasn't practised anymore'. However, in reality it seemed that Muslim Dalits were still subject to some untouchability practices, and all Muslims were also prevented from entering Hindu kitchens (although the reverse was not true).

Lastly, it is important to note the global connections of this community to India and Qatar in particular, suggesting that it is seeking to compensate for a lack of local security by developing cross-border social capital. In addition to the close relations with the Indian, Qatar and Saudi Arabia madrasa systems, the construction of an imposing new mosque was being financed by a wealthy Muslim Indian businessman.

2.5.5 Elderly vulnerability

The vulnerability of elderly people emerged as a concern both among the elderly themselves and among the younger generation. In communities where livelihood concerns were paramount and precarious (especially among Dalits), elderly people perceived their inability to contribute to productive

²⁶ This is in line with the Nepal Living Standard Survey II that found that the national poverty incidence dropped an average 11 points from 1996 to 2004 – from 42% to 31%. However, for Muslims the decrease in poverty was lowest: just 6% compared to 42% among Bahun/Chhetri, 21% among Dalits and 10% among Hill Janajatis.

work activities as burdensome on the family. Indeed, in one focus group discussion involving a number of elderly men in the Kapilbatsu Chamar community, a community home for the elderly was proposed as a priority development issue in order to reduce their dependence on their sons and daughters and to receive more regular care. Other elderly people complained of their isolation as their relatives increasingly migrated abroad for work, and even sons who participated in the focus group discussions but migrate seasonally expressed their concern that they are unable to care for their parents in the way they feel they should.

In this vein the importance of the senior citizen and widow pensions was articulated in a number of focus group discussions. Those who were receiving a pension emphasised their importance in reducing their dependency but also argued that the amount should be increased as it was insufficient to be self-sufficient. There were also a significant number of complaints from elderly and children with elderly parents that they were not receiving a pension even though they believed they were eligible. Key problems included elite capture, insufficient funding at the local level, and problems with age certification.

- In Jumla women who met the criteria for widow or senior citizen pensions had been told that only a certain number of pensions could be funded and that they would have to wait for a year or more.
- In Kapilbatsu elderly men complained about the citizenship card process whereby officials had not taken the time to assist illiterate applicants to calculate their correct birth date and had apparently assigned them arbitrary ages. Accordingly elderly people who meet the age criteria of 75 years are sometimes officially recorded as being a decade or more younger and thus have little hope of receiving state support.
- In Acham daughters-in-law pointed out that although at least 10 women in their village should be eligible for a widow's pension no one had ever received one, nor had the elderly been given their senior citizen pension. VDC officials had collected people's names but had never delivered.

2.5.6 Poor 'higher caste' communities

Our findings on poor Bahun, Chhetri and Yadav communities call into question conventional thinking on exclusion. In particular, they challenge the commonplace view that automatically sees Bahuns and Chhetris as the most advantaged social group, and cautions us to adopt a more nuanced view of the interplay between poverty and exclusion. The communities in our study expressed a strong sense of social exclusion, and emphasised that they had not been consulted by either governmental or non-governmental actors about their problems. Indeed the poor Bahun and Chhetri communities in Jumla and Kanchanpur in this study suffered from a higher lack of access to services and basic infrastructure than their Janajati (Gurung and Ranatharu, respectively) counterparts. Their sense of exclusion was based on two key points. First, intra-community cleavages between what many people referred to as 'the cunning' [dhurta or chalaach] and 'the simple' [sojha sajha] meant that they did not feel able to rely on connections with better off members of their caste group to address their problems. Indeed there was a sense among the Yadav in Siraha District that they were looked down upon by other better off members of their own community on account of their impoverished circumstances. Second, there was a strong, often emotionally articulated, perception that they are being excluded from development programmes, which are largely targeted at Dalits and Janajatis (see discussion above on school scholarships).

Findings from this study suggest that efforts by the Maoists to break down caste discrimination had not necessarily been sustainable – one of the 'positive' changes brought about by the peace process for some Bahun/Chhetri communities was the freedom to revert to practising ritual purity. Although they had been compelled to allow Dalits into their compounds during the Maoist insurgency and even to eat together, they had now ceased this interaction. Only in the market and other public places did they feel it was necessary to be on their guard against any obviously visible untouchability practices. This indicates that in order to address caste inequalities and effectively address social tensions that might

threaten the fragility of the peace process, there is a pressing need for legal and affirmative action measures to be accompanied by sensitive civic education programmes. Only then can the risk of future conflict be avoided and meaningful, internalised and sustained changes be internalised (provided behaviour, attitudes and structures are addressed in a long-term programme to ensure sustained transformation).

2.5.7 Janajatis (indigenous minority peoples)

Indigenous minority groups constitute 37 percent of the Nepali population, but are highly diverse comprising some 59 different groups²⁷ and over 100 languages. This diversity was also highlighted in the study which incorporated 6 relatively populous Madeshi and Hill Janajati groups – Ranatharu and Tharu (Kanchanpur and Siraha), Gurung (Jumla and Tanahu), Magar (Pyuthan), Chepang (Makwanpur) and Limbu (Taplejung). These communities differed in terms of poverty levels, level of political organisation, language and sense of identity (see Table 5). What is striking is that although they fall outside the Hindu caste system, and have some common interests in terms of a desire for greater political representation and recognition of their language and culture, no sense of pan-Janajati cohesion or more specific development demands emerged. However, there were clear signs of increased debate and organising around these issues as evidenced by the number of ethnic, political and non-political groups formed in research sites since the peace process.

Table 5: Key characteristics of Janajati communities in this study

Community name	Location	Level of political organisation	Language	Poverty level	Primary identity
Ranatharu	Terai	Well organised (Tharu Welfare Society)	Tharu	Relatively better off	'Indigenous Janajati', not Madeshi
Tharu	Terai	Not organised	Maithili, Tharu	Disadvantaged	Madeshi
Gurung	Hill	Not organised	Gurung	Disadvantaged (Jumla), Relatively better off (Urban Tanahu)	Gurung, army and foreign army connections
Magar	Hill	Not organised although a Magar organisation does exist in the district	Magar but community mixes with Nepali	Disadvantaged	Magar – aware of one Magar minister in the past but not enough to make a meaningful difference
Chepang	Hill	Some level of political organisation (Chepang Song)	Chepang	Highly disadvantaged	i) Access to the forests, land and water is their 'cultural and ethnic right'; ii) access to bilingual education and services is critically important; iii) overcoming community disunity is a major concern
Limbu	Hill	Not organised	Limbu	Highly disadvantaged	Aware of Limbu Liberation Front but unsure whether it will address their primary concerns which are livelihoods related

²⁷ This is the official number of groups declared by the National Foundation for Indigenous Nationalities. But this is contested by for example, groups like the Rai who contain numerous subgroups who speak mutually unintelligible languages and feel these groups should be separately recognized.

3. Interacting with the state

3.1 Concepts and practices of grassroots citizenship

Analysts interested in issues of state building and governance are increasingly concerned with how poor and excluded groups understand and experience citizenship and the patterning of state-citizen interactions (e.g. Manor 2003, Mooij 2005). Although policy makers and development practitioners may not always apply lessons, Corbridge et al. (2005) emphasise these actors have much to learn from a more nuanced understanding of how the poor 'see the state' because 'States are best thought of as bundles of everyday institutions and forms of rule' (p5). In this vein, this section now turns to the heart of the participatory governance assessment by exploring how poor and excluded Nepalese understand citizenship, how they practise it, the barriers they face when interacting with the state and their views on how these could be overcome.

One of the most striking general findings of this study is the surprising degree of citizen-state engagement, especially in the context of a country that has until recently been torn by conflict and where many citizens hold painful memories of abuses by government security forces and police. Although the field research was undertaken relatively shortly after the peace process, few communities were able to pinpoint any significant changes in links with government agencies in the post-conflict period, suggesting that the findings also reflect people's general experiences in recent years during the conflict. When asked to list the government agencies with which they interact in their daily lives, focus group discussants were able to identify a surprising number (average of 8.5) of state offices.²⁸ As we will discuss further below, however, the level of satisfaction with the quality of this interaction was generally very low. This number was lower among Dalit communities (average of 7.4 cf. 8.9 for non-Dalits) and women (7.7 cf. 9 for men), possibly reflecting higher levels of illiteracy, time, poverty and in the case of women, especially Muslim and Bahun/Chhetri women, mobility constraints.

There was, however, one uniform and significant absence – institutions of formal justice (e.g. courts or paralegals) across all communities regardless of caste/ethnicity/gender/ geography/ religion. As we discuss in more depth below this is perhaps symbolic of the fact that the poor feel especially excluded from access to institutions of formal justice.

A second significant dimension of citizens' 'sightings of the state',²⁹ is the strong not only physical but also psychological connection they have to local (primarily village-level) government, likely reinforced by the relative isolation of many poor communities from the central state during the conflict period. In fact, it was only relatively recently (1999) that the institutional framework for meaningful political decentralisation was defined and legislated through the Local Self-Governance Act (LSGA). The LSGA coincided with the Ninth Five-Year Plan which emphasised poverty reduction and rural development, while the current Tenth Plan goes further to consider decentralisation in a cross-cutting sense, promoting fiscal, administrative and functional devolution. This process was driven by close collaboration between government agencies, development partners (particularly UNDP and DANIDA), local bodies and civil society (Nepal Development Forum 2004).

Previously, during the Panchayat era, the Decentralization Acts of 1982 and 1984 merely provided an extended central arm of government operations with little emphasis on fiscal and local governance processes (ibid.). After the first People's Movement and the re-introduction of parliamentary politics, progress was made in 1992 with the establishment of three Local Body Acts that instituted District Development Committees (DDCs), Village Development Committees (VDCs) and Municipalities - although these changes did not precipitate much change in decision making power, effectively

²⁸ This finding emerges as all the more significant when compared to Corbridge et al. (2005)'s findings from North East India where in a similar exercise participants identified significantly fewer representatives of the state.

²⁹ This language is borrowed from Corbridge et al, 2005.

deconcentrating state structure (ibid.). Moreover, scheduled local elections could not be held in 2002 due to the dissolution of parliament and elected local bodies, while turnout in 2006 was poor.

When asked to list the main individuals or agencies that represent the state for them, the most common response was the local VDC chair, followed by ward chairpersons and the District Development Committee (DDC) chair. Central government figures seemed far removed from popular imaginings of the state. This is not to argue that poor and excluded groups are largely satisfied with local governance, but instead to emphasise that notwithstanding multiple and often deeply felt criticisms of local government officials, they are nevertheless more supportive of decentralised policy decision-making processes. This support was clearly stronger in locales where VDC or ward chairs had organised public consultation meetings or made visits to the village and was a figure that local people could name.

Interestingly too, despite long and often repeatedly disappointing interactions with local level officials and service providers, poor and excluded groups still retained high expectations of government authorities (especially village level officials). Several common reasons for this sentiment emerged across many of the study sites. First, expectations towards the state are likely to be in part the legacy of centuries of feudal rule, and the 1960-1990 Panchayat system where state-citizen relations were based on extreme dependence and fear, where questioning civil servants, let alone demanding change, was unimaginable. In complying with social and political hierarchies, the powerless nevertheless expect that the powerful will provide some assistance through ruler largesse (Lawotti, 2005) and in this way paternalistic attitudes and traditions are perpetuated. Remnants of feudal subject identities could be detected in the disjuncture between focus group discussants' insightful analyses of community needs and clear suggestions for improvements, and an absence of efforts to articulate these demands to officials or service providers.³⁰ This is was no doubt partly influenced by the relative dearth of mechanisms, despite the presence of the Local Self-Governance Act, to channel public participation in policy processes. This was highlighted by the fact that for many focus group participants involvement in this participatory governance assessment was a novel experience. Indeed, as discussed above, local elections have frequently been disrupted or delegitimized through conflict and low participation.

For many poor and excluded groups, the state is also the only provider they are aware of – the presence of NGOs and donor organisations was surprisingly limited in most of the study communities and what limited experiences participants had had with non-state actors had been relatively short-term (see Box 5 below). A number of focus group discussions highlighted the problems of donor and NGO projects having been discontinued with inadequate advance warning and communication as to why. This is no doubt linked in part to the serious security problems in rural Nepal over the last decade but perhaps also a function of the relatively short-term project cycles of the majority of donor and NGO projects and the fact that their presence is often limited to the capital and provincial capitals.

3.2 Blockages

An important part of this participatory governance assessment entailed asking focus group participants to pinpoint problems with their interactions with government agencies and public service providers. Interestingly many communities identified both supply side and demand side blockages.

On *the supply side* key concerns included the following:

3.2.1 Corruption and patrimonialism

Corruption and patrimonialism appeared to be deeply entrenched in almost all VDCs where our study communities were located (with the exception of the Chepang in Makwanpur perhaps because they are

³⁰ It is important to note that many of the officials with whom the poor interact are also dependent on the operation of a much larger (and still very feudal) system of fund and authority flows. Some of course would be able to do a lot more than they do to respond to local needs.

widely viewed as one of the most isolated and ‘backward’ communities in the country). In order to process routine applications for e.g. birth, marriage or death registrations, land title etc. VDC and DDC officials would commonly ask for small bribes. Many focus group participants spoke animatedly about the cultural codes of bribe taking involving particular body language and gestures, underscoring the extent to which such behavioural patterns are embedded in civil service culture. Obtaining basic services from vets, agriculture extension workers, the police or health workers to carry out home visits also frequently necessitated small bribes to ensure action. Perhaps the only government agents to be spared such accusations across all communities were the female community health volunteers, many of whom were from the community itself, perhaps signalling an important ingredient of accountability – proximity to stakeholders. Although there were few examples of active resistance among focus group participants, this was a source of considerable frustration and ending petty corruption emerged as one of the most important and frequently cited demands.

3.2.2 Limited information flows

The lack of access to timely information about public services, legal entitlements, targeted development programmes and public meetings was the second most significant blockage identified. Poor and excluded groups did not lack interest in state provided services and programmes but too often felt that they had been left out of information flows and consultation processes. Examples included a lack of information about;

Box 5: Interacting with non-state actors

Particularly in remote rural villages, but also in urban squatter communities, the presence as well as perceived importance of non-state actors was notably limited.

NGOs: In contrast to the large number of NGO and INGO offices that field researchers encountered in district headquarters, NGOs were operational in only a handful of the study sites and even where they were active it was typically to address just a single issue. In Jumla KIRDARC was providing non-formal adult education classes and some childcare services, in Aacham the Dalit community had been able to avail themselves of a skills training programme by the Social Empowerment and Building Accessibility Centre (SEBAC), the Dalit Women’s Organisation is active in the Kapilbatsu Chamar community and Save the Children US has been involved in a drinking water programme in Sirarha. But with the exception of the Dalit Women’s Organisation, the benefits provided by these NGOs were not seen to be particularly significant.

Donors: although foreign aid flows have reached 8.9% of GDP in Nepal, their visibility in the eyes of many poor and excluded groups is limited. This is partly due to the fact that most large targeted development programmes are not present in all districts and in the districts in which they are operating VDC coverage is only partial. The geographical remoteness of many of our study communities no doubt reduces the likelihood of programme coverage even further.

The important exceptions to the low visibility and impact of donors was in the Siraha Tharu community where the Poverty Alleviation Fund had provided important income generation opportunities support, and the GTZ-supported Municipal Development Fund in urban Tanahu, which was providing important city infrastructure improvements. Although several programmes were working in other communities, they were either just at the group formation stage, or perceived to provide too limited loan amounts with unrealistically short payback schedules, involved user fees which were beyond the financial capacity of the very poor and/or necessitated unfeasible time investments.

The private sector: the private sector was perhaps the least visible of all non-state actors to poor and excluded groups. Although several return labour migrants identified industrial or construction jobs as an important area to address, most focus group discussants who listed employment opportunities as a priority, either referred to employment creation as the state’s responsibility or were interested in self-employment options.

There is a strong sense that local elites control access to information in order to maintain their positions of power. This was reinforced by the fact that over half of the focus groups were unable to identify a single broker of information in their community. As we discuss further below, although some participants were aware that information is sometimes posted outside the VDC or DDC office, this was seen to be of limited use as most people visited the VDC or DDC office infrequently and moreover, many were illiterate and tended to only seek out the help of a better educated companion when they calculated that the benefit they might obtain from the VDC or DDC office would outweigh the transport and snack costs they typically need to cover when soliciting the help of a more knowledgeable interlocutor.

3.2.3 Lack of opportunities for consultation

A related point refers to a perception that local and especially national government officials do not make adequate efforts to consult ordinary villagers about their views and priorities. Although a number of people were reluctant to participate regularly in community user groups due to time constraints, there was nevertheless a general sense that officials seldom invested the time to consult with villages about their development needs. Visiting VDC or DDC headquarters often involved a considerable outlay of time and finances for villagers in remote rural locales, but was often the only hope of communicating with local authorities. Among those who did make the effort to articulate their concerns, there were widespread complaints that officials did not take the voices of the 'poor', 'illiterate', 'Madeshis', 'uneducated women', 'untouchables' seriously. Respondents felt that some officials were openly rude and dismissive, whereas others just offered 'false promises'.

3.2.4 Elite capture of community user groups

Although Nepal has more than 400,000 user groups which have been established to increase community involvement in natural resource management and the delivery of basic services (GSEA, 2005), their presence was far from ubiquitous in the communities in this study, indicating that decision-making power had been captured by a minority. Community forestry groups were present in 5 communities, women's savings and credit groups in 6, drinking water groups in 3, and school management committees in 7 of the 21 communities visited. Although local health services are also supposed to be governed by a community user committee, we did not encounter a single locale where such committees were operational. More importantly, only a minority of focus group discussants were involved in groups where they did exist, with women in particular complaining that quotas for women's representation were frequently not honoured. Among community user group members, especially Dalits, a common complaint was that their involvement was often tokenistic and unless they fought for it, they were seldom appointed to decision-making positions.

3.2.5 Human rights abuses by government security forces and police

Many communities complained bitterly about the harassment, intimidation and violence they had suffered at the hands of government security forces and in some case the police during the conflict. Although many had also suffered from Maoist intimidation and violence, feelings towards the Maoist occupiers tended to be more ambiguous and in a number of communities relatively positive. This perhaps explains why the police and armed forces were identified by comparatively few focus group discussions as important state agencies in their lives, and several groups spoke vehemently about wanting the police 'as far away as possible'. Indeed there was a sense that in some communities that police presence did not contribute to local justice and security, but rather undermined it. Overall this suggests that considerable public confidence building efforts will be critical to overcome these negative memories.

On the *demand side*, many focus group discussants identified the following demand side constraints:

3.2.6 Lack of knowledge about how and where to place demands

Many poor and excluded groups were acutely aware of the barriers that their own illiteracy and lack of awareness about government procedures represented in securing better public services and treatment

from officials. A common response to the question whether participants had expressed their concerns to the relevant service providers and government officers, especially among women and Dalits, was that they did not know how and who might be expected to listen to their requests and where to find them. This was in part based on routine experiences of having been passed from official to official when visiting the VDC or DDC and often having to return repeatedly before securing an adequate response. This is an issue closely tied to the supply-side blockages identified above.

3.2.7 Lack of knowledge about legal rights

Still relating to supply-side issues, a noticeable concern is a widespread lack of knowledge about citizens' legal rights, including the entitlements to which excluded groups might be eligible. A frequent complaint was that 'no one has taken the time to tell us', 'we have never been told' or 'the law is not meant for the poor or those without social connections'. This goes beyond the problems of discriminatory laws or weak law enforcement and is indicative of a more profound sense of lack of awareness and lack of confidence that poor people would be able to access legal redress. It also reflects the inadequacy of existing informal justice systems.

3.2.8 Community disunity

There was also a refreshing degree of honesty about the way in which a lack of community unity had impeded collective action efforts to tackle basic community infrastructure and service needs. This sentiment was particularly strong among the Chepang and the Gurung who reasoned that intra-group divisions had prevented them from getting ahead, and was something that needed to be urgently addressed. Poor Terai middle caste and Bahun/Chhetri participants identified cleavages between the better educated and better connected within their caste groups who often take advantage of the 'simple' and poor as a key obstacle to improving their quality of life.

3.3 Governance improvements people would value

Although material benefits are without doubt a major concern to the poor and excluded groups in this study, the quality of the interaction citizens have with the state also emerged as surprisingly important in many focus group discussions. This is a dimension that is no doubt difficult to tackle through national policy prescriptions, but is nevertheless critical to address if ordinary citizens are to develop the confidence to exercise the citizenship rights and responsibilities necessary in a modern democratic state. Participants identified the following changes when asked how their engagement with government agencies could be most effectively improved.

3.3.1 Respect

This challenge is perhaps best captured by the simple fact that so many participants when asked about their engagement with the state thought it worth noting when they had been greeted 'Namaste' by government officials. Dismissive and even rude treatment by civil servants emerged as a relatively common experience, especially in the Terai. Poor and excluded groups reported that they often felt discouraged from articulating their demands to officials and service providers for fear that they would not be listened to or worse. For example, squatter women in Kanchanpur complained that they were subject to verbal and sometimes even physical abuse by medical staff during pregnancy checkups. Similarly, the Chamar in Kapilbatsu criticised the treatment they received by the police – 'before inquiring about our problem, they first hit and yell at us'. In other cases, they were ignored in the queue outside a government office, passed over for 'higher caste' and/or better off petitioners. A common recommendation across all sites was therefore that all citizens regardless of wealth, education, geographical area of origin, caste or ethnicity should be treated equally and with respect by officials – a culture of working likely to require a lengthy process of changing deep-seated attitudes.

3.3.2 Improved communication and access to information

In order to ensure that citizens avail themselves of government services and that targeted development programmes reach the poorest of the poor, it is critical that information is provided in a timely fashion and also communicated in a medium that poor and excluded groups can access. The most popular information channels cited by participants were community radio and word of mouth. This suggests that government agencies could strengthen state-citizen relations by not only making better use of radio public messages, but also investing in more frequent public consultations with citizens. Not all citizens were interested or able to participate regularly in community user groups due to time poverty, but there was nevertheless a high level of interest in being better informed about government activities, village level budget decision-making as well as policy reform processes. In the few wards and villages where communities had been invited to public meetings to discuss budget allocations or the introduction of a new development programme, this type of outreach was strongly commended.

Such an approach might also be helpful to provide citizens with a basic overview of how and to whom they can best articulate various types of demands. Although many participants had clear views on how to address local problems, few had communicated these to the concerned officials and nor did there seem to be a clear understanding that this—reciprocal communication—was an essential part of responsible citizenship.

Language diversity was also identified as an important dimension of better communication. A significant number of the study communities were non-Nepali speakers and thus emphasised the importance of having access to information in their mother tongue.

3.3.3 Supportive brokers

Because of the unequal relations between government officials and poor citizens, especially in parts of the Terai, brokers of new information and opportunities were identified as particularly important figures in the lives of poor and excluded groups. In addition to some supportive VDC and Ward chairs, female community health workers and social mobilisers (linked to some targeted development programmes) were highly valued because of their role in supporting community interests and alerting people to new opportunities. This suggests that investing more in community auxiliary workers could help bridge the gap between the state and citizens, and provide a more regular channel of communication and information.

3.3.4 Representation in public office

Recognition of the importance of having one's community represented in public office was mixed among the study participants. Janajati groups seemed to have the clearest understanding of the significance of more proportional representation, with both Ranatharu and Magar focus group participants referring to historical examples of political representation of their ethnic group under the Panchayat Government System that had existed up until the first jana andolan in 1990. Other communities were less articulate but nevertheless often attributed their community's underdevelopment to 'a lack of people like us in government'.

4. Vision for the New Nepal

4.1 Sustainable peace

Despite highly diverse experiences during and understandings of the insurgency period among the study communities, there was overwhelming support for sustainable peace. The Limbu in Taplejung for example stressed that ‘We would be happy to have only half our food – to survive on half-empty stomachs – the most important thing is that the peace continues’. There was however a widespread cognisance that the peace agreement was a fragile one and thus the emphasis in focus group discussions was on lasting peace. Concerns that new tensions—especially regarding the rights of the Madeshis—could lead to fresh violence were particularly strong among the Terai middle caste Yadavs, the Ranatharu in Kanchanpur and the relatively better off urban Gurung in Tanahu. The Yadav male focus group discussants went so far as to warn of possible communal violence given the violent tactics employed by the Madeshi People’s Forum.

Particularly in light of the precariousness of the current peace process, an appreciation of poor and excluded people’s views of the insurgency period will be critical in shaping a nuanced approach to state building in the post-conflict period. On balance, the study communities were probably more sympathetic towards the Maoists than the Nepali Army due to their promises of emancipation from social and political domination or what women in Pyuthan described as their ‘honey talk’, their readiness to talk and eat together with the poor and ‘untouchable’, and their role as mediators between poor and excluded groups and wealthy landowners. This more positive view may also be related to disappointment in the mainstream political parties that have been in government but failed to deliver, and/or shaped by the Maoists recent decision to put down arms and join the interim government coalition. It is imperative to emphasise, however, that the experiences were very complex, with few common patterns emerging across caste, ethnic or gender lines. In some communities men had joined the armed forces, in others the Maoists; in some cases participation had been voluntary, in others forced.

Overall, focus group participants were overwhelmingly positive towards the peace process despite the fact that few had received specific material benefits or were the recipients of new development programmes. The end to the conflict that had been played out in horrifying detail in many of the rural study communities constituted a major sea change in many people’s lives and was sufficient reason to be optimistic about the New Nepal. Table 6 below maps out the range of positive, neutral and negative changes since the peace process, as perceived by the participants.

Table 6: Changes since the peace process as perceived by focus group participants

Positive
The establishment of a basic security that reduced persistent fears
An end to the physical and in some cases sexual violence ³¹ perpetrated by the armed forces
An end to frequent intimidation by both Maoists and the Army, including compulsory participation in midnight public rallies (Muslims in Kapilbatsu)
An end to demands by the Maoists for food, shelter and 'donations'
An end to disrupted schooling for children
More frequent home visits by international migrants, many of whom had migrated to avoid forced recruitment by the armed forces on either side
Optimism that the Maoists have joined the government and that there is now a chance that political change and accelerated development will be possible.
Unchanged
Interactions with government officials
Continued control of communal forests in some areas (e.g. Taplejung) by the Maoists
Presence of development programmes sponsored by gov't and non-governmental actors
Land mines in some rural and communal forestry areas
Maoists continue to patrol forested areas in some districts
Negative
Rising prices (especially in urban areas)
Rising levels of alcohol consumption and related family violence, which had been reigned in to some extent by the Maoists
New political tensions and incidences of violence (in the Terai) and a sense that progress has been slow
Some youths have returned to villages post-conflict, but are struggling to reintegrate and turning to alcohol and drugs, resulting in drunken brawls

4.2 Limited knowledge but enthusiasm to participate

Awareness about the political reforms and state restructuring process currently being debated in Nepal was generally limited, although significantly higher among men, urban residents and return migrants from India. Focus group participants were asked about their knowledge of the definition of democracy, the Constituent Assembly and a federal system of government. Many participants had heard all of these terms (either by word of mouth or from the radio) and were aware that major changes were or likely to take place, but a significant number struggled to recall their meaning and especially the potential implications for their own lives. A common refrain in many communities was that 'no one has come to explain this to us'.

Those who did understand the meaning of democracy and the particular nuance of the Nepali term 'loktantra' (rule of the people) tended to be better educated, urban and male. Importantly, among those who understood the term, there was a strong sense of support for the current state restructuring and political reform process. Janajatis and returnees from India were most familiar with the term 'federalism'. Janajatis understood it to be a system of governance where ethnic minorities would be given proportional representation and greater political self-autonomy. Return migrants often gave the example of the relationship between Delhi and states such as Bihar, and were similarly positive towards greater political decentralisation.

Although relatively few communities fully understood the significance of the proposed elections for the Constituent Assembly, there was very strong support for elections and eagerness among men and

³¹ Although our findings revealed some experience of gender-based violence, it is likely that women were exercising a considerable degree of self-censorship. In some communities issues were raised by men but not by women, suggesting that women fear consequences to their 'reputation' if they speak out about such experiences

women alike to participate. Whereas most communities estimated that about 60%-70% of their community had voted in past elections, many emphasised that 100% would turn out to the polls now, especially because of the long lapse of time (8 years) since the previous election. The significant exception to this enthusiasm was the Siraha Yadav community and the Tanahu urban Gurung community who both emphasised that the Madeshi tensions would need to be resolved before they would be willing to vote, given a perceived risk of communal violence following the January 2007 uprising. The Tanahu Gurung also emphasised the need to improve urban law and order.

4.3 What people are not demanding

It may be as important to listen to the silences and what poor and excluded groups are not saying, as to what they are demanding. What appears striking from the focus group discussions on experiences during the insurgency, views of the peace process and visions for the New Nepal, is that no one is calling for more violence or retaliation for the multitude of injustices that were committed on both sides. This reinforces the strong sense of commitment to peace and a desire not to return to a daily existence of fear, violence and intimidation.

Similarly there were no calls for transitional justice—to bring the worst perpetrators of human rights abuses to trial. In contrast to the NPC/UNDP/UNICEF 2006 study where participants seemed reluctant to speak about their experiences during the insurgency, our field researchers did not encounter such difficulties and indeed reported detailed accounts of events in many communities. Nevertheless, there was a strong sense that although people are not trying to forget or suppress memories of the past, their first priority is to get on with their lives, to take advantage of what they hope will be new development initiatives and to avoid a return to quotidian disruptions wrought by the conflict. Such attitudes are very common in communities that have experienced a high level of suffering during conflict (e.g. northern Uganda or Sudan).³² Experience however shows that in order to sustain peace it is critical for the state to proceed to restructure rule of law bodies and promote reconciliation initiatives at the local level (Hartwell, 2006).

Other reasons for a lack of discussion of transitional justice likely include the widespread sense that access to formal justice is out of reach for the poor and excluded, and a recognition that village views on the parties involved in the civil conflict are typically divided. Field researchers noted on a number of occasions that there seemed to be an unspoken undercurrent in a number of communities that the political views espoused in the focus group discussions did not necessarily represent the views of all participants. Below the surface tensions such as these and unhappiness about injustice and lack of civic and political rights should however be taken seriously as experiences in other post-conflict societies suggests that they may later lead to a renewed insurgency (Collier, 1998).

Interestingly too, there were no calls for a return to centralised governance or monarchical rule. Overall communities seemed to support greater regional autonomy, albeit with a recognition (especially among several Janajati communities) that a strong yet accountable central government would be needed to check and balance the power of decentralised governments and prevent excessive political fragmentation.

³² See e.g. Refugee Law Project. 2005. 'Peace first, justice later: Traditional justice in northern Uganda'. Working paper no. 17. July 2005.

5. Conclusions and Policy Implications

Overall the findings of this study suggest that many poor and excluded citizens are optimistic about the future following the peace process and are enthusiastic to participate and play a role in the reform process. The importance of this on balance positive sentiment should not be underestimated for the challenging state building process Nepal is now embarking upon. However, in many countries emerging from conflict, governments often fail to capitalise on people's enthusiasm for peace and to sustain the expectations of their citizens about peace dividends, especially in terms of services and accountable government structures.³³ They may also fail for legitimate reasons such as weak institutional and human capacity, high expectations, poor economic performance and distribution, and the presence of elite interests against transformation.

There are however a number of important areas to which government and non-governmental actors should pay particular attention in order to capitalise on this important window of opportunity. This final section of the report highlights these key headline policy messages, and where possible identifies the relevant level of government and/or non-state actors best placed to act upon the voices of poor and excluded groups in order to strengthen state-citizen relations and governance from below.

5.1 Capitalise on popular support for peace

There is overwhelmingly strong support for sustainable peace among poor and excluded communities, notwithstanding their diverse experiences during and views of the decade-long conflict. These groups lack, but would appreciate, information on the political reforms under debate (e.g. Constituent Assembly, federalism, democratisation). On the other hand, feedback shows that there is insecurity from fragile peace agreements in urban areas and the Terai.

Policy implications

All political parties can capitalise on the strong sense that the cessation of hostilities between the Maoists and state security forces is in itself a 'peace dividend' that people value deeply. Hence, a focus on a united, clearly communicated approach to state restructuring and the creation of a new Nepal is necessary. This process requires the provision of information about political reforms and concerted civic education efforts by parties and NGOs at the district and village levels in order to meet demand. The government can also seek to better understand the sources and perceptions of urban insecurity, and invest in appropriate law and order measures.

Finally, there is an indication that the Constituent Assembly of Nepal should publicly recognise the social exclusion and political under-representation that Madeshis have historically faced, and devise substantial and visible affirmative action measures. In turn, the rationale behind and evidence for the importance of these measures should be clearly communicated to the broader public. This message should include statistics on the disproportionately low representation of Madeshis in all three branches of government (legislature, executive and judiciary).

5.2 Identify and implement quick policy wins

Identifying and implementing quick policy wins is vital to ensure that the enthusiasm for peace amongst poor and excluded groups is not eroded. These include: i) land entitlement (especially in the case of Dalits and squatter populations), ii) employment and irrigation (especially in the case of poor Bahun/Chhetri and Janajati communities), and iii) infrastructure investment. The deprivations that poor and excluded groups face are multiple and overlapping, with no magic bullet that will rapidly improve their quality of life. However, there is a high level of awareness of what the state can do to improve the

³³ A peace dividend is defined as the reallocation of spending from military purposes to peacetime purposes, such as basic services and social policy programmes.

relative position of poor people. This has generated an unrealistically high level of demand for free services and facilities across a wide spectrum of sectors, but it is clearly impossible for a least developed country in a post-conflict situation to attempt to act on all fronts at once, and it would not be good policy to attempt to do so.

Policy implications

The issue of land redistribution and consolidation— raised particularly by the Terai, Dalit and squatter cohorts—is a critical concern. The development and promotion of a high level land reform commission with maximum political backing would address these requests, provided political backing is attainable. Indeed, while land consolidation is essential for efficient use of water and other resources, it is administratively difficult. A process maximising community involvement in brokering exchange deals and in resolving the inevitable disputes is therefore necessary to facilitate progress. Furthermore, while meaningful land reform will go a long way towards addressing the needs of the poor and excluded, particularly in terms of secure tenure of homestead land, it will not alone address the issue of lack of livelihood opportunities because per capita land availability is too low, particularly in the hills. Land reform will therefore have to be accompanied by measures to provide alternative or supplementary livelihood opportunities, including increased value addition to agricultural and other natural resource-based products. For small and marginal farmers, investment in irrigation facilities as a quid-pro-quo of land consolidation is appropriate. If technically feasible, these irrigation facilities should be developed in the agriculture land area mostly owned by poor people, otherwise, appropriate farming practices (including farming of non-conventional crops) could be demonstrated and supported in order for people to have enhanced livelihoods benefit from their limited land.

More generally, there is a need for increased value added and creation of new livelihood opportunities in agriculture through forward linkages to markets (and hence livelihood opportunities in grading, packaging, transport, etc.) and backward linkages into goods and services for the farm sector (inputs, equipment manufacture and supply, machinery servicing and repair, etc.). The employment opportunities at local level in the immediate future can be created through skill development to utilise the local natural resources to produce various products and services which have local, regional and national demand. At the same time, medium term poverty reduction efforts need to include a package of support to poor and excluded groups that promote a) livelihood security, b) connectivity, c) access to free and nearby services, and d) measures to promote greater equality and respect/ dignity among all citizens.

Donor agencies have a huge comparative advantage in terms of infrastructure investment and could relatively quickly bring things back to the ante bellum situation. Their assistance in post-conflict reconstruction should be mobilised as a matter of urgency. To allow this, government, donor and NGO efforts need to be much better coordinated, designed, and based on a clear understanding of district-specific realities. This includes a clear understanding of the role that donors and NGOs are playing in the peacebuilding process as there is a danger of undermining state legitimacy in the eyes of the population, as well as the development of its capacity in meeting demands in the longer-term.

A national consultative exercise should therefore take place in order to decide on priorities in all 75 districts, which in many cases will have to be locality-specific. This exercise should be based on the principle of selecting interventions that can maximise impact at minimum resource cost in the shortest possible time period. Rapid impact in a few carefully selected thematic areas could then feed into the democratisation process by persuading citizens that the state is actually improving their lives and this in turn will help build both trust and experience as a foundation for future development.

5.3 Strengthen meaningful decentralisation

Poor people's priorities are more likely to reflect the specificities of their local geographical setting than to coalesce along gender, caste or ethnic lines. There is also strong support among poor and excluded groups for greater political and fiscal decentralisation. These citizens are in favour of greater local level

decision-making on a broader range of policy issues as well as budget allocation rights. Most importantly, they want to be better informed and more frequently consulted by local government officials because a major component of their sense of social exclusion is based on their lack of access to information about entitlements, services, opportunities for civic participation, and avenues through which to channel demands for change and political reform processes.

Policy implications

The National Planning Commission's Three-Year Plan should pay particular attention to mechanisms through which the design and implementation of poverty reduction and development policy initiatives can involve substantially greater district and village level inputs. In the short to medium-term this is likely to necessitate concerted capacity building support for local government human resources that will require coordination through the Ministry of Local Development.

In order to address civic perceptions that local elites control information flows in order to preserve their own power, there is an urgent need to strengthen communication channels between government officials and service providers, and citizens. Three measures will drive this process forward; firstly, at the national level, policy-makers should consider developing a Freedom of Information Act (along with the corresponding implementation capacities);³⁴ secondly, at district and village level, authorities should make use of community radio—the most popular information source for poor and excluded groups—and invest time in more regular face-to-face consultations and public meetings; finally, given the popularity of female community volunteers and social mobilisers, greater investment in such auxiliary information brokers is another possible option.³⁵

5.4 Provide poor and excluded citizens with the knowledge and tools to participate effectively

Despite a large number of community user groups throughout Nepal, participation rates of poor and excluded groups, are still wanting. This is largely the case for Dalits and women, particularly regarding decision-making roles. Due to Nepal's monarchical history there is also an additional legacy of poor and excluded people strongly identifying themselves as feudal subjects of the rich and powerful which continues to shape their worldviews. However, the consultation process underpinning this study generated considerable enthusiasm and should be harnessed.

Policy implications

The introduction of a system of third party accountability of community user groups needs to be developed so as to ensure reservations for excluded groups are effectively honoured, possibly involving mutual accountability between local governments and user groups. It also points to the need to provide capacity building support for poor and illiterate members so that over time they will be able to participate on a more equal footing with their relatively better off and educated counterparts. Such capacity building support could be financed through the Ministry of Local Development and possibly delivered through local NGOs. This support should recognise that in order to capitalise on poor and excluded groups' general enthusiasm to participate, and simultaneously address the information constraints that hinder their greater public participation, citizens need to be provided with the tools/knowledge to participate in order.

In the medium to long-term, a programme of civic education and legal literacy appears to be of critical importance. In order to strengthen governance at the grassroots, the poor and excluded need to develop more effective citizenship skills, an understanding of their rights, appreciate their responsibilities as citizens, and be familiar with the channels through which to articulate their demands. What is needed is a longer-term process, supported by community mobilisers, to whom

³⁴ This should build on the useful analysis by Article IX of Nepal's Right to Information Bill, 2006.

³⁵ While public meetings may be an excellent way to communicate information to villagers, a recent study by the World Bank on the Kecamatan Development Project in Indonesia, suggests that they are much less effective than election based methods (secret ballot) as a means of choosing among possible village development investments. (Olken, 2007)

citizens can turn for advice and support and/or legal advice centres – such as the successful women paralegal committees supported by UNICEF in 15 districts and the Chilean system of women’s legal advice centres. Again, the enthusiasm to participate suggests that institutionalising a system of participatory policy and budget monitoring would be of value to broader state building processes. This could be included as part of the Poverty Monitoring and Analysis System (PMAS).

5.5 Ensure that the multi-dimensionality of social exclusion informs all poverty alleviation efforts

This study highlighted the complexity and multi-layered nature of social exclusion, as well as the ways in which it exacerbates experiences of deprivation and vulnerability. Tackling social exclusion necessitates greater political representation and awareness raising initiatives to tackle societal-level discrimination. Improving the outreach of donor and NGO programmes to the poorest and most socially excluded is critical not only because there is a limited presence of donors and NGOs in the study communities, but also because poor and excluded groups have limited expectations of non-state organisations.

Policy implications

Greater efforts need to be made to ensure that both targeted development initiatives and basic service provision reach the poorest and most socially excluded in Nepali society. In this vein, the Nepalese government at the national and local levels, with the support of donors and NGOs, should ensure not only inclusion of Dalit, Janajati and women, but also geographically isolated communities, poor ‘higher’ and middle caste groups, youth and the elderly and religious minorities, especially Muslim communities which face multiple exclusions. In other words, officials involved in designing and/or implementing poverty reduction policies and programmes need to recognise the complexity of social exclusion and linkages with poverty, and could benefit from access to capacity building support. This is an area that donors, due to their experiences in diverse contexts, could fruitfully support, provided an understanding of the sub-national context is included in this process. This latter point is critical as many such initiatives fail to venture further than state capitals and thereby overlook other important institutional sites, both formal and informal. With this in mind, support will need to have sustained commitment and continuity of personnel.

One response that should be included is recognising that income poverty is an important eligibility criterion for development programmes in order to ensure that poor Bahun/Chhetri are not excluded from poverty alleviation initiatives. Efforts to communicate the rationale behind affirmative action measures to address caste, ethnicity and gender-based social exclusion will also be important if the government and other development actors are to minimise a sense of resentment among ‘higher caste’ groups. In order to effectively address the priorities of excluded groups, more proportional representation reflecting the diversity of the Nepali population is clearly called for, as are affirmative action measures.³⁶ However, these measures are politically sensitive and may endanger a political elite, thereby potentially requiring an alternate funding source.

Despite these needs, an overriding priority is first to remove discrimination that is officially sanctioned, either explicitly or implicitly. Political economy analysis is urgently required to identify such legal and practical barriers to equitable treatment. This will in turn give the state greater moral authority in moving on to address difficult and deep-seated attitudes that lead to discrimination and injustice. This process will combine education (of the included as well as the excluded) and improved economic empowerment of the groups that presently suffer extreme discrimination.

³⁶ See Lawoti (2005) for a thought-provoking discussion of a range of such possibilities in the Nepali context.

5.6 Specific areas for further investigation

Although a rapid participatory appraisal such as this participatory governance assessment provides a wealth of insights, it also serves to highlight areas necessitating further investigation. These include a more detailed understanding of the opportunities and risks posed by India's border with Nepal (see Box 2). An identification of specific examples of good practice in addressing social exclusion and poverty in Nepal is required, including a discussion of key ingredients of success. This investigation should incorporate an exploration of commonalities and differences among diverse age groups of state-citizen relations as well as examples of effective communication with citizens by local government officials. Finally, a better understanding of the possibilities for private sector development in Nepal is required in order to complement and improve state-citizen relations.

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