

Chapter 1 Introduction

A. Population and Geography

Nepal is a country of great geographic diversity with a landmass descending from lofty Himalayan peaks to the green rice fields of the Indo-Gangetic plains. It borders India to the east, west, and south, and the Tibet Region of the People's Republic of China to the north. Ecologically, the country is divided into three regions: the high mountain region, with the Himalayas peaking at 8,839 meters above sea level to the north; the midhill region, with altitudes ranging between 610 and 4,877 meters in the Mahabharat range and the Gangetic plains; and the Terai, ranging between 152 and 610 meters to the south. This topographical diversity is matched by climatic diversity, with climatic conditions ranging between those of the extremely cold tundra to those of the hot humid tropics.

Currently Nepal's population is estimated to be about 21 million. Over the 1981—1991 period, it grew by 2.2 percent annually, up from 15 million in 1981 to 18.5 million by 1991. A major consequence of this was increased population density. In 1991, the average population density was 125.6 persons per square kilometer (km²), with the heaviest population pressure in the Kathmandu Valley. While this may not be as high as in many countries (Table 1.1), it is important to note that it increased from 56 persons per km² in 1952-1954 to 102 persons per km² in 1981, and to 126 persons per km² in 1991. Moreover, population pressure on cultivated land is much higher than these averages suggest.

Table 1.1: Area and Population Density in South Asia

Country	Population (million)	Land Area (km ²)	Population Density (persons/km ²)	Cropped Land (hectare per capita)
Bangladesh	119.8	144	832	0.08
Bhutan	0.695	47	15	0.08
India	929.4	3,288	283	0.20
Maldives	0.253	3	84	0.01
Nepal	21.5	141	152	0.13
Pakistan	129.8	796	163	0.17
Sri Lanka	18.1	66	274	0.11

Source: *World Development Report*, 1997.

The population density also varies from region to region. The Terai is the most densely populated, while the mountains are sparsely populated. The Terai population density has almost doubled in the last two decades (Appendix Table A1.1) as a result of the north-south movement of the population and immigration.

Table 1.2: Composition of Population by Broad Age Group and Sex
(percent)

Age Group	1971		1981		1991	
	Male	Female	Male	Female	Male	Female
0-14	40.9	40.0	41.9	40.7	43.5	41.3
15-59	53.7	54.1	52.2	53.7	50.6	53.0
60+	5.4	5.9	5.9	5.6	5.9	5.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: CBS, *Population Census*, 1971, 1981, and 1991.

In terms of its composition, the population is becoming younger. The proportion of the population under 15 years of age has been increasing in the past 20 years, with boys under 15 increasing from 40.9 percent of the male population to 43.5 percent, and girls under 15 from 40 percent of the female population to 41.3 percent. At the other end of the age curve, the 1991 census reveals that 5.9 percent of the total population was 60 years of age and above, compared with 5.7 percent of the female population (Table 1.2). Accordingly, the age-specific sex ratios have also been changing. In addition, the sex composition of the population is changing in favor of women (Chapter 2).

B. Human Development Indicators

Nepal has made much progress in building social infrastructure and has achieved much in terms of human development. For example, health facilities at the grassroots level have expanded rapidly; universal immunization against smallpox, diphtheria, pertussis, tetanus, etc. has been achieved; and the overall literacy rate increased threefold between 1971 and 1996. Nevertheless, over half of the population is still illiterate and, according to the *Human Development Report* (1998), Nepal's human development index (HDI) ranking is just above that of Bhutan, which has the lowest HDI ranking in the region¹.

Moreover, the health and sanitation situation in the country remains poor. Only 9.2 percent of households have access to modern sanitation facilities (sewerage and waste disposal), and 21.6 percent to toilets (Appendix Table A1.2). The problem is even more acute in rural areas where only 5.8 percent of households have access to sanitary systems. Access to protected drinking water—including piped and covered water sources is 96 percent in urban areas and 68 percent in rural areas, but the quality of even the piped water is questionable, as indicated by the poor water quality in Kathmandu. According to the *Nepal Fertility, Family Planning and Health Survey* (NFHS, 1996), only about one quarter of households were collecting water from fully protected supply sources, one half from partially protected sources and one quarter from unprotected sources.

Malnutrition among children is widespread. The *Nepal Multiple Indicators Surveillance Health and Nutrition Cycle Survey* (1996) found stunting among 64 percent of children. A large proportion of children have problems of Vitamin A deficiency. The major cause is the problem in feeding patterns combined by infection, diarrhea, and lack of access to clean water and sanitation.

Infant mortality rate (IMR), although declining over the years, is still one of the highest in the region. The *Demographic Sample Survey* (1976) estimated the overall IMR at 132.5 per 1,000 live births (Appendix Table A1.3). The most recent NFHS report puts overall IMR at 78.5, 61.1 for urban areas and 95.3 for rural areas. Under-five mortality rate also shows a declining trend, but remains at the fairly high level of 125 per 1,000 children under five. The crude death rate for the population as a whole has also declined substantially during the last three decades. This is reflected in increasing life expectancy rates (Appendix Table A1.4).

¹ Nepal's HDI ranking in the 1999 *Human Development Report* rose, ranking 144 out of 174 countries, higher than Bangladesh and Bhutan. However, the United Nations Development Programme (UNDP) in Kathmandu attributes this not to social progress in Nepal, but to revised methodology.

C. Cultural Setting

Nepal's cultural landscape is extremely diverse and is composed of more than 50 known language groups and subgroups. These groups can be divided largely into two groups on the basis of the languages they speak, i.e., Indo-Aryan and Tibeto-Burman. As far as the social relations governing the status of women are concerned, however, there is a large variation within each of these groups.

The politically and culturally predominant Indo-Aryan ethnic group lives mostly in the hills and the Terai. In terms of attitudes towards women, the Maithili and the Abadhi are the most conservative communities of the Indo-Aryan group, with the mobility of women outside the household being highly restricted in Maithili and other Terai communities. Women wear *pardah* (veil) and they may not mix freely with the opposite sex. Although other subgroups within the Indo-Aryan culture do not all practice strict *pardah*, where it is practiced, it is considered proper for women to restrict their activities to the household. Sexual purity of women is extremely important for the Indo-Aryan group. Child marriage, a restriction on widows remarrying and arranged marriages are still followed widely². Property is inherited only through the male line and, therefore, women's economic status both in the household and in the community is lower than that of men. Similarly, due to restrictions on their mobility, women's access to education and training—and, consequently, modern avenues of income—are limited.

The Tibeto-Burman group mostly live in the hills and the mountains. Women from these groups are free to engage in various income-generating activities or businesses outside the household, and they are respected for undertaking such activities. They travel widely for trading and business, and operate lodges and teahouses along the trekking routes and major roads and in tourist areas. Women have relative freedom in their choice of marriage partners, and premarital sexual relations and social mixing occur. Child marriages are rarer than with their counterparts in the Indo-Aryan group³.

In spite of this cultural diversity, land is universally inherited in all communities from father to son, with women lagging far behind men in terms of access to knowledge, economic resources, and modern avenues of employment.

D. The Economy

The Nepalese economy is still predominantly agricultural, with 86 percent of the population living in rural areas and 81 percent deriving their livelihoods from agriculture. Agricultural productivity is low: US\$114 value added per worker per annum. An estimated 40—50 percent of the population do not have adequate income to meet their basic minimum needs of food, clothing, shelter, primary education, and health care.

Nepal has a virtually open border with India, and it maintains two separate exchange rate regimes: one with India and another with overseas countries. Its major exports to overseas countries comprise carpets and garments, both of which have faced international market problems in recent years; while its exports to India consist mostly of primary products. The country's manufacturing sector is small and at an early stage of development, and its demand for developmental goods and industrial

² Meena Acharya and Lynn Bennett 1981, *The Status of Women in Nepal*, Vol. II, Part 9, Centre for Economic Development and Administration (CEDA), Kathmandu.

³ *Ibid.*

products has to be met entirely from imports. Its tourism industry, while contributing substantially to the economy, is still underexploited in terms of its potential. It has an increasing deficit on the current account of the balance of payments, but capital inflows are sufficient to maintain an overall balance of payments surplus.

The annual rate of growth in gross domestic product (GDP) during the 1980s and 1990s has averaged around 5.3 percent and 5.1 percent, respectively. However, with population growing at 2.2 percent per annum, per capita income has increased relatively slowly, and averaged around US\$200-220 during 1990—1995. A rising debt/GDP ratio, a mounting government deficit, and an increasing deficit of the current account of the balance of payments are the major macroeconomic problems facing the economy. Moreover, Nepal faces major difficulties in revenue mobilization, in increasing the domestic saving rate, and in accelerating the overall rate of GDP growth, owing to the predominance of subsistence agriculture, the small organized formal sector, and political instability. Widespread poverty compounds its difficulties.

Furthermore, Nepal's growth prospects are constrained by its difficult terrain and landlocked location. In particular, its efforts to eradicate poverty are constrained by the freedom of movement of both people and goods across the 500-mile border with the economically depressed states of northern India. The traditionally open border with India acts as a constraining factor on Nepal's economic decision-making process. The manufacturing sector in Nepal has not been able to benefit from this nearly open border due to lack of infrastructure facilities in the country and, until recently, the license permit system in India. The political instability observed since the democratic changes in 1990 has further slowed the growth process. Nepal's rich biodiversity and high hydroelectric potential remain as yet largely unexplored.

E. Political and Administrative Systems

In 1990/91, Nepal's political structure underwent a fundamental change. The Panchayat system with an absolute monarch as the head of state gave way to a constitutional monarchy with a bicameral parliament, an executive cabinet responsible to parliament, and an independent judiciary. Parliament consists of the National Assembly (35 members elected by the House of Representatives, 10 appointed by the king and 15 elected on a regional basis), and the House of Representatives (205 elected members from national single-member constituencies). The 1990 Constitution guarantees fundamental rights to all citizens without discrimination on the basis of ethnicity, caste, religion, or sex. It also guarantees equal treatment before the law without discrimination on the basis of caste, sex, and religion, and equal pay to men and women for similar work. Provision is made for equal rights to all citizens to earn, enjoy, sell, and transact wealth under the law.

The Directive Principles include a policy statement for making special arrangements for women in education, health facilities, and employment. The Constitution specifies that political parties contesting elections to the Lower House must have at least 5 percent women candidates. The Upper House of 60, to which members are nominated by political parties on the basis of their respective strength in the Lower House, must also have at least three women. Yet, there still remain gender discriminatory provisions in the Constitution and family laws, as discussed in Chapters 3 and 4.

Administratively, the country is divided into five development regions, i.e., Eastern, Central, Western, Midwestern and Far Western. The regions are further divided into a total of 75 Districts and

3,940 village development committees (VDCs). A VDC is the smallest administrative unit, which is further divided into nine wards, each of which elects a representative to the VDC. VDCs are considered as grassroots political institutions, through which the people are expected to participate directly in the planning, programming, and implementation of development programs and projects. The next level in the administration is composed of the district development committees (DDCs). With the passing of the New Act on Local Self Governance (1998), all planning and programming exercises within districts, and the implementation of their development projects, are expected to be through the DDCs. Only national level projects are implemented directly by the Central Government.