

Can Maoists lead nationalistic forces?



WM correspondent

Prime Minister Madhav Kumar Nepal has himself proved that he is simply inimical to the national interests

of Nepal.

He was amongst those Nepali politicians who took lead in facilitating India to nakedly capture a vast amount

of Nepal water resources through the infamous Mahakali treaty, which was signed between the countries some 15 years back.

Lately, PM Nepal decided to mesmerize his masters in New Delhi by illicitly awarding the contract of printing Machine

Readable Passport (MRP) to an Indian undertaking.

The ruling coalition was, of course, not oblivious of the fact this sort of move would surely wreck havoc with the national security. However, it happily did so to cling onto power as per the "sermons" aired by the Indian establishment.

Nepal was actually disregarded by people in the Constituent Assembly (CA) poll, committed brazen crime against the national securities.

It was a matter of great ignominy to the country when the Prime Minister himself admitted he had to bow down before the political and diplomatic pressure in the case of MRP.

From every perspective, the already shaky current government now does not have an iota of legitimacy to continue to rule the country.

But, it has not shown any sign to step down because of the powerful blessings it continues to enjoy from the southern neighbour.

If the other 22 parties continue to support the current government, it will also soil their political image.

Moreover, it will also propel the government to proceed with its treacherous acts against the nation.

It should not be forgotten that the Maoist-led government faced abrupt debacle largely because of its unwillingness to succumb to the dictates of New Delhi mandarins.

As the Maoists have already become beles noires for the Indian establishment, the party stalwarts have often said the southern neighbour are hell bent to prevent them from again coming to power.

According to experts, if the former rebels take initiatives to amalgamate the nationalist forces to shield genuine national interests from ruthless onslaught of New Delhi, they will have easy time to rule the roost.

"The latest positive gesture came together to launch crusade for preserving the very dignity of the nation, which is facing one brutal assault after another.

Dahal recently said that they should work in tandem to protect the legitimate interests of the country.

It is high time the nationalistic forces came together to launch crusade for preserving the very dignity of the nation, which is facing one brutal assault after another.

UML itself is biggest threat to Nepal

WM correspondent

Some UML leaders are sharply against the continuation of the coalition led by their own party.

Those party members who are unhappy with the performance of the current government had even initiated a signature campaign within the parliamentary party of the UML demanding resignation of Prime Minister Madhav Kumar Nepal.

UML chairman Jhalanath Khanal said to the prime person behind the conceptualization of the campaign with the strong backing from the party vice-president Bam Dev Gautam.

The campaign was however, postponed as the rival camp led by another influential UML stalwart K.P.Oli as well as Prime Minister Nepal threatened to initiate similar move against the chairmanship of Khanal.

The weak support from his own party might be one of the reasons that made the PM Nepal to surrender to the pressure exerted by other parties as well as external forces.

He himself admitted that the decision to award the contract of printing the Machine Readable Passport (MRP) to an Indian firm had

much to do with the Indian pressure.

The UML's establishment faction led by Khanal commands a majority in the standing committee. On the other hand, the Oli faction has strong presence in the central committee and in the politburo.

In fact, the sheer internal strife surfaced before the conduct of the party's eight general assembly.

The two factions had even announced they buried their hatches in the past. Nevertheless, it is crystal clear that the gulf between the two groups is getting more cavernous.

The failure on the part of the party chief Jhalanath Khanal to steer the UML to the direction he wanted can be ascribed to his weak position in the central committee.

Earlier, the UML central committee had decided in favour of enabling the Maoists to head the new government provided the former rebels comply with certain conditions that pertain to the integration and rehabilitation of the Maoist combatants and dissolution of paramilitary structure of the Young Communist League (YCL).

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Betrayal in its most brazen form!

WM Correspondent

To what extent the current wobbly coalition can bend itself to cling onto power?

The controversial case related to the Machine Readable Passport (MRP) suggests that it can comfortably

reles, the government handed over the contract of printing MRPs to an Indian government owned company.

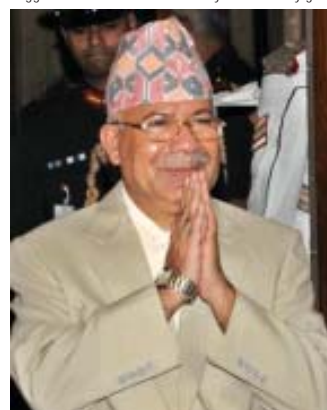
The Madhav Kumar Nepal administration violated the Public Procurement Act and the directive of the PAC by giving the project to India

diplomatic pressure.

By giving such a ludicrous justification, he himself proved that pleasing the Indian establishment even at the expense of national interests of Nepal is the prime philosophy which guides the current government.

that the move was unscrupulously intended to fulfill the vested interests of New Delhi.

He ridiculously failed to give satisfying reasons as to what prompted the government to abruptly cancel the bidding process of the MRP contract.



compromise even with national security to continue to indulge in the power and privileges.

Trampling upon the basic bidding



in an unethical manner.

And, ironically, Prime Minister Madhav Kumar



Nepal also tried to meekly defend the government's move citing the time factor. But his conspicuous inability to logically answer several technical and non-technical aspects related to the MRP contract showed

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Time for new governor to prove his mettle

WM correspondent

The newly appointed Nepal Rastra Bank governor Dr. Yubaraj Khaliwada recently expressed his views on the myriad of anomalies besetting the Nepali economy.

Dr. Khaliwada, who is also expert on monetary economy, is of course facing the toughest economic challenges. None of his predecessors who steered the central bank over the last six decades had to handle such a Herculean task.

He expressed surprise over if all the imported goods were consumed in Nepal. "Data does not reflect the

consumptions of all goods. "Despite low consumption inside the country, a huge amount of foreign currency is being used for imports that pushed the country to high risk of economic collapse with the balance of payment (BoP) deficit.

The soaring imports in contrast to declining export led the country to face a trade deficit of an alarming 59.9 percent trade deficit during the first seven months of the current fiscal year. The BoP deficit also stood at 20 percent during the said period.

Dr. Khaliwada also expressed wonder how it was possible that country

witnessed import growth above 40 percent but the gross domestic products (GDP) is expected to remain at just 4 percent. There is also the rising use of Indian currency although the domestic currency itself has been on a huge circulation. Dr. Khaliwada expressed wonder over why there has been demand of Indian currency in note although the NRB is ready to provide required amount in TT/draft.

These are the few anomalies he pointed out in the economy.

Furthermore, the banking system has been reeling under liquidity crisis for last five months.

The banks have failed to lend money to vital businesses due to the crisis.

In this context, the NRB has taken number of the measures to tackle the current economic crisis. Revised monetary policy a few days back, has sought to address issues on two fronts—one external sector (trade and BoP deficit) and another liquidity crunch.

To address the first one, the NRB has pledged refinancing facility to the banks against the collateral of good loans to invest for the promotion of exports, hydropower and other

productive sectors. The banks will get refinancing facility at 7.5 percent from the central bank and they have to lend them at 10.5 percent. The NRB has also slashed the export refinancing rate to 1.5 percent from existing 2 percent which the banks have to invest them at 4 percent from existing 5 percent. The banks have not used a single penny from the window of exports refinancing.

These measures will also help to address the liquidity crunch too. Further more, the NRB has loosened the provision regarding the standing liquidity facility (SLR) by allowing the banks to count the treasury bills fixed

for maintaining SLR and call deposits put in the commercial banks to fulfill the criteria regarding SLR provision. The banks are required to manage 8 percent, development banks 3 percent and finance companies 2 percent as SLR by the end of the current fiscal year. The move was taken to reduce to risk of the depositors. The banks are also required to maintain cash reserve ratio (CRR) at 5.5 percent. Although the bankers urge the central bank to reduce CRR to 4.5 percent, the NRB didn't hear them claiming that such move would be counter-productive to stop excessive

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Editorial

Nepal' development and FDI

Since Nepal is basically a subsistence economy, it lacks the capacity to invest in projects that demand huge investments. As such, the concept of FDI (Foreign Direct Investment) is simply mandatory for the infrastructure development of the country.

In fact, the country has attracted modest level of FDI in construction of roads, airports, bridges and, importantly, hydropower. Basic industries have also been established in Nepal with the investment of foreign governments.

The primary objective of investment made in these sectors by foreign countries has been to make the country self reliant.

Similarly, FDI is also considered beneficial in view of its contribution to technological transfers, enhancement of managerial capability and new opportunities for market access.

Despite these facts, FDI inflow is the lowest in Nepal even when compared with other landlocked countries. A comparison of other Asian countries, Nepal indicates a poor performance of FDI. FDI inflow was constrained by political instability, outdated foreign investment law, rigid labour regulations and poor physical infrastructure. This situation has not been changed due to the prolonged political fluidity.

It goes without saying that FDI is inevitable for a poor country like Nepal where resources are too inadequate to help achieve high and sustained economic growth.

For instance, the country's own resources both public and private cannot meet the financial investment need for hydropower development. In order to meet both internal growing demand and the significant potential for export of power, a large investment is required which is not possible without investments from foreign development agencies and private sector entrepreneurs.

Due to lackadaisical development in hydropower sector, the country is reeling under alarmingly long load shedding. The industrial and service sector has been forced to close down because energy shortage putting the livelihood of workers and labors in despair.

Today developing countries are competing to acquire FDI and making the environment as friendly as possible for those investments because FDI has created synergy in most of the nations adding value to the mutual benefits. Nepalese government will have to focus on developing the infrastructures and also ensure liberal trade policies for foreign companies.

Nepal can well in set up Export Processing Zones where the investors will get all the facilities and support.

As such, the country's political leadership must come together to create an environment amenable for the inflow of FDI by ensuring the facilities that foreign investors can get.

Introduction

Nepal is the second richest in water resources in the world which covers 45% total quantity of water of the river Ganges and 70% of the total quantity of static water of India. Nepal has the capacity of producing 85,000 MW of electricity as an alternative source to fossil energy. But due to the sabotage acts of India through agreements, treaties and MOUs when the weak government prevails, has compelled Nepal to long for water & electricity both for her inhabitants & the soil to remain arid. India has ventured the scheme of its chicaneries fulfilled through the politicians of Nepal on whom the 'RAW' has done major investment. What ever the projects of the dams / bunds have been built by India are due to the consent of the parliamentarians of Nepal because India does not want Nepal to utilize its water resources on its own or with the financial and technical support of other countries. India plays a major role in sabotaging some major hydro-projects initiated by Nepal. However Nepal is in a position to harness merely 1% of its total water quantity. In short 'RAW' and Indian bureaucrats are planning to grasp Nepal's water resources at any cost and the Nepalese political godfathers are dancing on the disastrous melody of 'His Master's Voice'.

Water politics

It has been long time since India has shown great love for Nepal's water resources in order to meet its own demand for potable water, irrigation and electricity because of the electricity generated from coal and uranium can not last India for more than half a century. India has made political investments to the bosses of the political parties and hence has succeeded in utilizing the water resources of Nepal in the best interest of India. The rose dreams painted by India are viewed by the intellectuals of Nepal, like generating millions of dollars of revenue to Nepal through the export of hydro electricity, irrigation and potable water to India has been an innovative idea which could never come in to force because of India's dirty water politics in the region to which each neighbouring country is suffering. It has adversely affected Nepal's politics and economics making it to be the inherent cause of problems for the country associated with continuous interference by India. Nepal's hydro-power has given the boost to India's development project. India is also interested in small and medium projects and would like to obtain Karnali, Upper Tamakosi and Upper Karnali the earliest for its usage in India. India contends that Nepal does not require much water for irrigation and that it is only India which needs water for consumption purposes. This argument is linked to the Bhutan model and India's river-linking project. India has strategic plans to ensure its access to river water in order to meet the needs of the vast, yet not irrigated, agricultural lands in the Northern and Southern provinces. India has never fulfilled its commitments or obligations both at the national or international forums. India is never ready to discuss matters relating to climate, environment and natural disasters. Indian experts have repeatedly argued that India can not meet its energy needs from other sources, however, the country has no other option but to harness Nepal's water sources. Nepal is aware of this menace but wishes to retain on a rational basis its ownership over water resources and subsequent revenues. Contrary to this India wishes to obtain ownership through coercive

measures, hence the conflict arises because that surely jeopardizes the independence and sovereignty of Nepal.

Strategic and defense water lining

India is trying its best to churn the wheel of water and course to strengthen her strategic position to cement her defense corridors linking to the neighbouring countries apart from using the water for drinking or agricultural lands. The Indian 'interlinking project' mainly concerns the irrigation, portable and power production purposes as advocates India but surely it is done keeping in view the strategic and defense requirements. The project which is estimated to cost over US\$ 118 billion is primarily expected to provide internal water security to the Indian's and water-induced disasters. Indian authorities envisage to bring around 35 to 37 million of hectares of farmland under irrigation to generate 34 billion KW of electricity, control floods in flood-prone state and also enhance the country's navigational efficiency. Some elements argue that the inter-linking of rivers is purely a scheme made to benefit various bureaucrats, Army Generals and the politicians having lands in the vicinity. The scheme tempering with the natural river systems can pose a threat to the region but India will never listen to this alarming situation causing damage to the rest. Ever since the beginning of the feasibility studies, India has been in confrontation with the environmentalists who oppose the construction of large dams and embankments. The neighbouring countries only complain asking India to display ethics and act upon rule of law but being the vagabond of South Asia she turns deaf ears to the requests made by Bangladesh, Nepal, China, Bhutan and Pakistan. Strategic and Defense orientation by India while taming rivers to change courses, creating embankments and huge bunds to inundate the soil of the neighbouring countries is a filthy game of using water as a weapon against these countries.

Water reserves & chicaneries of India Harassments

India has been constructing the embankments and dams throughout its northern border without any consultation with Nepal. The water is used for irrigation in Indian farmlands. The embankments and the dams thus built form lakes inside Nepal. This will inundate the low land in Nepal. House and farm lands will also be submerged. Fisheries will be destroyed. It will be difficult to make to and from across the rivers. The construction causes floods in Nepal since the flood water over flows the canal and get in to the farm land and villages of Nepal, ultimately submerging them. This has in turn triggered land slides and cause losses of top soil, productivity and property worth million of rupees. Every year the nation becomes forced to cope with problems of floods, famine and epidemic. And also India often keeps its barrage gates closed during the rainy season when the chances of floods are very high. Due to such very reasons, the Nepalese in the border areas are forced to live a life full of hardships and difficulties. The government faces embarrassment before the nation each year due to all these chicaneries caused by India while creating harassment in the country.

By Prem Raj

Water loggings & deforestation

Tarai region of Nepal lies at higher altitude as compared to the Indian Territory. Had there been no embankment the river water could have spread over the land in a uniform fashion, and Nepal would not have faced the problem of inundation or water logging. Besides destruction of forests, mainly the dense forest known as CHARKOSHI JHADI, has intensified the problem of floods and land slides. As the dams on the KOSHI, GANDAKI and MAHAKALI rivers built in keeping with the bilateral agreements mainly dominated by Indian interests were built else where instead of being constructed at the meeting point of Tarai and hills, or at Brahachhetra of Koshi, Devghat of Gandaki and Brahmdevmandi of Mahakali. India has criminally assaulted the interests of Nepal while leaving Nepal in troubles but this episode is the joint venture of India's hegemonic design surely supported by the politicians of Nepal. The Chure forests more or less have been destroyed by India. The landslide in the Chure hills is intensifying.

Check dams by India

India has ensured the protection of life and property of her people by building subject dams close to the border areas, but it seems oblivious of the fact that the same number of people on the Nepal side have had to suffer the loss of life and the property. India pays no heed to the losses on the Nepal side as that has no meaning to her. Having no respect for the international laws, India has constructed the dams to the extent of hurting national integrity of Nepal.

THE MAJOR DAMS Rautahat (Bagmati) dam

The Bagmati is a medium river originating from the Mahabharat range. This very dam built by India across the Bagmati River causes water logging in Nepal. The Check Dam in Bagmati alone has affected 30 VDCs including Bagmati and Bakiaya. The inundation has turned settlements and rolling land in to waste land. The people in the surroundings are compelled to leave their villages and live as refugees. The height of the dam constructed across the border near Baigania ranges from 10 to 21 ft. It looks like a hill. Vehicles can run on the top of it. The dam is 10 Km long. It checks all the rivers flowing down to India. Yet another dam with the same height and length has been built in the East along the border of Sarlahi district. The dam runs parallel to the border.

Dam at Kunauli

The Indians have built a dam in the no-man's land at Kunauli of Saptari. About two Kilometer of the no-man's land from Rampura Malhaniya to Tilathi VDC has been inundated. The dam forcibly constructed by India, protects Kunauli area, but it inundates some 15-20 villages of Saptari district. The inundation has caused losses to the tune of thousands of millions of rupees to Nepal unilaterally. The dams built across the Koshi & Mahuli Rivers have directed the flow of water towards west instead of South or towards Nepal. Many people there have been turned homeless.

Marchbar (Khurdlotan) dam

Marchbar lies in the central-southern part Rupandehi district. The Tinau River originating from the Mahabharat range of Nepal flows downward to this region. India built the Khurdlotan dam in fiscal year 2001-

2002. The dam caused inundation of 18 VDCs including the Lumbini area enlisted in the world heritage.

Laxmanpur dam

The Rapti river forms through the merger of various rivers originating from the mid-hills. This is an important river jutting out of the Mahabharat range. The Laxmanpur Barrage has been built across this river in Baharaich district near the Nepal border. The high dam across the river has formed a reservoir. The dam has submerged 2,412 hectares of the most fertile land yielding three cropping a year in Banki district. More over 16,000 people of the 2600 house holds in 33 villages of five VDCs have been forced to leave their houses and the farmland and are to living as refugees.

Mahalisagar Bundh

This bundh is located in the Bundhanga River bordering Kapilbastu district. This dam was constructed during British regime which did not harm any part of Nepal. But to these days India heightened the dam. Over 500 hectares of land, in two VDCs Rampur and Parsaiya of Nepal is under water. Nepali land is being as the reservoir to irrigate Indian farmland.

Bajha Sagar

At a short distance from Mahalisagar, India has now converted a British regime causeway in to a dam which stores water in Nepal over hundreds of hectares of land of Pipra & Baluwa VDCs which can irrigate 1000 hectares of Indian soil by the Jamwar rivulet flowing from Nepal.

Siwa Sagar

Siwa Sagar dam is the third side in Kapilbastu district which drowns whole of Hathihwah VDC. Even Nepali farmers bribe the Indian dam operator to lower the check gates of the dam for the sake of protecting their standing crops for a short period. It is a mere display of muscles by a strong vagabond of South Asia i.e. India to a weaker nation like Nepal who being so rich in water resources is on her knees due to her corrupt politicians.

Inundation of Dodhara

The water released from the Lohiya power house of India empties in to the Jogbudha River in Kanchanpur district of Nepal. The release of water could be controlled by the human hands but it is done intentionally. This results in the destruction of crops so the farmers go hungry. Their farmland turns in to wasteland due to cutting of the River.

Conclusion

The neighbouring countries which include Bangladesh, Nepal, China, Bhutan & Pakistan think that India alone can not take decision on natural resources of other countries but unless they unite to make a forum to stand against the water terrorism caused by India nothing will stop her to continue a silver aggression.

The actions of India are totally against the international laws, against the accepted behavior and against morality and thus amounting to naked interference in sovereignty, independent state of Nepal. On 1ST April 1990, that at that point of time when Indian Foreign Secretary put a draft proposed to the late King Birendra that he have a similar power like the King of Bhutan. King Birendra strongly rejected the proposal saying that 'IT IS PREFERABLE TO BE A POWERLESS KING THAN A POWERFUL KING UNDER INDIAN DOMINATION'.

Nepal- Malaysia relation: Bilateral cooperation, trade and tourism

By Hiranya Lal Shrestha

Nepal-Malaysia relation is growing stronger day by day in the areas of economy, commerce and tourism. Malaysia investment is also growing in Nepal. There have been growing exchanges among various institutions working in the field of trade and industry.

1. Partnership in Developing Human Resources

Malaysia has, through its Malaysian Technical Cooperation Program (MTCP), contributed to human resource development and strengthening of institution building in Nepal. Over the years, Malaysia has trained almost 500 officials in various sectors. Those who returned after training in Malaysia have established an Alumni MTCP in Kathmandu to strengthen networking between the two countries.

Malaysia has also offered scholarship to Nepalese students to enroll in institutions of higher learning in Malaysia. The Malaysian government has been providing some scholarships in the field of management, nursing and animal sciences.

A six member delegation led by National Planning Commission Vice Chairman Prithvi Raj Ligal visited Malaysia in Nov 1996. As early as 1966, a Malaysian Planning Commission delegation visited Nepal to share experience with the plans implemented with the assistance of the World Bank.

A letter of memorandum was signed between Malaysia and Lalitpur Sub-Metropolis in relation to Malaysia's assistance in the development construction within the municipality in July 1998. Senior Adviser to the Prime Minister of Malaysia, Datuk Ujenj O Campos and Alan Kun Pek Seg of Chin Fen BHD signed the MoU where as Mayor of Lalitpur Metropolis Buddhiraj Bajracharya affixed his signature on behalf of his municipality for improving drinking water within Lalitpur Sub-metropolis, carrying out reconstruction and road building.

Since Malaysia became member of Colombo Plan on 7 October 1957, Nepal and Malaysia have been collaborating with each other within the organization.

2. Trade

Trade and commerce are gradually growing between Nepal and Malaysia. Recently, Malaysia came to be in the top five countries from where Nepal imports goods. Over 80 different varieties of merchandise ranging from palm oil products, processed food, rubber products to motor vehicles, their parts and industrial goods are imported to Nepal. There has been a surge in import trade from Malaysia in the recent years.

Nepal's quantity of export to

Malaysia seems very small. Major export items are hides and skin. Himalayan herbs, herbal products, handicrafts, jewelry and precious stones are some of them.

The following is the trade statistics between Nepal and Malaysia during the past five years:

Trade statistics			
Values in Nepalese rupees			
Year	Export	Import	Balance
2003/04	8326000	3676428000	-3668102000
2004/05	12475000	2820876000	-2808401000
2005/06	35574000	2474661000	-2439087000
2006/07	47787000	2794632000	-2746845000
2007/08	78833000	3833725000	-3754892000

The above statistics shows that the trade balance between Nepal and Malaysia is gradually going against Nepal. This shows that there is a need of promoting export to Malaysia.

Kush Kumar Joshi, Chairperson of Nepalese Chambers of Commerce and Industries said in a press statement after visiting Malaysia in 2009 as the head of a 40 member delegation: "The Free Trade Agreement (FTA) has become a must after witnessing the vast potential for trade between Nepal and Malaysia. The FTA would create a legal framework for conducting trade between the two countries, foreign direct investment and relocating Malaysian industries in Nepal, which will help returnee migrant workers from Malaysia to get jobs. Since we have two big neighboring markets India and China, there is huge potential for Malaysian industries here."

3. Air Services

Direct air service started between Nepal and Malaysia since 2003. Nepal Airlines Corporation started direct flight from Kathmandu to Kuala Lumpur since 31 March 2003. It operated air service twice weekly on Monday and Thursday. The Nepalese Assistant Minister for Culture, Tourism and Civil Aviation Rabinbhatta Shrestha was warmly welcomed by Malaysian Transport Minister Dr Ling Liong Sik.

A memorandum of understanding was signed between Nepal and Malaysia in August 2003 for operating air service. The memorandum specified that 7 passenger and 4 cargo flights could be operated between Nepal and Malaysia weekly. On 13 December 2007, A Revised Air Pact was signed between Nepal and Malaysia. As per the pact, 21 commercial flights instead of 7 and 7 cargo flights could be operated weekly. An additional provision was also made to allow the private airlines to operate air service between Nepal and Malaysia.

Two airline companies of Malaysia,

Malaysian Airlines (MAS) and Air Asia have shown interest to operate flights to Nepal.

Qatar Airway has also started Qatar-Kathmandu flights. Qatar Airways has been operating service from Kathmandu to Malaysia four times weekly since April 2003. Just as the

Durk air is paying charge to Nepal for operating Kathmandu-Delhi flights, issue is being raised for Qatar Airways requiring to pay charge to Nepal for operating flights between Kathmandu-Malaysia.

Yeti Airways has started Kathmandu-Kuala Lumpur flights from January 2008. Tourism Minister Sarat Singh Bhandari visited Malaysia in October 2009 and held discussion with his counterparts on attracting Malaysian tourists in Tourism Year 2011 and operating air service to Malaysia from private sector.

4. Tourism

Exchanges have increased on both the sides. The number of visitors from Malaysia to Nepal has been increasing. The number of the Malaysian tourists arriving in Nepal was 5 in 1962, 92 in 1970, 735 in 1990, and 3,486 in 2000. The statistics of the Malaysian tourist visiting Nepal during the last ten years is given below.

Year	Number of Tourists
1999	2,953
2000	3,486
2001	3,787
2002	2,777
2003	8,197
2004	7,266
2005	5,269
2006	4,414
2007	5,237
2008	5,173

Record shows that 27,817 and 36,446 Nepalese people visited Malaysia in 2007 and 2008 respectively.

Of the Malaysian tourists visiting Nepal in 2008, 1,654 went to Pokhara and 800 went to Lumbini. Of late the Malaysians appear to have shown more interest towards trekking and mountaineering also.

Mohandas Nagappan and Magendran Munisamy from Malaysia scaled Mt Everest on 23 May 1996. The above Malaysians and five other Nepalese had successfully scaled Mt.

Everest from the eastern face of the mountain under the banner of Mountaineering Association of Malaysia.

On 16 May 2004 Malaysian citizens Mohamad Muqharabbin Bin Mokhterrudin and Ahmad Reduan Rozair also scaled Mt. Everest from the South-east face. The Malaysian team of Mara University of Technology was led by Muhamad Muqharabbin Bin Mokhterrudin.

On 21 May 2006 Loh Khee Lian and Khoo Swee Chiro scaled Mt. Everest via normal route.

Similarly, Nepal Tourism Board participated in MATTA International Travel Fare held in Malaysia 2008.

Malaysian Tourism Promotion Board Chairman Datuk Dr. Victor Wee was in Kathmandu in February 2010. He met Prime Minister Madhav Kumar Nepal and Other ministers. He said that Nepal has the possibility and potential to replicate the success which Malaysia achieved during Malaysian Tourism Year 2007. As Malaysia has experience in developing regional airports in South Asia, its experience can be useful for Nepal too, he said. The Malaysian model of home stay could be suitable for Nepal and we are ready to train Nepalese manpower for this purpose, Dr Wee added.

5. Joint Venture

By 2004 three Malaysian companies were operating in Nepal and four more in the pipeline.

The companies operating in joint ventures are B&B Investment (Pvt.), Bajra & Blay International Pvt. Ltd., Bajra Security and Investment Pvt. Ltd. And Bajra & Bajracharya Enterprises. In footwear products, 'Blay' is a popular brand name of Malaysia.

Another joint venture company operating in Nepal is Yeok Teck Chinese Vegetarian Restaurant, Lalitpur. Media's Everest Air-conditioning Pvt. Ltd. has received permission for producing refrigerators. Multi-software Pvt. Ltd. is scheduled to be established in Lalitpur. Pu Teeyian Vegetable Restaurant Pvt. Ltd. is to be opened in Kathmandu. Nepal Merchant Banking and Finance Ltd. has also received permission to run in joint venture with Malaysia.

In 2004, a Malaysian restaurant called 'Jalan Jalan' was established in Kathmandu. This was the first restaurant catering Malaysian foods to the customers.

In 2003, a Malaysian Trade and Investment Mission visited Nepal under the leadership of Tan Sri Dato Soong Siew Hoong. There is possibility of further investment from Malaysia if agreements can be signed to remove double taxations, protect investment and implement FTA.

The main source of external sector balance for Nepal is the inflow of remittance. But, its growth has not been much-less-than-expected compared to last year. In seven months, the country witnessed just 13 percent growth in remittance.

Despite the injection of liquidity to the banking system to cope up with the crisis, which began some five months back, there has not been any visible improvement. The bankers are bemoaning that they are not getting enough deposits despite offering good interest rates.

The cash crunch in the banking system is also casting blight on the industrial sector as it is not getting required funds from the banks.

If the current anomalies continue to persist with the continued augmentation of the BoP deficit, Nepal may have to adjust Nepal currency with the Indian currency.

This can trigger hyper-inflation that again might result in political crisis.

There are many instances in the world which show the dissolution of governments due to hyper inflation.

The downfall of the strong government led by dictator Suharto in Indonesia as well as the debacle of several governments in Latin America had much to do with the onset of hyper inflation.

Nepal should use strategic location tactfully

By P.K. Pant

Undoubtedly, the transformation process was relatively peaceful in Nepal. However, we also underwent certain painful experiences of violence during the transformation process. The adoption of non-violence means take more time to bring about change but it is the best way to deal with the internal problems. Nepal can learn the importance of non-violence to achieve the desired objectives.

Of course, Nepal received various assistances from other countries in its transformation process. There are many countries interested to help Nepal as well. However, there are certain things which the country should seriously consider before asking for the foreign support. First and foremost, Nepal should learn to effectively mobilize the money it receives from donor communities. No matter how much money you get from donors if that is mismanaged, that will have no meaning. Government must ensure that the financial assistances will not be embezzled at the cost of positive development of the nation.

The state is religiously secular as this condition will allow all religions prevailing in the country to flourish. There should be clear division between the state and the religion. Another important point to be learnt from other countries is civic education which teaches young people how to be a good citizen and how to build the country. In the context of Nepal, certain religion or may be tradition can be developed as a tool to bind various religious and cultural groups together. It allows people to adopt many ways for salvation. Precisely, the Hinduism, which has the largest followers in Nepal, can well be a unifying device in Nepal with the role of Hindus as consensus builder. The Hinduism can teach people to be tolerant which helps to keep extremism at bay.

Even in prosperous countries of Europe, we have observed different communal conflicts. In some countries, the federal governance system has proved to be a viable option to address the issues related to ethnicity but not in Nepal because Nepal is a homogenous country.

There are two important elements to address the issues pertaining to multi-ethnicity. One is through developing a common culture and another is the freedom of ethnic groups to use their own language in the area of formal education as well. If we ban them to do that they would revolt sooner or later. We should have proportionate system to include all the groups in the governing process.

First of all, we have to invent comprehensive, clear procedures to fix the things. We need to teach the people about the fundamentals of federalism to garner their support. Of course, the way towards the federalism based on ethnicity is full of potholes. But, it can be achieved through prudent vision.

Undeniably, people are more focused on the issues related to political ideology overlooking the significance of economy.

It behooves upon the political leadership to impel the people to pay attention to major economic issues. Only the robust economy ensures the sustainability of political order of any nature.

If one is to view growing domination of military strength, only superpower of the present day the U.S. and emerging superpower China and Russia can be fully independent. However, it will be naive to think that militarily strong nations will easily expand their influence in another part of the world. Even powerful countries need a network of huge cooperation from other countries to take any globally significant steps. On the other dimension, in today's world of globalization, the complete independence of any country is virtually impossible. However, being in a strategic location is both opportunity and challenges because the powerful countries try to keep their clout over the nation for the strategic benefit. The countries like Nepal should learn about how to use these realities for national interest.

An astute politician must know how to exploit the international cooperation for the sake of his own country. It is not unnatural on the part of Nepal to tactically use its international relations for the benefit of the country.

Notwithstanding their ceaseless harping about an inclusive and prosperous new Nepal, political leaders have made no attempts to scout consensus on crucial issues that will determine the future of the country.

It is absolutely disappointing to note that even 22 months after Constituent Assembly elections, there has been no meaningful debate on various vital topics including federalism.

As the political parties continue to find it appropriate to haggle over relatively trivial issues, a broader debate on how one group's demands for cultural and territorial assertion can coexist with the demands of others has been completely obstructed and ignored.

And, the disillusionment among Madhesh regarding their political leadership is growing. Worse, the theoretical rift between the madhesi leaders in recent days is also being glaringly visible. In a linear fashion, Nepali Congress (NC) and UML also do not appear clear on how proposed federalism will address the issues like resource sharing among the federal units apart from geographical, economic and administrative viability of such units. Even though these two parties have long been declaring that they recognize the legitimacy of the aspirations of the country's ethnic groups, they seem obscure about the fact that recognizing the ethnic diversity alone cannot form the basis of a viable federal structure.

It is not hard to find NC and UML leaders airing politically expedient, and often incoherent, definitions on "federalism" and "the right to self determination".

The Maoists, who were key actors in shifting the entire political and public mood in favour of federalism, are too not concrete on how to federally delineate the country. Their ideas on ethnic autonomy are barely in conjunction with Nepal's geographical and demographical realities. The Maoist stalwarts seem less bothered to initiate broad debate to protect minority rights within regions.

The gross inability of political parties to float such propositions on federalism that are rooted in a firm understanding of Nepal's geography, demographic distribution and economy is indeed depressing. This fact unequivocally demonstrates that their promises to solve ethnic issues lack substance. Not a single party has so far made any effort to ensure the people that the notion autonomy is aimed at enhancing symbiotic relations between ethnic groups, shield ethnic harmony and, most importantly, preserve the territorial integrity of the nation.

Betrayal in...

Public Accounts Committee (PAC) just attests to this fact.

The government flippantly turned down the suggestion of the National Security Council (NSC) to reconsider the decision to give India the job of printing MRP since the very move would prove inimical to the national security.

"Giving away the contract to India will enable it to enjoy control over the personal details that are contained in chips of MRP. As such, India will be in position to observe the movements of leaders, officials of security agencies, government employees and alike of Nepal," the NSC suggested.

India has also reportedly proposed to establish a central passport office in Nepal controlled by it.

"It seems that India is inclined to keep tabs on Nepal entirely. And, this has much to do with the insensitivity of Nepali leader towards national security," former home secretary Chandri Prasad Shrestha told the media.

Foreign Minister Sujata Koirala, who had frantically advocated in favour of the awarding the MRP contract to India, did not utter a single word on the issue at the PAC.

The brazen way the government selected the Indian company also indicates at the game of huge commission.

Parliamentarians said no government had ever violated the PAC directive in the past.

The illicit decision to allow printing rights of MPRs to India has now come under the jurisdiction of the Supreme Court (SC).

It is the first time the UML led coalition mocked the PAC by not complying with its written directive.

The MRP case is a solid proof that how the current government engineered by New Delhi is undermining the legitimate interests of the nation in an appalling manner.

UML itself ...

The Maoists have lately issuing warning to table a no-confidence motion against the government in the house that has began few days ago.

They are also sensing the probability of other parties reinforcing them in their bid to topple the government.

The Maoists are looking for the formation of either a national consensus government or a majority one led by them.

The chances of the continuation of the current wobbly coalition, which has only created more serious obstacles for the country, are getting strong.

Other parties, who are supporting the current government, are also

finding it hard to continue to do so.

Nepal Sadbhawana Party (Anandadevi) had already ceased from collaborating with the current government.

The Madhesh based parties supporting the government have also started to term it a failure.

The Nepali Congress (NC), major ally of the government, is also mulling to form a new government led by it.

In spite of these facts, it seems that the Prime Minister Nepal is facing the biggest threat from within his own party.

Time for new...

lending against deposits and controlling inflation that is expected to remain at 10.7 percent this year as per the revised monetary policy.

According to NRB, the lending rate went up by 17.3 percent during the first seven months of the current fiscal year against just 3.9 percent growth of deposits. The central bank has already taken strict measures against lending to real estate sector and the gold imports. The NRB, in its latest directive, has further tightened its grip over gold imports.

After the value of gold imports surged to Rs. 33 billion, thus contributing to further widen the BoP deficit, the NRB took such measure.

Social costs of globalisation

By Helena Norberg-Hodge

"... America is a new kind of society that produces a new kind of human being. That human being - confident, self-reliant, tolerant, generous, future-oriented - is a vast improvement over the wretched, servile, fatalistic and intolerant human being that traditional societies have always produced."

- Dinesh D'Souza, *What's So Great About America*

Implicit in all the rhetoric our leaders spout about globalisation is the idea that the rest of the world should eventually be brought up to the standard of living of the West, and America in particular. Read between the lines of the 'sustainable development' argument and you'll find the American Dream lurking: it is globalisation's touchstone, its apparent endpoint.

But if this is the direction globalisation is taking us, it is worth examining where America itself is headed. A good way to do so is to take a hard look at America's children, since so many features of the global monoculture have been in place their whole lives. They are like canaries in a mineshaft: if the American Dream isn't working for them, why should anyone, anywhere, believe it would work better for their own children?

As it turns out, children in the US are far from "confident, self-reliant, tolerant, generous, and future-oriented". One indication of this is that an estimated five million of them are being given at least one psychiatric drug. This disturbing trend is growing rapidly. The number of children ages 2-4 for whom stimulant and anti-depressant drugs have been prescribed increased 50 percent between 1991 and 1995. In the following four years, prescriptions for anti-depression drugs rose even more steeply, climbing 151 percent for children in the 7-12 age group, and 580 percent for children six and under.

For most people in the less 'developed' world it is impossible to imagine 2-year old children so depressed that they need prescription drugs. Equally hard to fathom are many other symptoms of social breakdown among America's children. Eating disorders, for example. The number of pre-pubescent children with eating disorders is on the rise, with girls as young as four showing signs of anorexia. Cosmetic surgery, another symptom of insecurity and poor self-image, is also on the increase, with the number of teen-age girls having their breasts augmented quadrupling, and liposuction procedures tripling, in just the past five years.

What about violence, which is a more common symptom of breakdown for boys? Consider the fact that there have been at least 25 school shootings in the US since 1996, claiming the lives of 35 students. The youngest killer? A six-year old boy.

What has made America's children

so insecure and troubled? A number of causes are surely involved, all of which can be traced back to the global economy. As corporations scour the world for bigger subsidies and lower costs, jobs move with them, and families as well: the typical American moves eleven times during their life, constantly severing connections between relatives, neighbours and friends.

Within almost every family, the economic pressures on parents systematically rob them of time with even their own children. Americans put in longer hours at work than people in any other industrialised country, and the trend is ever upward: Americans work the equivalent of one week longer per year than they did a decade ago, more than five weeks longer than in 1970. As a consequence more and more young children are relegated to the care of strangers in crowded day-care centres. Older children are often left in the company of violent video games or the corporate sponsors of their favourite television shows. Time spent in nature - fundamentally important to our psychological well being - is increasingly rare.

Globalisation and the spreading consumer culture thus work to displace the flesh-and-blood role models - parents and grandparents, aunts and uncles, friends and neighbours - that children once looked up to, replacing them with media and advertising images: rakish movie and rock stars, steroid-enhanced athletes and airbrushed supermodels. Children who strive to emulate these manufactured 'perfect' idols are left feeling insecure and inadequate.

In this sense, what is often seen as American 'culture' is not a product of the American people. It is, in fact, an artificial consumer culture being foisted on people through advertising and the media. This consumer culture is fundamentally different from all those cultures which for millennia were shaped by climate and topography - by a dialogue between humans and the natural world. This is a new phenomenon, something that has never happened before: a culture determined by technological and economic forces, rather than human and ecological needs. It is not surprising that American children, many of whom seem to 'have everything', are so unhappy. Like their parents, their teachers at school and even their television heroes, they have been put on a treadmill that is ever more stressful and competitive, ever more meaningless and lonely.

America's children are among the first victims of a culture shaped by commercial interests and media moguls, and an increasing number of Americans are waking up to this fact.

There is a growing trend towards turning the television off, towards consciously seeking nature and community instead. These are incredibly important and hopeful signs.

Nevertheless, as the globalisation juggernaut steamrolls along the number of victims worldwide is growing exponentially. Today millions of children from Mongolia to Patagonia are targets of a fanatical and fundamentalist campaign to bring them into the consumer culture. The cost is massive in terms of self-rejection, psychological breakdown and violence. These children are just as vulnerable as their American counterparts to the sales pitches of corporate advertisers, who pitch them that this brand of make-up will inch them closer to perfection, or that wearing that brand of sneakers will make them more like their sports hero. Sales of dangerous bleach for skin and hair, and contact lenses advertised as 'the colour of eyes you wish you were born with', are skyrocketing in the South.

This psychological impoverishment is accompanied by a massive rise in material poverty. Even in America a decade-long economic 'boom' could not lift an estimated 35 million people above the poverty line. And what about the millions drawn into rapidly growing Third World slums every year, with little hope of escape? What about the factory workers in sweatshops and maquiladoras, and the small farmers in their dying rural communities? What about the indigenous peoples being driven to extinction, and those whose ways of life are so threatened by the forces of globalisation that they turn to fundamentalism, even terrorism?

The central hope of the American Dream - that our children will have a better life than we do - seems to have vanished. Many people, in fact, no longer believe that our children really have any future at all.

Nonetheless policymakers insist that globalisation is bringing a better world for everyone. How can there be such a gap between the cheerleading rhetoric and the lives of real people? Part of the disconnect results from the way globalisation's promoters measure 'progress'. It is all too easy to compare America's consumer cornucopia today with what was available 50 or 150 years ago. More often, the baseline from which comparisons are made is rooted in the Dickensian period of the early industrial revolution, when exploitation and deprivation, pollution and squalor were rampant. From this starting point, our child-labour laws and 40-hour workweek look like real progress.

Similarly, the baseline in the Third World is the immediate post-colonial period, with its uprooted cultures, poverty, over-population and political instability. Based on the misery of these

startling points, political leaders can argue that our technologies and our economic system have brought a far better world into being, and that globalisation will bring benefits to the 'wretched, servile, fatalistic and intolerant human beings' in the remaining 'undeveloped' parts of the world.

In reality, however, globalisation is a continuation of a broad process that started with the age of conquest and colonialism in the South and the Enclosures and the Industrial Revolution in the North; from then on a single culture and economic system has relentlessly expanded, taking over other cultures, other peoples' resources and labour. Far from delivering us from poverty, the globalising industrial system continually creates it.

Today, on the eve of the Johannesburg summit, it is vital that we connect growing physical and emotional poverty - whether inside or outside the US - to the whole industrial system, to a history that included robbing people from all over the world of their natural resources, labour and self-respect. Our leaders simply fail to connect the dots between

'progress' and poverty.

Erasing other cultures, replacing them with an artificial culture created by corporations and the media can only lead to an increase in social breakdown and poverty. Even in the narrowest economic terms, globalisation means continuing to rob, rather than enrich, the majority. In 1960, the income of the richest fifth of the global population was 30 times that of the poorest fifth; by 1997 the gap more than doubled, with the richest fifth receiving 74 times more than the poorest fifth. This is globalisation at work.

By forcing everyone on the planet to rely on the same, narrow range of resources, globalisation is creating artificial scarcity, thereby adding to real poverty and exacerbating violent conflict. Contrary to the often-repeated claim that global trade is making conflict less likely, a recent World Bank study has found that countries whose economies are highly specialised - precisely what the free traders prescribe - are 20 times more likely to find themselves in civil war than countries whose economies are diversified.

With those in the industrialised world using ten times their share of the earth's resources, it is a criminal hoax to promise that everyone in the 'undeveloped' world can do the same. The global spread of this fantasy has been profoundly destructive to people's ability to survive in their own cultures, in their own place on the earth. It has even been destructive to its most privileged beneficiaries. America's children are telling us we need a very different dream - one shaped by culture and nature, not by corporate greed.

Nepali political confusion proves obstacle for May 28

Surya B. Prasai

Hardly two weeks after the death of Girija Prasad Koirala, the five time Nepali premier who was hailed as the broker of the 2006 Nepali National Peace Accord, Nepali politics appears to be journeying through a field of contradictions once again. Despite preaching democratic stability, confusion emanates from the Nepal Government's indecisive stance on the constitution making process which is supposed to herald the logical conclusion to the Nepali peace process. Now the Madhesi Janadikhar Forum has joined the Maoist crescendo demanding the current government step down given lackadaisical performance, the other humiliating alternative being a no-confidence censure in the Constituent Assembly. Amidst this all, UNMIN has chosen to stay aloof from the national political infighting opting to pay glowing tributes to the leadership efforts of late Girija Prasad Koirala in promoting Nepali democracy. That might appear superficial, since ex-Premier Sher Bahadur Deuba stated last week after emerging from an NC's unity meeting of sorts that his party's top leadership remains undecided on who should lead. The international media speculates Mr. Deuba to succeed GPK, given his wide democratic acceptance particularly among the Western donors that buttress Nepali aid. But tussles are bound to occur since Sushil Koirala still finds a place for Koiralism within the NC.

The two core issues at the moment are: pending integration of ex-Maoist combatants who want to serve in some form in the disciplined services (or if nothing works out, in some form of industrial security services corps), and two, the unwillingness of Nepali political parties to shed their arrogance opting for a more holistic approach to constitution making before May 28, when the final draft should theoretically be ready. Ex-Prime Minister Krishna Prasad Bhattarai thinks both are Utopian dreams. Girija Babu too in his last few days was known to have cast similar feelings in private opining that without the Maoists' full cooperation, Nepali constitution making would remain a political mirage at best. Interestingly, both were strong advocates of the Constitution of Nepal 1990.

Nepal's President Dr. Ram Baran Yadav, on the other hand seems caught in the middle, neither supporting the early constitution drafting lobby for a laghu (short) constitution, or else applauding those who advocate a six month to one year extension of the constitution writing process, thereby extending the term of the Constituent Assembly. Nepali people are already growing impatient with the current batch of leaders who seem ignorant and unable to solve the daily living standard woes of the average Nepali which includes 12 hour electrical load shedding coupled with rampant corruption, inflation, public insecurity and more that impacts on their lives.

Yet there is an on-going debate in Nepal's political chakra on what level of federalism will fully benefit Nepali economic growth and progress (note that despite Nepal already declared a Federal Democratic Republic of Nepal two years back, it still has 14 zones - a legacy of the Panchayat system). Indeed, many scholars and experts, include some foreign, find the existing 14 anchals (zones) system better than a Maoist proposal to re-carve Nepal into 11 ethnic major or minor principalities, which in effect, would take Nepal back to the era before late King Prithvi Narayan Shah who unified Nepal. This proposal is also vehemently opposed by NC and Terai parties as a stumbling block to the constitution building process, not only redefining voting precincts and vote casting loyalties, but creating an atmosphere of intimidation where daily living is concerned, if implemented.

Forget the national peace process, the majority of the Constituent Assembly members feel equally sidelined. Terai party leaders are not happy on being circumvented in the national political agenda, earlier expectant of fielding a proper Terai wallah as Prime Minister, since the PM is still the Executive Head of Government and all powerful in the Nepali context. Janjatiyas are unhappy in being labeled what else but Janjatiyas, despite millions of dollars in foreign aid and expertise being poured into inclusive development, an unfulfilled National Planning Commission goal. And finally Nepali women leaders are wretching with anger in seeing a predominantly male dominated national leadership structure making decisions on their behalf.

The most contentious issue of course is the integration of ex-Maoist combatants into the national disciplined forces. Nepal Army Chief CMS Gurung has already told visiting foreign delegations that NA would like to remain apolitical and serve the Nepali people's quest for peace, national security and democracy in an impartial manner. Defense Minister Bishwa Bhandari too had mentioned several months earlier that the criteria NA adopts for selecting its forces is wholly impartial but also highly competitive, including all recruits having to meet certain age, weight, and height requirements. NA forces primarily serve as a catalyst to the UN's global peacekeeping missions abroad and are in high demand since Nepal is the UN's fifth largest contributor. Prachanda understands this all, and thus has proposed in a roundabout way that some of the qualified ex-Maoist combatants serve as part of an autonomous or independent security force matched one-to-one by the Nepali disciplined forces. This option hints at an industrial protection force, given the vulnerabilities Nepali industrialists have had to face before and after the 2006 National Peace Accord. This writer believes still, the Nepal government could get some of the educated ex-Maoist cadre to serve as village level volunteers particularly in promoting health, education, social development, and agricultural regeneration activities particularly in the Western and Far Western regions, something the donors have also advocated as part of the overall rehabilitation and integration process.

So what until the May 28 Constitutional deadline? The number of ex-Maoist combatants still needs verification, and the United Nations Mission in Nepal (UNMIN) has so far refused to divulge the precise numbers in various camps, which has irritated many. The Nepal Government too faces a dilemma in not being able to move forward with the Constitution drafting process until these numbers are verified, given stringent demands from various political parties within and outside the existing coalition of Madhav Kumar Nepal's government, since such integration can only take place after the New Constitution is written. Certainly fresh polls would generate fresh results and create a new constituent assembly, verifying as well the true strength and outreach of the Maoists (including ex-combatants) and of other major political parties, including NC without Girija Babu, and whether Terai parties would enjoy the same berth if they went out alone.

One undecided factor in all this is the place of Monarchy which is currently phased out but not dead, since it appears many Nepalis particularly in the rural regions still look upon the King as a symbol of cultural unity. Ex-PM Bhattarai has also advocated Monarchy's representation in some form, but this would imply ex-King Gyanendra having to opt for a more active role in Nepali politics and forming a new party. Given the shaky coalition in Nepali politics at the moment, anything is possible. BP advocated strongly for monarchy and democracy to serve the Nepali people. President Dr. Ram Baran Yadav is also right to some extent in stating that Nepal's political generation has gone through a sea of change, and the new educated leaders want to see nothing but fully functioning democracy in the country. Whatever might transpire in the period, there is little doubt like in democracies elsewhere, Nepali people seek to live, breathe and experience true democracy, so far only in name given rising political impunity and breeding, unchecked economic corruption.

US delays yuan report "to prevent showdown"

US Treasury Secretary Timothy Geithner said on Saturday he was delaying an April 15 report on whether China manipulates its currency, amid growing debate on the revaluation of the yuan.

"A move by China to a more market-oriented exchange rate will make an essential contribution to global rebalancing," Geithner said in a statement.

He also pledged to press for a more flexible Chinese currency policy, following renewed US calls for China to revalue the yuan.

A number of Chinese analysts have said that a sharp revaluation of the yuan will dent China's growth by making its exports more expensive.

But the country may start revaluing its currency as early as the second half of the year, with the move not yielding to US pressure, but seeing to China's own needs", Jin Canrong, a leading US studies expert at the Renmin University of China, said on Sunday.

Still, Geithner said he will use

upcoming meetings of the Group of 20 and a US-China economic summit in Beijing in May to try to advance the US position.

"I believe these meetings are the best avenue for advancing US interests at this time," Geithner said in a statement issued at midday on the Easter holiday weekend. The US Treasury gave no indication of when it will release the report.

The US Business and Industry Council, a trade group, said the administration will apparently delay the release of the report until after the G20 summit meeting in June.

The latest US decision to delay the report came as President Hu Jintao is scheduled to visit Washington next week to attend a nuclear security summit after both sides strived to patch up strained ties over Taiwan, Tibet and trade.

The New York Times reported earlier that the US Treasury's move seemed intended to send a reassuring message to China and the US Congress.

"It signaled to China that the

administration prefers to resolve the dispute diplomatically rather than force a showdown, but also pressed the case for a change in China's policy, a position advocated by many US lawmakers in both parties," it said.

Lu Zhengwei, a senior economist at Industrial Bank, predicted that the time will come for China to appreciate its currency after the strained ties are eased, "which may be around May when the two sides hold the Strategic and Economic Dialogue", information portal Ifeng.com reported.

A declaration that China manipulated its currency can lead to sanctions if the nation refuses to yield by moving toward a more flexible currency rate.

A number of analysts also differed on the impact of a rising currency. Zhang Ming, a researcher with the Chinese Academy of Social Sciences, said last week that the sooner the yuan exchange rate is made flexible, the more initiative China will have.

"It will benefit China in the long term to have its currency appreciate within

a controllable scale, which will have only limited impact on exports and employment," Zhang said.

But British economist John Ross, a visiting professor with Shanghai Jiaotong University, told reporters that an appreciation of the yuan can lead to global inflation and lower the living standard of people in the US as well as other countries.

Now is not the best time for yuan revaluation but that will definitely happen in the next few years, Ross said.

The latest US move also shows that the country wants to prevent current friction from escalating into a trade war, Jin Canrong said.

The Obama administration now wants to "play the good guy" and the US Congress is likely to play the bad guy by passing a non-legally binding resolution against China, Jin said.

But the US will not give up using the currency issue to force China to open its markets, especially the financial market, he said.

(Source: China Daily)

Region :

Kashmir – Panacea of all ills

By Khalid Khokhar

Since 2004, the peace process between India and Pakistan provided an ideal forum to tackle core issues and improved the decades old mistrust through confidence-building measures (CBMs). Nonetheless, Mumbai carnage that killed 166 people on November 26, 2008 not only blocked the prospects of Kashmiri freedom movement, it also stalled the much desired peace talks between the two nuclear-armed rivals. It was unbelievable that the foundation on which this friendship structure was standing, proved to be so fragile that it could not hold the weight of Mumbai mayhem. Within couple of hours of the Mumbai attacks, India pinned blame on militant groups based in Pakistan. Pakistan's viewpoint was that some non-state actors on both sides of the border have been successful in achieving their aim of keeping the "dialogue process" between the two countries a hostage. The US Defense Secretary Robert Gates told the US Senate in December 2009 that Jihadist outfits wanted to provoke a conflict between India and Pakistan in order to destabilise Pakistan. Now, after one year, US concluded what Pakistan has been harping right from the very first day. During the electioneering campaign, President Barack Obama committed a special envoy in Kashmir to figure out a plausible approach for the resolution of Kashmir dispute. However, India rejected any third party intervention and asserted to address the matter bilaterally with Pakistan. Mumbai attacks helped India deviate from the just demand for solution of the dispute as per UN resolution that envisages plebiscite to ascertain the will of the Kashmiri people.

The Kashmiri claim to self-determination is rooted in the United Nations' definition of the Right to Self Determination as described in Article 1 of both the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights. Article 1 of both

these Covenants enshrines the inalienable right of all peoples and imposes on all States parties corresponding obligations. This right and the corresponding obligations concerning its implementation are interrelated with other provisions of U.N. Covenants and rules of international law. Lord Mountbatten said on October 27, 1947, that the accession of Kashmir should be decided in accordance with the wishes of the people of the state. Pundit Jawaharilal Nehru's government took the Kashmir issue to the United Nations, saying that the people of Kashmir be given the chance to decide their future under the supervision of the United Nations. Against these solemn words and relentless struggle of the people of Kashmir, New Delhi today has two lame excuses: (1) The pledges and the UN resolutions calling for a plebiscite in Kashmir have become outdated. (2) What is going on in the Kashmir valley is not a people's revolt but the result of 'cross-border terrorism'. Both arguments are self-serving as the time cannot abrogate moral values nor invalidate the international community's right to intervene in flash points of conflict arising from denial of freedom and involving tyranny and persecution. For Kashmir, all United Nations resolutions and the Indian leaders' own pledges remain unfulfilled but valid because they are based on the time-honoured values of freedom and sacredness of basic human rights.

Indian demanding stern action against government official agencies involved in Mumbai carnage, has been taken with a great deal of restraint by conducting in a very statesmen-like manner ever since. India's stalling of the peace process was very unfortunate. The situation became worsened, when Chief of Army Staff Gen. Deepak Kapoor has warned in Jan 2010 that intervention and limited war under a nuclear overhang is now

possible in South Asia – igniting the region a nuclear flashpoint again. An anti-terrorism court has declared 20 accused as proclaimed offenders, statements of over 120 prosecution witnesses have been recorded and hearings of seven held and indicted accused are proceeding. Pakistan is probing the Mumbai terror attacks in a most professional manner. Within hours after the attacks, Pakistan raided militant organizations and arrested Zakir Rehman Lakhavi and Hafiz Saeed (founder of the LeT and head of JuD) along with 124 activists throughout Pakistan. Pakistan has started criminal proceedings against eight suspects over the attacks. However, the dossier provided by Indian authorities was not enough as it lacked credible evidence to stand in a court of law. India demands that Pakistan do more, as if the 87 suicide attacks that claimed the lives of 1,299 persons and injured 3,633 during the year 2009 in Pakistan, have been carried out by government agencies itself. On the contrary, India itself cannot eradicate its indigenous extremist movements. India media disclosed that serving Indian Lt Col Purohit along with others army officers have accepted the responsibility of destroying Samjhota Express that took the toll of 300 innocent Pakistani lives. Pakistan has the right to demand for handing over of Lt Col Purohit involved in the blast of Samjhota Express. Would India include in the list of banned outfits responsible for communal atrocities on the minorities in India? Would India root out extremist's organization like RSS and BJP, whose leaders stand accused for the shahadat of Babri Mosque? As long as India denies Kashmiris their right to self-determination and ignores the demands of its 13 aggrieved & politically deprived provinces, extremism will keep on flourishing in India. It is concluded by foreign experts in counter-insurgency that lack of

conclusive evidence has shown that "official agencies" have not orchestrated the Mumbai terrorist attack. It is wrong to think of Pakistan as a perpetrator of terrorism. So, justice demands that Pakistan be defended, more so because Pakistan is a country that has remained frontline state in GWOT since 2001. Pakistan is fighting the global war on terrorism for its own national interest and wants to curb the spills over of Talibanisation into the settled areas. Therefore, there is a growing need that India & Pakistan should work together to bring the Mumbai attackers to justice by adopting a proactive, well-coordinated and coherent regional approach.

The Mumbai attacks provided the perfect excuse to turn back on Indian promise of finding a just and lasting solution to the Kashmir issue based on the wishes of the Kashmiris. They tried to confuse world opinion by pinning the blame on Pakistan for aiding the 'militants' through 'cross-border terrorism' and labeling the just struggle of the Kashmiris as acts of militancy. India continues to refuse to talk to Pakistan to settle the disputes over Kashmir, water resources and a host of other irritants. Pakistan wants to restart the dialogue process with India but the other side is not willing to. From a Kashmiri perspective, the leaders of both India and Pakistan should be encouraged to continue with the good-will initiatives (CBMs) they have started some time ago. This will enable both the countries to find converging interests also. However, any meaningful dialogue regarding Jammu and Kashmir cannot be restricted to bi-lateral negotiations. The discussions must be tri-lateral, that is, they must include representatives of the Kashmiri people. Let us resolve that we would see an end to their misery, rape and torture and the right to self-determination of the Kashmiris would be exercised and they would stand justified and take their rightful place in the comity of nations. Inshallah.

Pakistan roots to Moscow attack?

By Syed Saleem Shahzad

Monday's twin suicide attacks by female bombers in the Moscow metro system in which at least 38 people were killed and 64 injured were most likely planned and executed by people trained in Pakistan's tribal areas.

The head of the Federal Security Service (FSB - formerly the KGB), under whose headquarters the attacks took place, immediately pointed a finger at insurgents linked to the North Caucasus, saying the assumption was based partly on fragments of the suicide bombers' bodies.

"Our preliminary theory is that these terrorist attacks were carried out by terror groups linked to the North Caucasus region," Aleksandr Bortnikov said in reference to Muslim rebels waging a war of independence in Chechnya, a semi-autonomous region in the Russian Federation.

Russia last year declared an end to counter-terrorism operations in Chechnya that had been ongoing for over a decade, but confidence in that declaration has been shaken by a recent spike in violence, reports RFE/RL's Russian Service.

Well-placed contacts within jihadi circles confirm to Asia Times Online that the attackers were in all probability from the North Caucasus, but add that they could have been trained in Pakistan as part of a broad plan that al-Qaeda has been working on for many years - to stir unrest across Central Asia. The insiders who spoke to Asia Times Online point out that Monday's attack could signal a new salvo in this battle. The last metro attacks in Moscow were in 2004, when 40 people were killed in two separate incidents.

The al-Qaeda vision is to use the separatist struggle in Chechnya as a rallying point for a broader fight against Russia and its allies in Central Asia. In this new war it is envisaged that Chechens will be joined by, among others, ethnic communities of Uzbeks, Uyghurs and Tajiks under one front to establish an Islamic emirate of Khurasan.

As top al-Qaeda ideologues see it, the map of ancient Khurasan (comprising the present Central Asian republics, parts of Afghanistan, parts of Iran and parts of Pakistan) would be revived. Victory here would then lead to the "end-of-time battles" in the Middle East.

Seeds planted in Afghanistan

Preparations for Khurasan began in the late 1990s in Afghanistan when Taliban leader Mullah Omar provided refuge to fighters from Central Asian Islamic movements in Uzbekistan, Chechnya and Tajikistan. Militants from the East Turkestan Islamic Movement were also accepted. This is an Uyghur organization that advocates the creation of an independent Islamic state of East Turkestan in what is currently the Xinjiang region of China.

Initially, these groups tried to fight their wars of liberation from bases in Afghanistan, but al-Qaeda worked hard to convince them of the need for a joint strategy throughout Central Asia. In the "war and terror" years after the Taliban were thrown from power by the United States-led invasion of 2001, thousands of Central Asian militants gathered in the border areas of Afghanistan and Pakistan, but their participation in the Afghan resistance was minimal.

This became a serious point of friction between Taliban commander Haji Nazeer and Uzbek militants who had settled in Pakistan's South Waziristan tribal area. The discord turned bloody in 2007 when Nazeer's men killed hundreds of Uzbek militants. The Uzbeks, with about 2,500 fighters, were the largest group of foreign militants in the area.

Although the Taliban were upset that these militants were not pulling their weight in Afghanistan, it was impressed on them by al-Qaeda that bigger things were planned for the foreigners.

Asia Times Online has written how control of all foreign fighters in North Waziristan and South Waziristan was generally in the hands of Arabs, who are astute and trained commanders. For example, Abu Nasir commands the Uyghurs and Pakistanis; Abu Akash looks after the Uzbeks and Tajiks while Abu Hanifah takes care of Turkish Kurds, Bosnians and Chechens.

After 2007, foreign fighters began to arrive in Pakistan in increasing numbers as al-Qaeda had consolidated its position in the tribal border areas. Most of the jihadis came from Turkey, where there are large Chechen and Uzbek communities.

After mid-2009, the fighters were able to travel through Iran as al-Qaeda struck a deal with the Iranian Jundallah militant group to allow them transit through restive Sistan-Balochistan province in the southwest. The fighters were also able to return via the same route.

Conceivably, this was the route taken by Monday's suicide bombers after receiving training in the al-Qaeda camps that dot the border areas.

The changing face of Afghan crisis

By Alam Rind

International Conference on Afghanistan in London has proved to be highly effective in winning over the global community to ensure that the new strategy succeeds. The world is fully aware that failure in Afghanistan will lead to revival of Talibanisation in the country. That will also provide safe haven to Al-Qaeda for its re-establishment. Use of military force for last nine years has only complicated the issue. Major portion of the country is still controlled by Taliban and there has been gradual increase in their support. At last, the international community has come to realize that you can't subjugate nations by the use of brute force. The strategy of "Shock and Awe", display of military might at Tora Bora and even the loss of lives can't break the will of a determined nation. Americans and the international community have to prove that they really want to improve the quality of lives of Afghan people and want to sincerely contribute toward their national development.

It is important that political, economic development and security issues of Afghanistan are tackled at priority. These can only be undertaken effectively by Afghan security Forces and government functionaries. To be able to win back the confidence of the people they will have to assume a leading role in developmental works and have to prove themselves as the protectors of the rights of the people. The process is going to be slow as the

masses will be skeptical of the US trained Afghan forces. The initiatives where UN and Afghan forces undertake joint operations can prove to be totally counterproductive. As the same will project Afghan soldiers as an extension of occupation forces those who are in tandem with the infidels. UN high command needs to be highly perceptive of Afghan sensitivities and must tailor their developmental as well as military operations with the same in mind.

During his opening remarks at the London Conference on Afghanistan, President Hamid Karzai aptly said that, "To make the programme a success we hope that His Majesty King Abdullah bin Abdul Aziz of Saudi Arabia will kindly play a prominent role to guide and assist the peace process. We ask all our neighbours, particularly Pakistan, to support our peace and reconciliation. We are looking forward to the international community supporting this plan of action". It clearly reflects on the religious predisposition of Afghan society. The respect they have for the guardians of the two holy mosques and for their Pakistani brothers who supported them during thick and thin. Probably this is one of the reasons that Chief of the Army Staff General Ashfaq Parvez Kayani in NATO commanders' conference in Brussels said "Pakistan was prepared to train the Afghan National Army".

The success in Afghanistan is critical to American interests. They have tentatively set July 2011 as target date to start withdrawing troops from Afghanistan. This is not without reason. The war is costing huge amount to the American exchequer. So far Congress has approved \$1.075 trillion dollars for military operations in Iraq and Afghanistan and "war-related activities" since 2001. For Fiscal Year 2010 defense spending bill of about \$130 billion has been approved which will cover expense till Sept. 30, 2010. It is likely to be increased by \$33 billion to pay for the cost of the troop surge in fiscal 2010. Such huge expenses are a definite burden on American economy, which has an estimated budget deficit of \$1.17 trillion in 2010 and its projected debt is expected to double to \$20 trillion by 2015. American economy already affected by recession can ill afford war expenses. If US economy fails to recover, China will become the biggest economy of the world earlier than later.

With military as well as economic constraints at hand it is absolutely practical to adopt a strategy that will save on cost and bring about a lasting peace in the region. The best course of action under the circumstance is gradual reduction of American troops and capacity building of Afghan Government as well as its Armed

Forces and Police. They should have the ability to undertake developmental works and provide security to its population. The role of Saudi Arabia and Pakistan prominently figures out as the two Muslim countries enjoy the trust of the people of Afghanistan. They can play prominent role in bridging the gap between Afghan Government and prominent Afghan groups those who are fighting for the independence of their mother land. Their role in restructuring Afghan Governmental institutions, developmental works and training of their armed forces and police will be happily accepted by the people.

Exit is always an important event having lasting impact on the future developments in the region. In a world where economic strength is more important than military might it is better to build future markets than to sow the seeds of dissent that may develop into lasting confide as was done by Lord Mountbatten. The region is already a nuclear flash point due to Kashmir dispute and presently emerging Indo-Pak water crisis. Any further disturbances in balance of power in the region will be highly detrimental to its peace and stability. Such an exercise will be self defeating as it will encourage terrorism rather than harnessing the same. Now it's the responsibility of sole super power of the world, while they respectfully leave Afghanistan they ensure that it doesn't add to the friction between Pakistan and India.

मानवले मानवलाई शोषण गर्ने, अन्याय अत्याचार गर्ने कार्य निन्दनीय कार्य हो । नागरिक अधिकारप्रति सजग र सचेत बनौं, बनाऔं र सबैमा समान व्यवहार गरौं



नेपाल सरकार

सूचना तथा सञ्चार मन्त्रालय

सूचना विभाग

Poverty: An issue of political economics

By Prem Kumari Pant

Most of humanity lives on just a few dollars a day. Whether you live in the wealthiest nations in the world or the poorest, you will see high levels of inequality. The poorest people will also have less access to health, education and other services. Problems of hunger, malnutrition and disease afflict the poorest in society. The poorest are also typically marginalized from society and have little representation or voice in public and political debates, making it even harder to escape poverty. The wealthier you are, the more likely you are to benefit from economic or political policies. The amount the world spends on military, financial bailouts and other areas that benefit the wealthy, compared to the amount spent to address the daily crisis of poverty and related problems are often staggering. Some facts and figures on poverty are an eye-opener, to say the least.

Cutbacks in health, education and other vital social services around the world have resulted from structural adjustment policies prescribed by the International Monetary Fund (IMF) and the World Bank as conditions for loans and repayment. In addition, developing nation governments are required to open their economies to compete with each other and with more powerful and established industrialized nations. To attract investment, poor countries enter a spiraling race to the bottom to see who can provide lower standards, reduced wages and cheaper resources. This has increased poverty and inequality for most people. It also forms a backbone to what we today call globalization. As a result, it maintains the historic unequal rules of trade.

Many developing nations are in debt and poverty partly due to the policies of international institutions such as the International Monetary Fund (IMF) and the World Bank.

Their programs have been heavily

criticized for many years for resulting in poverty. In addition, for developing or third world countries, there has been an increased dependency on the richer nations. This is despite the IMF and World Bank's claim that they will reduce poverty.

Structural Adjustment Policies (SAPs) have been imposed to ensure debt repayment and economic restructuring. But the way it has happened has required poor countries to reduce spending on things like health, education and development, while debt repayment and other economic policies have been made the priority. In effect, the IMF and World Bank have demanded that poor nations lower the standard of living of their people.

Historically, politics and power play by the elite leaders and rulers have increased poverty and dependency. These have often manifested themselves in wars, hot and cold, which have often been trade- and resource-related. Mercantilist practices, while presented as free trade, still happen today. Poverty is therefore not just an economic issue, it is also an issue of political economics.

What does it mean to be poor? How is poverty measured? Third World countries are often described as "developing" while the First World, industrialized nations are often "developed". What does it mean to describe a nation as "developing"? A lack of material wealth does not necessarily mean that one is deprived. A strong economy in a developed nation doesn't mean much when a significant percentage of the population is struggling to survive.

An improvement in living standards and access to all basic needs such that a person has enough food, water, shelter, clothing, health,

education, etc:

~ A stable political, social and economic environment, with associated political, social and economic freedoms, such as equitable ownership of land and property;

~ The ability to make free and informed choices that are not coerced;

~ Be able to participate in a democratic environment with the ability to have a say in one's own future;

~ To have the full potential for what the United Nations calls Human Development;

Human development is about much more than the rise or fall of national incomes. It is about creating an environment in which people can develop their full potential and lead productive, creative lives in accord with their needs and interests. People are the real wealth of nations. Development is thus about expanding the choices people have to lead lives that they value. And it is thus about much more than economic growth, which is only a means—if a very important one—of enlarging people's choices.

At household, community, societal, national and international levels, various aspects of the above need to be provided, as well as commitment to various democratic institutions that do not become corrupted by special interests and agendas.

Yet, for a variety of reasons, these "full rights" are not available in many segments of various societies from the richest to the poorest. When political agendas deprive these possibilities in some nations, how can a nation develop?

Politics have led to dire conditions in many poorer nations. In many cases, international political interests have led to a diversion of available resources from domestic needs to western

markets. This has resulted in a lack of basic access to food, water, health, education and other important social services. This is a major obstacle to equitable development.

Around the world, 30,000 children die every day. That is equivalent to 1 child dying every 3 seconds, 20 children dying every minute. The silent killers are poverty, easily preventable diseases and illnesses, and other related causes. In spite of the scale of this daily/ongoing catastrophe, it rarely manages to achieve, much less sustain, prime-time, headline coverage.

However, meaningful long-term alleviation to hunger is rooted in the alleviation of poverty, as poverty leads to hunger. World hunger is a terrible symptom of world poverty. If efforts are only directed at providing food, or improving food production or distribution, then the structural root causes that create hunger, poverty and dependency would still remain. And so while continuous effort, resources and energies are deployed to relieve hunger through these technical measures, the political causes require political solutions as well.

Corruption is both a major cause and a result of poverty around the world. It occurs at all levels of society, from local and national governments, civil society, judiciary functions, large and small businesses, military and other services and so on. Corruption affects the poorest the most, whether in rich or poor nations.

The issue of corruption is very much inter-related with other issues. At a global level, the "international" economic system that has shaped the current form of globalization in the past decades requires further scrutiny for it has also created conditions whereby corruption can flourish and exacerbate the conditions of people around the world who already have little say about their own destiny.

~ News ~

E-library services in Lalitpur ward

The Lukhusthi Association has started providing e-library and Internet services in the locality with the objective of providing basic knowledge on the Internet to classes of people in the locality.

CA member elected from Lalitpur constituency-2, Rajkaji Maharjan of the Unified CPN (Maoist) inaugurated the e-library service at a function organized at Lalitpur Sub-metropolitan City-17, Lukhusthi on Monday.

The services will be provided free of cost in the beginning. Speaking on the occasion, CA member Maharjan stressed the need for extending the e-library services to other areas in the town.

He also announced that he would provide money to purchase two computers for the library from the CA members' fund.

Coordinator of the special committee for operation of the e-library, Baburaj Maharjan requested all to contribute to the e-library. There are four computers for running the e-library. Internet services are also available there.

GPS system for rhino protection

Global Positioning System (GPS) devices have been installed in the neck of the one-horned rhinos found in Chitwan National Park (CNP) for tracking them.

This measure has been taken for keeping a track of the one-horned rhino for its conservation. The programme of keeping the GPS device has been carried out through joint initiatives of the Department of National Parks and Wildlife Conservation, the National Trust for Nature Conservation and the World Wildlife Fund (WWF).

As per the latest rhino census, there are 408 rhinos in the CNP and out of them nearly two dozen rhinos have been killed due to natural causes or poaching.

Fifty percent of works on Indrawati project completed

Fifty per cent of works on the ongoing Indrawati-III Hydroelectricity Project at Melamchi, Sindhupalchowk district, have been completed and the project is slated to come into operation in one and half years.

The hydroelectricity project with the capacity to generate 4.5 Megawatt power is being constructed by Sunkosi Hydro Pvt. Ltd. at an estimated cost of Rs. 910 million.

Airport turns grazing field

The only airfield in Rolpa district has turned into a grazing field for cattle as it could not come into operation for long.

The people in the district have been greatly inconvenienced due to the non-operation of the only airport in the district that lacks in road transport.

The Badachaur airport in the district which was constructed 24 years back is lying idle for as many years as the aviation company did not operate flights citing poor business prospects.

The airfield now looks like a beautiful garden. It was used as a training ground for Maoist combatants during the conflict period. Maoists have even dug bunkers at the airport and the entire physical infrastructure at the airport has been destroyed.

Locals have requested for bringing the airport into operation but their requests have fallen on deaf ears.

Govt. to bring micro credit programme

Finance Minister Surendra Pandey has said the government was active in resolving the problems seen in the economy of the country.

Speaking at the first general assembly of the Rakshashri Saving and Credit Cooperatives, he said the liquidity crunch was coming down and the increase of revenue was at high rate.

He said the government was mulling to bring micro credit programme to encourage the village people in economic development through electrification.

CA Member and businessman Rajendra Khelan said they were engaged in ensuring the economic right of the country in the new constitution and urged all to cooperate from their respective sectors.

Big hydel projects not good

Minister for Environment, Thakur Sharma has said that every village development committee should have at least one micro hydel project if the Nepalis are to live with continuous power supply.

Speaking at an interaction on renewable energy organized by the DDC here today, Minister Sharma said the Environment Ministry has proposed to the Ministry of Water Resources to establish between 1000 to 1500 kw micro hydel projects in different rural parts of the country.

Big projects require big investment and lot of time, so small and micro hydel projects should be given priority to meet the increasing demand for power in the country, he added.

Various other speakers shed light on the importance of alternative energy.

Economy under siege !

WM correspondent

The country's economy is in doldrums. Practically speaking, almost all the sectors of the economy have been pushed into a tailspin. Ambiguous policy incongruous with the basic tenets of liberal economy, paralyzing power shortage, wage dispute, and fast fading investor's confidence can be attributed to the country's gloomy economic performance.

The historic political gains the country has achieved will not be sustainable if economic sector continues to flounder in crisis.

Recent industrial data poignantly mirrors the sorry state of the country's economy. A string of political and non-political problems have forced industries situated in the 10 industrial estates - Balaju, Patan, Bhaktapur, Helauda, Dharan, Nepalgunj, Pokhara, Butwal, Birendranagar and Rajbiraj - to halt their operation.

The abrupt closure of industries across the country has rendered people jobless. Experts are fearing that the ongoing industrial crisis may unleash the flood of unemployment which in turn might jolt the current societal balance.

It can be safely predicted that the industrial sector will continue go downward hill due primarily to outrageous power cuts and swelling

mistrust between employers and laborers.

Industrialists have been warning that if the prevailing problems dogging the industries are not sorted out immediately, a large number of medium-range industries that are posting marginal profits will face debacle, rendering some 700 thousand people jobless.

This likely scenario will not only prevent both domestic and foreign direct investment in any venture, but it might also spark off an unprecedented industrial unrest.

While talking specifically about the wage dispute, various trade union leaders are saying the reluctance on the part of industrialists to abide by the basic labour rights has stimulated them to launch protests for the sake of workers. On the other hand, the employers have been accusing that political parties are using their respective trade unions to create industrial anarchy to gain petty political advantages.

In fact, the lack of a comprehensive labor law can be ascribed to the recent onset of wrangling between employers and employees. This has also inhibited the expansion of labour market. It won't be imprudent to say that the rigid labour law has prevented the workers from widening the prospects

to raise their incomes to comfortably meet their basic needs apart from discouraging investors to make new investments.

Likewise, another grave challenge for the economy is a whopping inflation rate of over 14 percent. The failure on the part of the government to regulate retail markers has also somewhat contributed in swelling of inflation rate.

Depressingly low expenditure in the development sector also does not augur well to the economy. Spending in development activities during the last six months of the current fiscal year has declined by 27 percent. If to believe credible reports, low capital expenditure in development activities is the output of slow works in big projects either due to shortage of power or escalating labor disputes.

Similarly, the global economic meltdown has also already started to hit the inflow of remittance-one of the major pile-drivers of the country's economy. Majority of Nepali overseas workers are in Malaysia and Qatar and these countries have been drastically cutting recruitment of migrant Nepali workers. The inflow of remittance has gone down in comparison to the corresponding period of the last year.

The slum in remittance will adversely affect the spending in



San Miguel BEER

International :

The opium wars in Afghanistan

By Alfred W McCoy

In ways that have escaped most observers, the Barack Obama administration is now trapped in an endless cycle of drugs and death in Afghanistan from which there is neither an easy end nor an obvious exit.

After a year of cautious debate and costly deployments, President Obama launched his new Afghan war strategy at 2:40am on February 13, 2010, in a remote market town called Marjah in southern Afghanistan's Helmand province. As a wave of helicopters descended on Marjah's outskirts, spitting up clouds of dust, hundreds of US Marines dashed toward the town's mud-walled compounds through fields sprouting opium poppies.

After a week of fighting, US war commander General Stanley McChrystal choppered into town with Afghanistan's vice president and Helmand's provincial governor. Their mission: a media roll-out for the general's new-look counterinsurgency strategy based on bringing government to remote villages just like Marjah.

At a carefully staged meet-and-greet with some 200 villagers, however, the vice-president and provincial governor faced some unexpected, unscripted anger. "If they come with tractors," one Afghani widow announced to a chorus of supportive shouts from her fellow farmers, "they will have to roll over me and kill me before they can kill my poppy."

For these poppy growers and thousands more like them, the return of government control, however contested, brought with it a perilous threat: opium eradication.

Throughout all the shooting and shouting, American commanders seemed strangely unaware that Marjah might qualify as the world's heroin capital - with hundreds of laboratories, reputedly hidden inside the area's mud-brick houses, regularly processing the local poppy crop into high-grade heroin. After all, the surrounding fields of Helmand produce 40% of the world's illicit opium supply, and much of this harvest has been traded in Marjah.

Rushing through those opium fields to attack the Taliban on day one of this offensive, the Marines missed their real enemy, the ultimate force behind the Taliban insurgency, as they pursued just the latest crop of peasant guerrillas whose guns and wages are funded by those poppy plants.

These three eras of almost constant warfare fueled a relentless rise in Afghanistan's opium harvest - from just 250 tonnes in 1979 to 8,200 tonnes in 2007. For the past five years, the Afghan opium harvest has accounted for as much as 50% of the country's gross domestic product (GDP) and provided the prime ingredient for over 90% of the world's heroin supply.

In recent years, opium farming has supported 500,000 Afghan families, nearly 20% of the country's estimated population, and funds a Taliban insurgency that has, since 2006, spread across the countryside.

To understand the Afghan War, one basic point must be grasped: in poor nations with weak state services, agriculture is the foundation for all politics, binding villagers to the government or warlords or rebels. The ultimate aim of counterinsurgency strategy is always to establish the state's authority. When the economy is illicit and by definition beyond government control, this task becomes monumental. If the insurgents capture that illicit economy, as the Taliban have done, then the task becomes little short of insurmountable.

Opium is an illegal drug, but Afghanistan's poppy crop is still grounded in networks of social trust that tie people together at each step in the chain of production. Crop loans are necessary for planting, labor exchange for harvesting, stability for marketing, and security for shipment. So dominant and problematic is the opium economy in Afghanistan today that a question Washington has avoided for the past nine years must be asked: Can anyone pacify a full-blown narco-state?

The answer to this critical question lies

in the history of the three Afghan wars in which Washington has been involved over the past 30 years - the CIA covert warfare of the 1980s, the civil war of the 1990s (fueled at its start by US\$900 million in CIA funding), and since 2001, the US invasion, occupation, and counterinsurgency campaigns. In each of these conflicts, Washington has tolerated drug trafficking by its Afghan allies as the price of military success - a policy of benign neglect that has helped make Afghanistan today the world's number one narco-state.

CIA covert warfare, spreading poppy fields

Opium first emerged as a key force in Afghan politics during the CIA covert war against the Soviets, the last in a series of secret operations that it conducted along the mountain rim-lands of Asia which stretch for 8,000 kilometers from Turkey to Thailand.

In the late 1940s, as the Cold War was revving up, the United States first mounted covert probes of communism's Asian underbelly. For 40 years thereafter, the CIA fought a succession of secret wars along this mountain rim - in Burma (now Myanmar) during the 1950s, Laos in the 1960s, and Afghanistan in the 1980s. In one of history's ironic accidents, the southern reach of communist China and the Soviet Union had coincided with Asia's opium zone along this same mountain rim, drawing the CIA into ambiguous alliances with the region's highland warlords.

Washington's first Afghan war began in 1979, when the Soviet Union invaded the country to save a Marxist client regime in Kabul, the Afghan capital. Seeing an opportunity to wound its Cold War enemy, the Reagan administration worked closely with Pakistan's military dictatorship in a 10-year CIA campaign to expel the Soviets.

This was, however, a covert operation unlike any other in the Cold War years. First, the coalition of CIA secret operations and Soviet conventional warfare led to the devastation of Afghanistan's fragile highland ecology, damaging its traditional agriculture beyond immediate recovery, and fostering a growing dependence on the international drug trade. Of equal import, instead of conducting this covert warfare on its own, as it had in Laos in the Vietnam War years, the CIA outsourced much of the operation to Pakistan's Inter-Service Intelligence (ISI), which soon became a powerful and ever-more problematic ally.

Although this area had zero heroin production in the mid-1970s, the CIA's covert war served as the catalyst that transformed the Afghan-Pakistan borderlands into the world's largest heroin producing region. As mujahideen guerrillas captured prime agricultural areas inside Afghanistan in the early 1980s, they began collecting a revolutionary poppy tax from their peasant supporters.

Druglords, dragon's teeth and civil wars

Throughout the 1990s, ruthless local warlords mixed guns and opium in a lethal brew as part of a brutal struggle for power. It was almost as if the soil had been sown with those dragons' teeth of ancient myth that can suddenly sprout into an army of full-grown warriors, who leap from the earth with swords drawn for war.

During this seemingly unending civil war, rival factions leaned heavily on opium to finance the fighting, more than doubling the harvest to 4,600 tonnes by 1999. Throughout these two decades of warfare and a 20-fold jump in drug production, Afghanistan itself was slowly transformed from a diverse agricultural ecosystem - with herding, orchards, and over 60 food crops - into the world's first economy dependent on the production of a single illicit drug. In the process, a fragile human ecology was brought to ruin in an unprecedented way.

During these two decades of war, however, modern firepower devastated the herds, damaged snowmelt irrigation systems, and destroyed many of the orchards. While the Soviets simply

blasted the landscape with firepower, the Taliban, with an unerring instinct for their society's economic jugular, violated the unwritten rules of traditional Afghan warfare by cutting down the orchards on the vast Shamali plain north of Kabul.

Since poppy cultivation requires nine times more labor per hectare than wheat, opium offered immediate seasonal employment to more than a million Afghans - perhaps half of those actually employed at the time. In this ruined land and ravaged economy, opium merchants alone could accumulate capital rapidly and so give poppy farmers crop loans equivalent to more than half their annual incomes, credit critical to the survival of many poor villagers.

In marked contrast to the marginal yields the country's harsh climate offers most food crops, Afghanistan proved ideal for opium. On average, each hectare of Afghan poppy land produces three to five times more than its chief competitor, Burma. Most important of all, in such an arid ecosystem, subject to periodic drought, opium uses less than half the water needed for staples such as wheat.

After taking power in 1996, the Taliban regime encouraged a nationwide expansion of opium cultivation, doubling production to 4,600 tonnes, then equivalent to 75% of the world's heroin supply. Signaling its support for drug production, the Taliban regime began collecting a 20% tax from the yearly opium harvest, earning an estimated \$100 million in revenues.

During the 1990s, Afghanistan's soaring opium harvest fueled an international smuggling trade that tied Central Asia, Russia, and Europe into a vast illicit market of arms, drugs, and money-laundering. It also helped fuel an eruption of ethnic insurgency across a near 5,000 kilometer swath of land from Uzbekistan in Central Asia to Bosnia in the Balkans.

By then, however, Afghanistan had become dependent on poppy production for most of its taxes, export income, and employment. In effect, the Taliban's ban was an act of economic suicide that brought an already weakened society to the brink of collapse. This was the unwitting weapon the US wielded when it began its military campaign against the Taliban in October 2001. Without opium, the regime was already a hollow shell and essentially imploded at the bursting of the first American bombs.

After five years of the US occupation, Afghanistan's drug production had swollen to unprecedented proportions. In August 2007, the UN reported that the country's record opium crop covered almost 20,000 hectares, an area larger than all the coca fields in Latin America. From a modest 185 tonnes at the start of American intervention in 2001, Afghanistan now produced 8,200 tonnes of opium, a remarkable 53% of the country's GDP and 93% of global heroin supply.

In this way, Afghanistan became the world's first true "narco-state". If a cocaine traffic that provided just 3% of Colombia's GDP could bring in its wake endless violence and powerful cartels capable of corrupting that country's government, then we can only imagine the consequences of Afghanistan's dependence on opium for more than 50% of its entire economy.

At a drug conference in Kabul in March, the head of Russia's Federal Narcotics Service estimated the value of Afghanistan's current opium crop at \$65 billion. Only \$500 million of that vast sum goes to Afghanistan's farmers; \$300 million goes to the Taliban guerrillas, and the \$64 billion balance "to the drug mafia", leaving ample funds to corrupt the Karzai government in a nation whose total GDP is only \$10 billion.

Indeed, opium's influence is so pervasive that many Afghan officials, from village leaders to Kabul's police chief, the defense minister, and the president's brother, have been tainted by the traffic.

Not only have drug taxes funded an expanding guerrilla force, but the Taliban's role in protecting opium farmers and the

heroin merchants who rely on their crop gives them real control over the core of the country's economy. In January 2009, the UN and anonymous US intelligence officials estimated that drug traffic provided Taliban insurgents with \$400 million a year. "Clearly," commented Defense Secretary Robert Gates, "we have to go after the drug labs and the druglords that provide support to the Taliban and other insurgents."

Preliminary reports on the 2010 Afghan opium harvest, which starts next month, indicate that the drug problem is not going away. Some US officials who have surveyed Helmand's opium heartland see signs of an expanded crop. Even the UN drug experts who have predicted a continuing decline in production are not optimistic about longer-term trends. Opium prices might decline for a few years, but the price of wheat and other staple crops is dropping even faster, leaving poppies as by far the most profitable crop for poor Afghan farmers.

Ending the cycle of drugs and death

With its forces now planted in the dragon's teeth soil of Afghanistan, Washington is locked into what looks to be an unending cycle of drugs and death. Every spring, in those rugged mountains, the snows melt, the opium seeds sprout, and a fresh crop of Taliban fighters takes to the field, many to die by lethal American fire. And the next year, the snows melt again, fresh poppy shoots break through the soil, and a new crop of teenaged Taliban fighters pick up arms against America, spilling more blood. This cycle has been repeated for the past 10 years and, unless something changes, can continue indefinitely.

Is there any alternative? Even were the cost of rebuilding Afghanistan's rural economy - with its orchards, flocks, and food crops - as high as \$30 billion or, for that matter, \$90 billion, the money is at hand. By conservative estimates, the cost of President Obama's ongoing surge of 30,000 troops alone is \$30 billion a year. So just bringing those 30,000 troops home would create ample funds to begin the rebuilding of rural life in Afghanistan, making it possible for young farmers to begin feeding their families without joining the Taliban's army.

Short of another precipitous withdrawal akin to 1991, Washington has no realistic alternative to the costly, long-term reconstruction of Afghanistan's agriculture. Beneath the gaze of an allied force that now numbers about 120,000 soldiers, opium has fueled the Taliban's growth into an omnipresent shadow government and an effective guerrilla army.

The idea that our expanded military presence might soon succeed in driving back that force and handing over pacification to the illiterate, drug-addicted Afghan police and army remains, for the time being, a fantasy. Quick fixes like paying poppy farmers not to plant, something British and Americans have both tried, can backfire and end up actually promoting yet more opium cultivation. Rapid drug eradication without alternative employment, something the private contractor DynCorp tried so disastrously under a \$150 million contract in 2005, would simply plunge Afghanistan into more misery, stoking mass anger and destabilizing the Kabul government further.

So the choice is clear enough: we can continue to fertilize this deadly soil with yet more blood in a brutal war with an uncertain outcome - for both the United States and the people of Afghanistan. Or we can begin to withdraw American forces while helping renew this ancient, arid land by replanting its orchards, replenishing its flocks, and rebuilding the irrigation systems ruined in decades of war.

At this point, our only realistic choice is this sort of serious rural development - that is, reconstructing the Afghan countryside through countless small-scale projects until food crops become a viable alternative to opium. To put it simply, so simply that even Washington might understand, you can only pacify a narco-state when it is no longer a narco-state.

(Edited version)

~ News ~

China opposes nuclear proliferation, nuclear terrorism: President Hu

Chinese President Hu Jintao said on Friday that China always attaches great importance to the issue of nuclear security, opposing nuclear proliferation and nuclear terrorism, and supporting international efforts to enhance cooperation on nuclear security.

Hu made the remarks during a phone conversation with U.S. President Barack Obama.

He also said China is willing to work closely with the United States and other sides concerned so as to make sure that the upcoming April 12-13 Nuclear Security Summit in Washington is successful and fruitful.

(Xinhua)

Afghan and Chinese presidents sign trade agreements

The presidents of Afghanistan and China have signed agreements on trade and economic co-operation aimed at boosting the war-torn Afghan economy.

The deals followed talks in Beijing between Hamid Karzai and Hu Jintao, who said China would always support and aid Afghanistan in its reconstruction.

Mr Hu also said both countries would "actively strike at terrorism, separatism and religious extremism".

Mr Karzai vowed to guarantee the safety of Chinese companies and personnel.

China and Afghanistan share a narrow border in the Pamir Mountains.

Mineral deposits

The three agreements signed on Wednesday covered economic co-operation, training programmes and the granting of preferential tariffs for some Afghan exports to China. Further details were not given.

President Hu said his Afghan counterpart's visit would help "take our comprehensive and co-operative partnership to a new level".

China "will always support and aid Afghanistan in its peaceful reconstruction and support Afghanistan's efforts to establish sovereignty, independence and territorial integrity", he was quoted as saying by CCTV state television.

"Both sides should... strike actively at terrorism, separatism and religious extremism and organised cross-border crimes in an effort to maintain regional peace and stability," Mr Hu added.

Beijing alleges that militant separatists in its predominantly Muslim far-western region of Xinjiang have received training and shelter from Afghan insurgents.

Mr Karzai, meanwhile, said China played a "very important role in the stability of Afghanistan and the region", according to CCTV.

"Afghanistan is honoured to have a friend and neighbour like China," he said.

The BBC's Michael Bristow in Beijing says cash-rich China is looking to secure deals on developing Afghanistan's mineral deposits.

In 2007, a Chinese company won a tender to develop one of the world's largest copper mines in Afghanistan.

The state-owned China Metallurgical Group promised to invest nearly \$3bn (£2bn) in the mine at Aynak in the province of Logar.

There are also suggestions that the Afghans want to discuss natural gas fields and iron ore deposits, our correspondent adds.

China is a major source of consumer goods for Afghanistan. However, bilateral trade totalled only \$155m in 2008.

Mr Karzai's delegation in China included his foreign and defence ministers along with 20 leading businesspeople.

BBC

Iran's International Nuclear disarmament summit challenges US-NATO

Officials from the International Atomic Energy Agency (IAEA) will be in attendance

Iran's Foreign Ministry Spokesman Ramin Mehmanparast says Tehran's international conference on nuclear disarmament has been widely welcomed.

According to Mehmanparast, the conference dubbed "Nuclear energy for all, nuclear weapons for none," will be held in Tehran on April 17th and 18th.

"Officials from various countries, international organizations, and non-governmental organizations have been invited to attend the conference," the Iranian spokesperson added.

Iran's Ambassador to the International Atomic Energy Agency (IAEA) Ali Asghar Soltanieh said that senior officials from the International Atomic Energy Agency (IAEA) and the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBT) will also attend the disarmament summit.

"The conference has been widely welcomed by all countries," he went on to say.

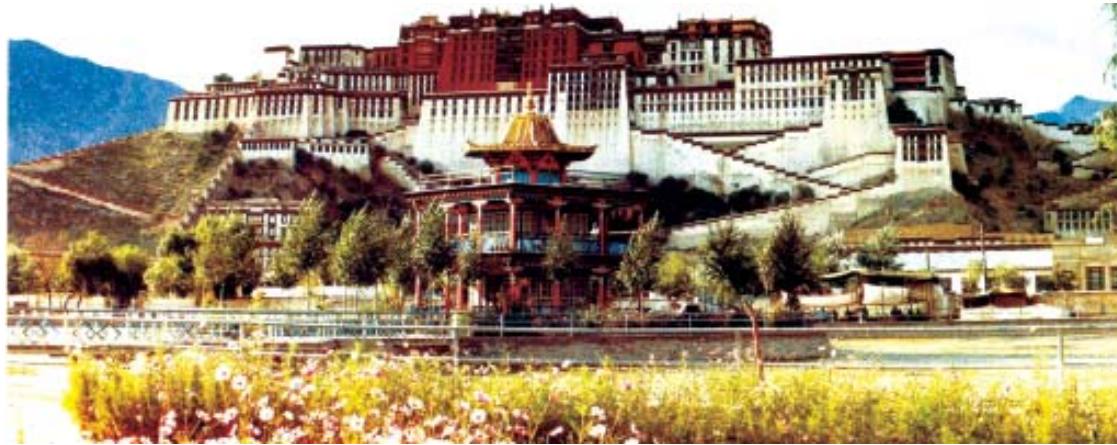
Mehmanparast further pointed out that all the countries in the world have the right to use peaceful nuclear energy.

"We believe the world must be free from nuclear weapons," he asserted. Earlier, Mehmanparast had urged the countries which possess nuclear weapons to destroy their atomic armaments.

"We insist that all countries must be committed to nuclear disarmament," he said early February.



Who Founded Potala Palace?



Introduction:

Standing loftily above the Lhasa valley Potala Palace of today was built on Red Hill (Tib. dMar po Ri) which dominates the city of Lhasa. No journey to the 'Roof of the World' is complete without a visit to Potala Palace the construction of which began in 1645 during the reign of Great Fifth Dalai Lama. It is said that the White Palace

residence of Bodhisattva Avalokiteshvara.

Concerning the antiquity of the Potala Palace the learned Tibetan scholar Mr. Tiley Chodag says that the cave of the Religious king "Chogyal Drupug" is said to have been built to commemorate Srong btsan sgam po's meditation on the Red Hill in his youth. Constructed in the seventh century, it

four gates consisting of Torana similar to the city of gandharvas with sweet fragrance.

So as to create fear to others she established 999 fortresses inside the boundary wall and in the center of the Red Hill she built a high central tower. At the top of each fortress a red flag was fastened to it. Just like Lankapur, the city of demons, only by seeing (it creates) fear to others. The strength of this fortress is such that even the four kings of the four directions attack it at the same time (fol. 118a) only five people can defend it. One man was stationed at the top of the king's palace to watch (over the city) and four strong people guard it in each of the four gates and these five men can protect the city. In addition she also built another nine storied palace in the southern plane. These two royal palaces were linked by a silvery bridge which enables the king and Khri-bstun go from one place to another. In this way she built the great palace of Lhasa.

If the foreign soldier happened to see it they will be frightened. If one hears it they will be envious. Outside the eastern gate of the palace a ditch was dug the length of which was 300 fathoms, 18 fathoms in the breadth and two fathoms in depth. At the bottom there were laid many bricks and slabs successively one above another. Finally, there were polished wood placed on the top of the surface. If one horse runs the sound produced echoed just like the sound of three horses. The manner how this palace was built in painted in the western wall of the Ra-sa 'Phrul Nang Temple.'

III. The description of the site:

According to written records, when it was built 1300 years ago, Potala had 999 rooms, the addition of this cave

Chogyal Drupug Cave and the Phagpa Lhakhang.

The Potala has served as the home of successive Dalai Lamas and their monastic staff from the time of the fifth Dalai Lama until that of the present Dalai Lama, Tendzin gyatso, the fourteenth. The palace is divided into main sections, the Red Palace and the White Palace.

Red Palace:

The Red Palace is founded in 1690 is situated in the middle of the complex and consists of the buildings which are mostly painted red. They included the tombs of the Dalai Lamas and a great assembly hall.

The Dalai Lamas lived and worked in the Red Palace, the Central, squarish structure that rises out of the mass of the surrounding White Palace. From the inner courtyard you enter the Red Palace by a steep wooden stairway. You will see Official Reception Hall. It is dominated by a large throne,

The White Palace:

The White Palace was constructed between 1645 and 1648. It consists of the living quarters, reception rooms, meeting rooms, granaries and assembly halls.

It has large enclosed area of 40 hectares surrounded by thick walls made of stone with a large fortified gates facing south. It is said that the construction of the Potala used the labour of 7000 people including 182 Nepalese craftsmen.

II. Maitreya chapel

In the upper floor, there is a large, beautiful statue of seated Maitreya. It is said that the statue was commissioned by Eight Dalai Lama. The throne facing Maitreya was

of the chapel. There is also a complete set of collected works of Fifth Dalai Lama in this chapel.

III. Three dimensional Mandala

This shrine room was commissioned by Seventh Dalai Lama, Kelsang Gyatso

There were three mandalas of highest Yoga yoga tantra deities namely Guhyas samaja, Cakra samvara and Yamantaka. In addition to that there are also 35 Buddhas of confession, and Twenty One- Taras.

IV. Tomb of the XIII Dalai lama

In this shrine the tomb of thirteenth Dalai Lama was erected. In the walls

Min Bahadur Shakya*

the eight and ninth dalai lamas. there are several other statues of exquisite beauty.

VI. Kalacakra Chapel

This mandala is about 12 ft. in diameter and eight ft. high, with every detail accurately rendered. One can see at right side a life size statue of Kalacakra deity with his consort visvamata. In the left shelves, there are statues of 176 lamas of Kalachakra lineage who handed down the tradition to his disciples. In the right, there are

VII. Shakyamuni Chapel

In this shrine the main figures are Buddha shakyamuni flanked by the eight Great Bodhisattvas. There is a throne mostly used by seventh Dalai Lama, Kelsang Gyatso. In the opposite side of the throne there is a set of eight thangkas of Eight Medicine Buddhas.

VIII. Amitayus Chapel

A set of Nine statues of Amitayus are preserved in this shrine. It was built by Eight Dalai Lama.

IX. Dharmaking Chapel.

This cave is one of the oldest rooms in the Potala. Srong btsan Gampo is said to have used this dark as his meditation chamber. This chamber is filled with beautiful statues. Looking around at the Chogyal Drupug's shiny walls blackened by incense smoke, you can faintly see that all four walls have



was finished in 1648 and that the Red Palace was completed only in 1694, twelve years after the death of the Dalai Lama.

During the Reign of Srong btsan Gampo (629-650), he built the Red Hill Palace called Kukhar Phodrang of thirteen storeyed height mainly of mortar, stones and timber according to the scheme of the plan designed by Nepalese artists on behalf of Nepalese Princess Bhrikuti Devi. The palace is named after Mt. Potala in South India, one of the holy mountains. The Buddhist dedicated this mountain to Avalokiteshvara, the bodhisattva of compassion and gave the name "Potala" to the pureland where Avalokiteshvara resides. Since both Srong btsan Gampo and the Dalai lamas were considered to be incarnation of Avalokiteshvara "Potala" was the right name for the welling.

We are told that she built a nine storeyed palace Sog po mKhar for herself joined by a silver bridge for coming and going of Nepalese Princess from the king's palace. But it was burnt down by an invading Chinese army during the reign of his successor Mangson Mangtsen. But fortunately, there are still two rooms inside the Potala Palace which dates back to early seventh century.

Learned Tibetologist Mr. Stephen Batchelor says that it is impossible to tell how extensive this palace was and what it was like. At present Potala Palace occupies 130,000 sq. meters of area and measures 117.19 meter high. It has 999 rooms and halls filled with master piece of arts, sculptures and architectural designs influenced by Nepalese, Chinese and indigenous Tibetan character. This building was named The Potala Palace after Mt. Potala in South India, the holy

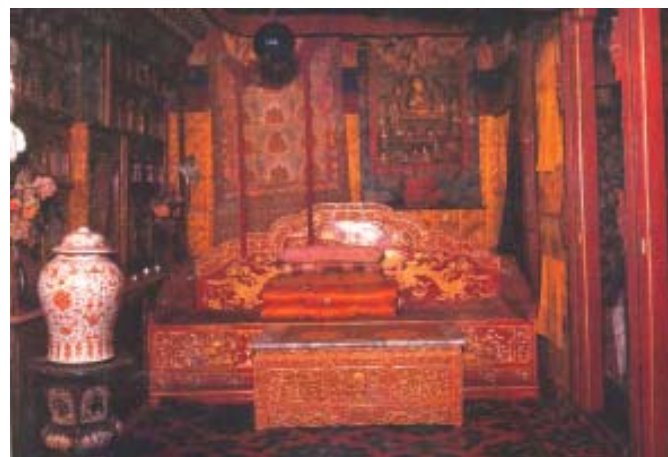
is the most ancient part of the Potala.

II. Legends on the origin of Potala Palace

We have translated below some passages from Mani bKa 'bum 'folio (117a-118a) Punakha ed. which gives us some ideas about original Red Palace and its dimension.' (folio 117a) "Then the king used to sit always in front of his tutelary deity and remained inseparable from it. Lha gcig Khri-bstun thought thus: "The king is beyond (the world of human activity).

It is amazing to see the countenance of the king. He never goes out of the palace. (fol. 117b). What is the cause of this? I want to ask him. But he does not understand my Nepali language (to speak with him) and I, too do not understand his Tibetan language. Of course, he must be afraid of outside soldiers. As a solution to this matter I think I must find a means to please him. "So she prayed to Jewel Alms bowl and then all sorts of nectars of different colors sprang forth from it. She then gave these to all evil spirits and demons mixing with precious objects of enjoyments.

Around the Red Hill palace she constructed a square size strong wall of 8km perimeter in extent. In the four corners of the area she put the foundation of the bricks having 34 volumes of bricks size. On that foundation she raised the brick walls of nine storied height. In each successive stories of the building two figures of tiger and lion were put inside. Again, in order that the city look beautiful various kinds of motifs and design encircled by pearls were decorated around Torana and the roof of the building. There were bells hanging from the roofs which produce gentle sounds like sil-sil. There were



shrine making the figure up to 1000. Formerly, Potala was built on a vast scale, but due to fire damage caused by lightning strikes and sudden attacks, the original construction was almost leveled to the ground leaving only the

used by all the Dalai Lamas from the 8th to the 14th. the chapel is adorned by a host of important tantric deities namely Kalacakra, Ksitigarbha Bodhisattva, and Acala. There is a complete set of Tanjur in the upper wall

seventh century. This small central statue is a heavily jewelled and gilded standing image of Avalokiteshvara, made of sandalwood. To the left of the main images are the 10th Dalai Lama and Tsong Khapa and to the right are

there are many images surrounded by his teachers, ministers and other important figures. The stupa is two storeys high. It is a mass of softly glowing gold.

V. Lokeshvara Chapel

This shrine is the one of the oldest shrines in the Potala dating back to the

been dug out to form a cave. Under the gloomy electric light, the life like sculptures of Srong btsan sgam po, Bhrikuti Devi, Weng chen Kongjo, mGar Tongtsan and Thon mi Sambhota could be read.

IV. Textual sources:

Concerning the historicity of this legend we cannot find the sources beyond the date of composition of Mani bKa' bum. This version being the earliest we have included here. Similar accounts deriving from this sources can be found in rGyal rabs, The Chronicles of Fifth Dalai Lama and the rNam Thar.

IV. Conclusion:

It seems that Potala Palace is one of the unique architectural buildings of the world.

Nepalese Princess Bhrikuti had laid the foundation in its early structure in the seventh century. Due to historic evolution and invasion, there are no remains of seventh century structure except Chogyal Dhupug where three beautiful images of Srong btsan Gampo, Bhrikuti and Princess Wengchen are still remaining. It is because of contribution of these two princesses i.e Han and Nepalese that the Tibetan culture was developed in its present form. It is a unique building which unites two cultures between Nepal and China. Thanks to emperor Srong btsan Gampo of Tibet who initiated sweet relation between Nepal and China.

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